

ASPIRE MINING LIMITED
ACN 122 417 243

PROSPECTUS

A placement of 300,000,000 Shares at an issue price of \$0.02 per Share, together with an attaching Option for every two Shares subscribed for, to raise up to \$6,000,000, with the ability to accept Oversubscriptions of up to 50,000,000 Shares to raise an additional \$1,000,000 (**Placement**) (**Offer**).

The Placement shall include a \$2,000,000 Priority Allocation pool to Eligible Shareholders with each Eligible Shareholder having a priority entitlement of \$15,000 (subject to scale back) (**Priority Allocation**) (the Placement and the Priority Allocation together the **Offer**).

The Offer is conditional upon Shareholders approving, at the General Meeting to be held on Tuesday 2 June 2015, the issue of the Shares and Options offered by this Prospectus. Please refer to section 5 of this Prospectus for further details.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Mr David McSweeney
(Non-Executive Chairman)

Mr David Paull
(Managing Director)

Mr Neil Lithgow
(Non-Executive Director)

Mr Sado Demchigsuren Turbat
(Non-Executive Director)

Ms Hannah Badenach
(Non-Executive Director)

Company Secretary

Mr Phil Rundell

Share Registry*

Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

Tel: +61 8 9315 2333
Fax: +61 8 9315 2233

Auditors*

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000 Australia

PriceWaterHouseCoopers Audit LLC
Central Tower, 6th Floor, Suite 601
Sukhbaatar Square, SDB-8
Ulaanbaatar 14200 Mongolia

Registered Office

Suite B3, 431-435 Roberts Road
Subiaco WA 6008
Australia

Tel: + 61 8 9287 4555
Fax: +61 8 9388 1980
Website: www.aspiremininglimited.com
Email: info@aspiremininglimited.com

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Lead Manager

Argonaut Securities Pty Limited
Level 30, Allendale Square
77 St Georges Terrace
Perth, WA, 6000

Phone: +61 8 9224 6888
Fax: +61 8 9225 5511

* These entities are included for information purposes only. They have not been involved in the preparation of this Prospectus and have not consented to being named in this Prospectus.

2. TIMETABLE

Record Date	5:00 p.m. Tuesday 28 April 2015
Opening Date	Wednesday 29 April 2015
Closing Date	Friday 29 May 2015
General Meeting Date	Tuesday 2 June 2015
Allotment of Securities	Wednesday 3 June 2015
Quotation of Securities issued under the Offer	Friday 5 June 2015

Note that the above timetable is indicative and subject to change.

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3. IMPORTANT NOTES

This Prospectus is dated 29 April 2015 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

3.1 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in section 8 of this Prospectus. These risks, together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

3.2 Forward-looking statements

This Prospectus contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking

statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this prospectus, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in section 8 of this Prospectus.

4. CHAIRMAN'S LETTER

Dear Investor,

On behalf of the Directors, I am pleased to present this Prospectus offering you the opportunity to acquire Securities in Aspire Mining Limited (**Company**).

Details of the Offer, which is conditional upon Shareholder approval, and how the funds raised will be allocated, are set out in Sections 5 and 6 of this Prospectus.

The Company is the largest coal tenement holder in northern Mongolia's Orkhon-Selenge Basin, which in turn is the largest coal basin in Mongolia. The Company has been actively exploring in Mongolia since the acquisition of its world class Ovoot coking coal project in early 2010.

In 2014 the Company acquired a 50% stake in the Ekhgoviin Chuluu Joint Venture. The Ekhgoviin Chuluu Joint Venture owns a 60% interest in the Nuurstei coking coal project (**Nuurstei Project**) with an option to raise this interest to 90%. Nuurstei lies approximately 10 kilometres to the south west of the provincial capital of Moron in northern Mongolia. The Company has also recently negotiated a 12 month option to acquire Noble's 50% interest in the Ekhgoviin Chuluu Joint Venture.

The Company believes that the Nuurstei Project, subject to a successful 2015 exploration and pre-development programme, has the potential to become a near term road-based development opportunity whilst the Company awaits the development of the Mongolian government's planned Erdenet-Ovoot-Arts-Suuri railway, which both the Nuurstei and Ovoot coking coal projects would benefit from. The Company's rail subsidiary, Northern Railways LLC, is currently engaged with the Mongolian government in negotiating a rail concession agreement for the Erdenet to Ovoot section of this railway.

The funds raised under the Offer will be used for further exploration of the Nuurstei and Ovoot coking coal projects, technical studies and negotiation for rail related agreements for Northern Railways LLC, debt servicing costs and general working capital purposes.

As a strong sign of support, the Company has received firm commitments for up to \$2,100,000 through Neil Lithgow (a Director and an existing shareholder) and each of the other Directors committing to participate in the Offer.

This Prospectus contains detailed information about the Offer and the Company's business, as well as the risks of investing in the Company and you should read it in full. I look forward to your participation in the Offer.

Yours sincerely,

DAVID MCSWEENEY
NON-EXECUTIVE CHAIRMAN
ASPIRE MINING LIMITED

5. DETAILS OF THE OFFER

5.1 The Offer

The Prospectus invites subscriptions for 300,000,000 Shares at an issue price of \$0.02 per Share, together with one attaching Option for every two Shares subscribed for, to raise \$6,000,000 (exclusive of Oversubscriptions).

Priority Allocation

Up to \$2,000,000 (100,000,000 Shares and 50,000,000 Options) of the Offer will be made available for subscription by Eligible Shareholders pursuant to the Priority Allocation, with each Eligible Shareholder entitled to up to \$15,000 (750,000 Shares and 375,000 Options) which may be applied for in parcels of \$2,000, \$5,000, \$10,000 or \$15,000 worth of Shares. In addition, Eligible Shareholders may subscribe for above \$15,000 (in increments of \$1,000). Such additional subscriptions shall not be considered an entitlement for the purpose of determining the Priority Allocation. No Eligible Shareholder shall be issued less than \$2,000 or more than 5% of the securities offered under the Priority Allocation (being, for the avoidance of doubt, 5,000,000 Shares and 2,500,000 Options).

Should Applications for the Priority Allocation exceed \$2,000,000, such Applications will either be scaled back or considered as part of the Placement at the discretion of the Company (to the extent the Placement is not Oversubscribed). Any Shares not allocated under the Priority Allocation may be allocated under the Placement.

Applications under the Priority Allocation will be allocated at the discretion of the Company and the final allocation decision will be at the sole discretion of the Board.

This Prospectus also contains a Cleansing Offer for the purpose of removing secondary trading restrictions on the sale of Shares issued without disclosure after the date of this Prospectus. Further details of the Cleansing Offer are set out in Section 5.6.

Options

The terms and conditions of the Options, including the exercise price, are set out in section 7.2 of this Prospectus. Fractional entitlements will be rounded up to the nearest whole number. Application will be made to ASX for the Options to be quoted. Investors should note that approval will be subject to certain conditions being satisfied.

General

All of the Securities offered under this Prospectus will rank equally with the Securities on issue at the date of this Prospectus. Please refer to section 7 for further information regarding the rights and liabilities attaching to the Securities.

The purpose of the Offer and the intended use of funds raised are set out in section 6.1 of this Prospectus.

The Offer is conditional upon Shareholder approval being obtained at the General Meeting. If the Shareholders do not approve the issue of Shares and the grant of Options considered by this Prospectus, the Offer shall be rendered void.

5.2 Opening and Closing Dates

Subscription lists will open on the Opening Date and will remain open until 5:00 p.m. WST on the Closing Date, unless the Placement is closed at an earlier date and time, at the discretion of the Directors, without prior notice. Applicants are therefore encouraged to submit their Application Forms as early as possible. The Company reserves the right to extend the Placement or accept late Applications.

5.3 Minimum subscription

The Minimum Subscription in respect of the Offer is \$2,750,000. No Securities will be issued until the Minimum Subscription has been received. If the Minimum Subscription is not achieved within four (4) months of the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

Any Securities not subscribed for under the Priority Allocation may be available under the Placement at the Discretion of the Company.

5.4 Oversubscriptions

The Company may accept Oversubscriptions to the Placement of up to 50,000,000 Shares and 25,000,000 Options, raising an additional \$1,000,000.

5.5 Applications

Applications for Securities must be made using the Application Form.

Completed Application Forms and any accompanying cheques must be delivered to the Company's Share Registry as follows:

Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

Completed Application Forms must be received at the above address by no later than the Closing Date.

Eligible Shareholders and investors should refer to the terms and conditions of the Application Forms for payment details.

5.6 Cleansing Offer

This Prospectus contains a Cleansing Offer Options for the purpose of removing secondary trading restrictions on the sale Options issued without disclosure after the date of this Prospectus.

Section 708A(11) of the Corporations Act provides that a sale offer does not need disclosure to investors if:

- (a) the relevant securities are in a class of securities that are quoted securities of the body;

- (b) either:
- (i) a prospectus is lodged with the ASIC on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or
 - (ii) a prospectus is lodged with ASIC before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and
- (c) the prospectus is for an offer of securities issued by the body that are in the same class of securities as the relevant securities.

Applications for Options under the Cleansing Offer must be made using the Cleansing Offer Application Form. Applications for Options under the Cleansing Offer must be for all of the Options offered under the Cleansing Offer. **Unless directed to do so by the Directors, investors should not apply for Options under the Cleansing Offer.** The Cleansing Offer shall close 10 days after the General Meeting Date.

5.7 Effect on control of the Company and Substantial Shareholders

Shareholders who are unable, or Eligible Shareholders who do not wish, to participate in the Offer, should note that their holdings will be diluted. Eligible Shareholders should also note that even if they do participate in the Offer, their holdings may be diluted depending upon the number of Shares subscribed for.

Based on publicly available information as at 20 April 2015, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Noble Resources International Pte Ltd	97,680,052	13.79
Spectral Investments Pty Ltd	79,278,501	11.19
Quam Securities Company Limited	59,347,056	8.38
Badamdandin Battuvshin	49,800,000	7.03
Khadbaasan Bat Erdene	45,000,000	6.35
Gan-Ochir Zunduisuren	43,300,000	6.11

1. Held on behalf of the Lithgow Family Trust, of which Neil Lithgow is a beneficiary.

Spectral Investments Pty Ltd

Neil Lithgow, a Director of the Company, currently holds an 11.19% relevant interest in the Company through his directorship of Spectral Investments Pty Ltd. Neil Lithgow (and/or his nominees) has committed to subscribe for up to \$2,000,000 worth of Shares and Options pursuant to the Offer (or such other number as the Directors see fit in order to avoid Mr Lithgow from acquiring a 20% or more interest in the Company – see section 9.5). If approved, would increase Mr Lithgow's relevant interest, based on the Offer being Fully Subscribed but not Oversubscribed, and all Options and Noble Options exercised, to 18.53%.

Pursuant to the terms of the Term Sheet, the Company has agreed to grant Noble 79,000,000 options on the same terms and conditions as specified in section 7.2 of this Prospectus. Assuming that the Offer is Fully Subscribed, but not Oversubscribed, and the Options and Noble Options are exercised, Noble's shareholding in the Company will increase from 13.79% to 14.28%.

The same Term Sheet provides for Noble to be granted, subject to ASX granting a waiver of ASX Listing Rule 6.18, the right to participate in all future capital raisings of the Company. The effect is such that the Company must not undertake any future capital raisings without offering Noble a reasonable opportunity to participate. Should ASX not grant the waiver to ASX Listing Rule 6.18, the Company must use its reasonable endeavours to ensure that Noble is provided with a reasonable opportunity to participate in all future capital raisings on the same terms as other investors. The Company has applied for the ASX Listing Rule 6.18 waiver and as at the date of this Prospectus, is awaiting a response.

5.8 Lead manager

Argonaut Securities Pty Limited (**Argonaut** or **Lead Manager**) has been appointed as Lead Manager to the Offer. The terms of the appointment of the Lead Manager are summarised in section 9.4 of this Prospectus.

5.9 Not Underwritten

The Offer is not underwritten.

5.10 ASX listing

Application for Official Quotation of the Securities offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Securities offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, or such period as varied by the ASIC, the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Securities is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

5.11 Issue of Securities

Securities issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Securities issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the

commencement of this Prospectus and for Shortfall Securities issued under the Shortfall Offer as soon as practicable after their issue.

5.12 Overseas shareholders

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

No action has been taken to register or qualify the Shares or otherwise permit a public offering of the Securities the subject of this Prospectus in any jurisdiction outside Australia. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

If you are outside Australia it is your responsibility to obtain all necessary approvals for the allotment and issue of the Shares pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by you that all relevant approvals have been obtained.

(a) Hong Kong

WARNING: This Prospectus has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (**CWUMP**), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this Prospectus or to permit the distribution of this Prospectus or any documents issued in connection with it. Accordingly, the Securities have not been and will not be offered or sold in Hong Kong by means of any document other than to "professional investors" (as defined in the SFO).

No advertisement, invitation or document relating to the Securities has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person issued Securities may sell, or offer to sell, such Securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such Securities.

The contents of this Prospectus have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the Offer. If you are in doubt about any contents of this Prospectus, you should obtain independent professional advice.

(b) **Singapore**

This Prospectus and any other materials relating to the Securities have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of Securities, may not be issued, circulated or distributed, nor may the Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (**SFA**), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this Prospectus immediately. You may not forward or circulate this Prospectus to any other person in Singapore.

The Offer is not made to you with a view to the Securities being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Securities. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

(c) **New Zealand**

The Offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and the Corporations Regulations 2001. In New Zealand, this is Part 5 of the Securities Act 1978 and the Securities (Mutual Recognition of Securities Offerings - Australia) Regulations 2008.

The Offer and the content of this Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act and the Corporations Regulations 2001 (Australia) set out how the Offers must be made.

There are differences in how Securities are regulated under Australian law. For example, the disclosure of fees for collective investment schemes is different under the Australian regime.

The rights, remedies, and compensation arrangements available to New Zealand investors in Australian Securities may differ from the rights, remedies, and compensation arrangements for New Zealand Securities.

Both the Australian and New Zealand Securities regulators have enforcement responsibilities in relation to the Offer. If you need to make a complaint about the Offer, please contact the Financial Markets Authority, Wellington, New Zealand. The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian Securities is not the same as for New Zealand Securities.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The Offer may involve a currency exchange risk. The currency for the Securities is not New Zealand dollars. The value of the Securities will fluctuate according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant. If you expect the Securities to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

If the Securities are able to be traded on a Securities market, and you wish to trade the Securities through that market, you will have to make arrangements for a participant in that market to sell the Securities on your behalf. If the Securities market does not operate in New Zealand, the way in which the market operates, the regulation of participants in that market, and the information available to you about the Securities and trading may differ from Securities markets that operate in New Zealand.

5.13 Enquiries

Any questions concerning the Offer should be directed to the Lead Manager (Adam Santa Maria) on +61 8 9224 6821 or Phil Rundell, Company Secretary, on +61 8 9287 4555.

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6. PURPOSE AND EFFECT OF THE OFFER

6.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$6,000,000, with the ability to accept Oversubscriptions. No funds will be raised under the Offer from the grant of the Options.

The funds raised under this Prospectus will generally be applied towards the Company's strategy of identification, exploration and future development of quality metallurgical coal assets in Mongolia. In particular, the funds will predominately be used to continue resource drilling and coal core quality assessment of the Nuurstei Project, as set out in the table below.

Proceeds of the Offer	Minimum Subscription (\$)	Target subscription (\$)	Full Subscription (\$)	Oversubscription (\$)
Exploration of the Nuurstei Project	759,300	1,375,000	1,375,000	1,375,000
Exploration of the Ovoot coking coal project	350,000	350,000	350,000	350,000
Technical studies and negotiations for Northern Railways LLC agreements	250,000	250,000	250,000	250,000
Debt interest	550,000	550,000	550,000	550,000
Expenses of the Offer	90,700	167,700	216,700	232,700
Working capital	750,000	1,307,300	1,500,000	1,500,000
Debt reduction			1,758,300	2,742,300
Total	2,750,000	4,000,000	6,000,000	7,000,000

Notes: Refer to section 9.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

The above table is a statement of current intentions as at the date of this Prospectus. As with any budget, intervening events (including exploration success or failure) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

6.2 Effect of the Offer

The principal effect of the Offer, assuming Full Subscription but not Oversubscription is met, will be to:

- (a) increase the cash reserves by \$5,734,300 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 708,463,306 as at the date of this Prospectus to 1,008,463,306 Shares following completion of the Offer based on Full Subscription; and

- (c) increase the number of Options on granted from zero as at the date of this Prospectus to 229,000,000 following completion of the Offer (inclusive of the Noble Options).

6.3 Pro-forma balance sheet

The auditor reviewed balance sheet as at 31 December 2014 and the unaudited pro-forma balance sheet as at 31 December 2014 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. The pro-forma has been adjusted for the Offer and movements in, and assumed grant of, other securities; the reduction in cash to 31 March 2015 before the Offer; and applying the AUD/USD exchange rate at 31 March 2015 to the USD denominated loan.

The pro-forma consolidated statement of financial position has been prepared based on the audited consolidated statement of financial position as at 31 December 2014 and adjusted assuming Full Subscription and including the expenses of the Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	31 December 2014	PROFORMA
CURRENT ASSETS		
Cash	\$1,917,738	\$6,875,719
Trade and other receivables (current)	\$836,542	\$836,542
TOTAL CURRENT ASSETS	\$2,754,280	\$7,712,261
NON-CURRENT ASSETS		
Deferred exploration and evaluation expenditure	\$37,866,559	\$37,866,559
Property, plant and equipment	\$371,248	\$371,248
Intangible assets	\$17,968	\$17,968
Investment accounted for using the equity method	\$1	\$1
TOTAL NON-CURRENT ASSETS	\$38,255,776	\$38,255,776
TOTAL ASSETS	\$41,010,056	\$45,968,037
CURRENT LIABILITIES		
Trade and other payables	\$363,472	\$363,472
Loan	\$6,130,456	\$6,502,796

	31 December 2014	PROFORMA
Interest payable	\$78,604	\$78,604
TOTAL CURRENT LIABILITIES	\$6,572,532	\$6,944,872
TOTAL LIABILITIES	\$6,572,532	\$6,944,872
NET ASSETS (LIABILITIES)	\$34,437,524	\$39,023,165
EQUITY		
Issued capital	\$75,598,074	\$81,491,319
Reserve	(\$2,652,122)	(\$1,514,134)
Retained loss	(\$38,508,428)	(\$40,954,020)
TOTAL EQUITY	\$34,437,524	\$39,023,165

6.4 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming Full Subscription, is set out below

Shares

	Number
Shares currently on issue	708,463,306
Shares offered pursuant to the Offer	300,000,000
Total Shares on issue after completion of the Offer	1,008,463,306

Options

	Number
Options currently on issue	0
Options offered pursuant to the Offer (Exercisable at \$0.03 on or before 24 months of the date of grant)	150,000,000
Total Options on issue after completion of the Offer	150,000,000

The capital structure on a fully diluted basis as at the date of this Prospectus is 708,463,306 Shares and no Options. On completion of the Offer (assuming Full Subscription), the capital structure will be 1,008,463,306 Shares and 150,000,000 Options. The Noble Options will be issued after completion of the Offer, increasing the Company's capital structure to 229,000,000 Options. No Shares on issue are subject to escrow restrictions, either voluntary or ASX imposed.

7. RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

7.1 Shares

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

(b) **Meetings and Notice**

Each Shareholder is entitled to receive notice of and to attend general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the Constitution of the Company, the Corporations Act or the Listing Rules.

(c) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(d) **Dividend rights**

Subject to the rights of any preference Shareholder and to the rights of the holders of any Shares created or raised under any special arrangement as to dividend, the Directors may from time to time

declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(e) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(f) **Shareholder liability**

As the Shares issued, and those issued upon the exercise of the Options, will be fully paid shares they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(g) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(h) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the

holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(i) **Variation of rights**

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(j) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice, specifying the intention to propose the resolution as a special resolution, must be given.

(k) **ASX quotation of new Shares**

Application for Official Quotation of the Shares will be made in accordance with the Listing Rules. The fact that ASX may agree to grant Official Quotation of the Shares is not to be taken in any way as an indication of the merits of the Company or its Securities.

7.2 Options

Investors and Eligible Shareholders participating in the Offer will receive one (1) attaching Option for every two (2) Shares subscribed for under the Offer on the following terms and conditions:

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

The Options held by each holder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.03 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on the day that falls 24 months from the date of grant of the Options (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 10 Business Days after the Exercise Date, the Company will:

- (i) issue and allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and
- (ii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank pari passu in all respects with the issued Shares of the Company.

(i) **Quotation of shares issued on exercise**

The Company will apply for quotation of all shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those Shares.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Quoted**

The Company will apply for quotation of the Options on ASX. If the ASX does not grant Official Quotation the Options will be unlisted.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

8. RISK FACTORS

8.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors consider the risk factors described below, together with information contained elsewhere in this Prospectus and consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

8.2 Project and Company specific

(a) Potential for dilution

Upon implementation of the Offer, assuming Full Subscription, the number of Shares in the Company will increase from 708,463,306 currently on issue to 1,008,463,306. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the Prospectus being lodged of \$0.021 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Sovereign and political risks associated with operating in Mongolia

Mongolia is a young democratic country which is experiencing a transition to a market economy, and this presents a certain level of risk and uncertainty. Until recently, laws existed in Mongolia which could have restricted or limited the Company's operations or make them uneconomic. These laws related to the State's right to participate in "mineral deposits of strategic importance" up to a 50% interest. Recent Investment Law changes by Mongolian Parliament have favourably changed the investment landscape in Mongolia for foreign private enterprise. The Investment Law eliminates current restrictions on private foreign investment, narrows Mongolian government approval requirements for state-owned foreign investment, offers a simpler and more open investment process, establishes a new agency to assist with the process, and provides an array of investment incentives. Under the Investment Law, any domestic or foreign investor may invest in any industry or sector without any limitation or government approval, except

that any foreign state owned enterprise (**SOE**) investing in more than 33 percent of an entity in the minerals, communication or financial sectors must obtain approval from the newly established Invest Mongolia Agency. A foreign SOE is defined as an entity of which a foreign sovereign state owns directly or indirectly more than 50 percent. The Investment Law eliminates the much broader restrictions on private foreign investment in the minerals, communication and financial sectors that previously existed, removes Parliament from the approval process where foreign SOEs are involved, and ends the distinction between foreign and domestic investors. In addition, any investment tax stabilization agreements made prior to the effective date of the Investment Law will still be valid, and approval by the Invest Mongolia Agency will not apply to changes to share structure of entities in which a foreign SOE already owned a 75 percent or more interest. Although recent changes have been favourable to the Company's planned operations, there is a risk that the Mongolian Parliament may pass further laws which may prejudicially affect the Company's operations.

(c) **Exploration success**

The Company intends to conduct an exploration programme on the areas covered by the Nuurstei Project exploration licences (**Licences**). There can be no assurance that exploration of the Licences, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing local and national government regulations and many other factors beyond the control of the Company. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the Licences or any other tenements acquired by the Company in the future, a reduction in the cash reserves of the Company and possible relinquishment of any tenement in which the Company has an interest.

(d) **Commodity price volatility and exchange rate**

If the Company successfully defines a resource or reserve and subsequently achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic

factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

(e) **Financing and funding risk**

The Company's ability to effectively implement its business and operation plans in the future, to take advantage of other business opportunities and to meet any unanticipated liabilities or expenses which the Company may incur may depend in part on its ability to raise additional funds. The Company has a US\$5,000,000 loan facility with Noble, which is due for repayment on 16 March 2016, and the Company has agreed to provide Noble with a board approved capital raising strategy acceptable to Noble by 30 November 2015. There is an agreement to provide security to Noble for the loan over the Company's 50% interest in the Ekhgoviin Chuluu Joint Venture. The Company is seeking a waiver of ASX Listing Rule 10.1 to permit the grant of security to Noble which, if granted, will allow the security to be provided to Noble. If the waiver is not granted by ASX, the Company and Noble will use best endeavours to agree an alternative arrangement.

The Company may seek to raise further funds through equity or debt financing or other means. Failure to obtain sufficient financing for the Company's activities may result in lost business opportunities and the Company's ability to continue as a going concern. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

Loan agreements and other financing rearrangements such as debt facilities, convertible note issue and finance leases (and any related guarantee and security) that may be entered into by the Company may contain covenants, undertakings and other provisions which, if breached, may entitle lenders to accelerate repayment of loans and there is no assurance that the Company would be able to repay such loans in the event of an acceleration. Enforcement of any security granted by the Company or default could also result in the loss of assets. Depending upon the amount raised under this Offer (or if the Minimum Subscription is not reached), the Company may need to seek further funding in addition to the capital raising contemplated by this Offer in the near future. There is a risk that such funding may be difficult to obtain or not be on terms favourable to the Company.

(f) **Operating and development risks**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, technical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(g) **Infrastructure**

The Licences are located in a region within Mongolia which is poorly serviced by infrastructure. The lack of infrastructure may negatively impact the economic viability of deposits discovered by the Company which require the Company to negotiate access to existing infrastructure and/or invest in substantial amounts to upgrade existing infrastructure or develop new infrastructure.

(h) **Title Risks**

There are a number of conditions that the Company must satisfy with respect to the Licences to keep the Licences in good standing. These include but are not limited to license fee payments, annual reporting requirements (exploration, safety and environmental), annual plan filing requirements (exploration and environmental) and meeting minimum expenditure requirements. There is a risk that the Company may not be able to satisfy these requirements, in which case the Company may forfeit title to the Licences. The Licences are also subject to periodical renewal and may only be renewed a limited number of times for a limited period of time. The Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all. There is a risk that renewals may not be obtained. Furthermore, the Company will require additional mining licenses and permits in order to conduct mining operations in Mongolia. There can be no assurances that such licences and permits will be obtained on terms favourable to the Company or at all for the Company's future intended mining and/or exploration activities in Mongolia.

(i) **Environmental**

The operations and proposed activities of the Licences are subject to Mongolian laws and regulation concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment. It is the

Company's intention to conduct its activities to the highest standard of environmental obligations including compliance with all environmental laws. Exploration work will be carried out in a way that has minimal impact on the environment.

(j) **Co-existence rights**

The Licences do not allow the Company to explore for or exploit petroleum or radioactive minerals (i.e. uranium). Under current legislation in Mongolia, other entities may have the right to explore for and develop/mine petroleum or radioactive minerals on the area(s) subject to the Licences and such activities may adversely impact the Company's exploration of the Licences.

(k) **Reliance on key personnel and employees**

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. No assurance can be given that there will be no detrimental impact on the Company if one or more key employees cease their employment. Additionally, Mongolia has a foreign worker quota system which may make it difficult to hire qualified personnel even where local manpower is unavailable.

(l) **Risk of investing in an emerging market**

As Mongolia is an emerging economy it is vulnerable to market downturns and economic slowdowns elsewhere in the world and is subject to rapid change. Investing in an emerging market involves greater risk than investing in more developed markets.

8.3 General risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted Securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;

- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Investors should be aware that there is a risk that the market price of the Shares may change between the date of this Prospectus and the date when Shares are issued. This means that the price paid per Share may be either higher or lower than the market price of Shares on the date the Shares are issued and allotted under the Offer.

Further, no guarantee can be given that the Share price will be greater than the Exercise Price of the Options during the period up to the Expiry Date. Accordingly, there is a risk that the Options will be out of the money during the exercise period, which would affect the value of the Options.

If the Options do not meet ASX's quotation conditions, they will not be admitted to official quotation on the ASX. If this occurs the Options will still be issued, but they will be unlisted and will not be able to be traded on the ASX.

(c) **Dilution**

Eligible Shareholders who do not participate in the Priority Allocation will likely be diluted. Shareholders may also be diluted by the exercise of the Options.

(d) **Force Majeure**

The Company's projects now, or in the future, may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(e) **Litigation Risks**

The Company is exposed to possible litigation risks including tenure disputes, environmental claims, contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute, if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(f) **Government policy changes**

Adverse changes in government policies or legislation may affect ownership of mineral interests, taxation, royalties, land access, labour relations, and mining and exploration activities of the Company. It is

possible that the current system of exploration and mine permitting in Mongolia may change, adversely affecting the Company's operations and financial performance.

(g) **Additional requirements for capital**

The Company's capital requirements depend on numerous factors. Depending on the Company's ability to generate income from its future operations, the Company may require further financing in addition to amounts raised under the Offer. Any additional equity financing will dilute shareholdings and debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and scale back its exploration programmes as the case may be. There is however no guarantee that the Company will be able to secure any additional funding or be able to secure funding on terms favourable to the Company.

(h) **Insurance risks**

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance against all risks associated with mining exploration and production is not always available and, where available, the costs can be prohibitive.

(i) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(j) **Taxation**

The acquisition and disposal of Shares will have tax consequences which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(k) **Competition risk**

The industry in which the Company is involved is subject to domestic and global competition. Although the Company undertakes all reasonable due diligence in its business decisions and operations, the

Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and business. There can be no assurance that the Company can compete effectively with these companies.

8.4 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

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9. ADDITIONAL INFORMATION

9.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

9.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
23/09/2014	Full Year Statutory Accounts
30/09/2014	Prospectivity for Coal Confirmed at Nuurstei
2/10/2014	Advisory Mandate Agreed with Argonaut
6/10/2014	Annual Report to shareholders
13/10/2014	Erdenet to Ovoot Railway Added to Concession List
15/10/2014	Notice of Annual General Meeting/Proxy Form
15/10/2014	Coal Intersections Continue at Nuurstei Coking Coal Project
20/10/2014	Section 708A Notice
20/10/2014	Change of Director's Interest Notice
20/10/2014	Change of Director's Interest Notice
20/10/2014	Appendix 3B
27/10/2014	New Rail Policy Includes Erdenet to Ovoot to Arts Suuri Rail
29/10/2014	Quarterly Cashflow Report
29/10/2014	Quarterly Activities Report
30/10/2014	Becoming a substantial holder
3/11/2014	Change in substantial holding

Date	Description of Announcement
4/11/2014	Change in substantial holding
5/11/2014	EPC Framework Agreement Signed for Erdenet to Ovoot Railway
7/11/2014	Change in substantial holding
11/11/2014	Change in substantial holding
12/11/2014	Change in substantial holding
25/11/2014	Results of Meeting
3/12/2014	Investor Presentation
17/12/2014	Change in substantial holding
18/12/2014	Change in substantial holding
19/12/2014	Change in substantial holding
19/12/2014	Change of Director's Interest Notice
19/12/2014	Change of Director's Interest Notice
24/12/2014	Change in substantial holding
7/01/2015	Mongolian Blend Confirmed as Premium Coking Coal
9/01/2015	Hard Coking Coal Identified at Nuurstei
27/01/2015	First Stage Rail Feasibility Study Agreement Signed
28/01/2015	Final Director's Interest Notice
28/01/2015	Director Appointment/Resignation
30/01/2015	Quarterly Cashflow Report
30/01/2015	Quarterly Activities Report
13/02/2015	Change in substantial holding
17/02/2015	Northern Railways Achieves Important Rail Milestones
19/02/2015	Change of Director's Interest Notice
19/02/2015	Appendix 3B
6/03/2015	Trading Halt
11/03/2015	Suspension from Official Quotation

Date	Description of Announcement
16/03/2015	Half Yearly Report and Accounts
16/03/2015	Reinstatement to Official Quotation
16/03/2015	Noble and Aspire Agree Loan Extension and Option
20/03/2015	Nuurstei Geology Report Received and Exploration Planning
23/03/2015	Investor Presentation
14/04/2015	Appendix 3B
20/04/2015	Change of Directors Interest Notice
24/04/2015	Trading Halt
29/04/2015	Capital Raising Announcement
29/04/2015	Appendix 3B
29/04/2015	Change in Director's Interest Notice
29/04/2015	Quarterly Activities Report
29/04/2015	Quarterly Cashflow Report

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours by searching announcements for the Company on the ASX website using the code "AKM".

The announcements are also available through the Company's website www.aspiremininglimited.com.

9.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The closed highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	\$0.037	22, 23 January 2015
Lowest	\$0.021	24 April 2015
Last	\$0.021	24 April 2015

9.4 Mandate letter

Argonaut has been engaged as Lead Manager by the Company with respect to the Offer.

In connection with the services provided by it as Lead Manager, Argonaut shall receive a management fee of 2% plus GST on the amount raised pursuant to the Offer and a capital raising fee of 4% plus GST on the total raised by investors subscribing for more than \$15,000 each (other than Mr Neil Lithgow) . Argonaut is also entitled to the re-imbursement of its reasonable costs in connection with the Offer, but in all cases approval must be obtained from the Company prior to incurring costs in excess of \$3,000.

The mandate letter may be terminated prior to the completion of the Offer on the occurrence of certain events, including (but not limited to):

- (a) Argonaut being unable to receive commitments for the Placement to its satisfaction; and
- (b) ASX not giving approval for the Shares to be listed for official quotation or if approval is granted, the approval is subsequently withdrawn, qualified or withheld, or approval is given conditionally and the conditions are not acceptable to Argonaut.

9.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two (2) years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (a) as an inducement to become, or to qualify as, a Director; or
- (b) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, and as projected pursuant to the Placement, is set out in the table below.

Director	Issued Pursuant to the Priority Allocation		Issued Pursuant to the Placement		Relevant Interest in the Company (%)	
	Shares	Options	Shares	Options	Before	After
Neil Lithgow ²	Nil	Nil	100,000,000	50,000,000	11.19	17.78
David McSweeney ⁵	Nil	Nil	1,250,000	625,000	2.03	1.55
David Paull ^{1, 3, 4}	Nil	Nil	2,500,000	1,250,000	1.42	1.25
Sado Demchigsuren Turbat	750,000	375,000	Nil	Nil	0.34	0.31
Hannah Badenach	Nil	Nil	750,000	375,000	0	0.07

1. David Paull is a director of Red Island Resources Limited, a public unlisted company which holds 8,100,000 Shares in the Company.

2. Neil Lithgow is a director and beneficiary of Spectral Investments Pty Ltd <the Lithgow Family Trust> which holds 79,278,501 Shares in the Company.

3. David Paull's interest does not include Performance Rights to be issued pursuant to Shareholder approval.

4. David Paull is also a director and a beneficiary of 2R's Pty Ltd <Paull Family Trust A/C> which holds 1,986,792 Shares in the Company.

5. 14,183,962 Shares are held by The McSweeney Family Trust, Magmatech Pty Ltd ATF Magmatech Unit Trust and Brookman Resources Pty Ltd ATF <The David McSweeney Superannuation Fund > of which Mr McSweeney is a beneficiary, and 200,000 shares are owned in Mr McSweeney's own name.

6. All relevant interests are based on the Placement achieving the Full Subscription.

The Board recommends that Eligible Shareholders take up their entitlement under the Priority Allocation and advises that all Directors intend to participate in the Offer.

At the General Meeting, Shareholder approval will be sought to issue 100,000,000 Shares and 50,000,000 Options to Neil Lithgow (and/or his nominees) pursuant to the Placement or such other number as the Directors determine in order to avoid Neil Lithgow acquiring a 20% or more relevant interest in the Company. Approval will also be sought for the remaining Directors to each be issued the Shares and Options as set out in the above table. Furthermore, approval shall be sought to issue 6,500,000 performance rights to David Paull, subject to the attainment of certain performance conditions, as part of his remuneration package.

Remuneration

The remuneration of an executive Director is decided by the Board without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive

Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$600,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	2013	2014	Year to Date 2015 (to 31 March)
David Paull	\$502,267	\$360,000	\$246,000
David McSweeney	\$145,733	\$90,048	\$40,831
Neil Lithgow	\$84,100	\$54,500	\$31,500
Sado Demchigsuren Turbat	\$71,616	\$54,500	\$31,500
Hannah Badenach	Nil	Nil	Nil

Note: As a Noble employee (but not a director) Hannah Badenach has elected not to receive any remuneration in connection with her services to the Company.

9.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company,

holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (a) the formation or promotion of the Company; or
- (b) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$20,000 (excluding GST and disbursements) for these services.

Argonaut will be paid fees as disclosed in section 9.4.

9.7 Consents

Each of the parties referred to in this section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this section;
- (c) Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC; and
- (d) Argonaut has given its written consent to being named as Lead Manager to the Company in this Prospectus. Argonaut has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

9.8 Expenses of the offer

In the event of Full Subscription, the indicative total expenses are estimated to be approximately \$216,755 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	2,290
ASX fees	23,465
Lead Manager fees	160,000
Legal fees	20,000
Printing and distribution	8,000
Share Registrar	3,000
Total	<u>216,755</u>

9.9 Electronic prospectus

Pursuant to Class Order 00/44, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic

prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9287 4555 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.aspiremininglimited.com.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

9.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

9.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share or option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

9.12 Privacy Act

If you complete an application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

10. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



David Paul
Managing Director
For and on behalf of
Aspire Mining Limited

For personal use only

11. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Applicant means a Shareholder who applies for Shares pursuant to the Priority Allocation or an investor who applies for Shares pursuant to the Placement.

Application Form means the application form either attached to or accompanying this Prospectus.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHES.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Cleansing Offer means the offer of up to 1,000 Options at an issue price of \$0.02 per Option to raise up to \$20.00 for the purpose of cleansing the issue of Options, the details of which are set out in Section 5.6 of this Prospectus.

Closing Date means the closing date for subscriptions under the Offer as specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Aspire Mining Limited (ACN 122 417 243).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the Corporations Act 2001 (Cth).

Directors mean the directors of the Company as at the date of this Prospectus.

Ekhgoviin Chuluu Joint Venture means the joint venture between the Company and Noble (Singapore listed SGX: N21).

Eligible Shareholder means Shareholder, with an address in Australia, New Zealand, Hong Kong or Singapore, registered in the Company's share register on the Record Date.

Full Subscription means the Offer being taken up in full resulting in the Company raising \$6,000,000 through the issue of 300,000,000 Shares and 150,000,000 Options, and **Fully Subscribed** shall have the same meaning.

General Meeting means the Shareholder meeting to be held on 2 June 2015 at 10:00 a.m. at which the issue of Securities pursuant to this Prospectus will be voted on.

Licences have the meaning given in section 8.2(c).

Minimum Subscription has the meaning given to it in section 5.3.

Noble means Noble Resources International Pte Ltd.

Noble Options mean the 79,000,000 options to be granted to Noble pursuant to the Term Sheet as set out in section 5.7.

Northern Railways means Northern Railways LLC, a company registered in Mongolia whose offices are located at Sukhbaatar District, 1st Khoroo Chinggis Ave-8, Altai Tower, 3rd Floor, Room 302 Ulaanbaatar.

Nuurstei Project means the coal coking project located in Nuurstei, Mongolia, in which the Company holds an interest through the Ekhgoviin Chuluu Joint Venture.

Opening Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Option means an Option issued on the terms set out in section 7.2 of this Prospectus.

Offer means the Placement and the Priority Allocation.

Official Quotation means official quotation on ASX.

Optionholder means a holder of an Option.

Oversubscription has the meaning given to it in section 5.4 and Over Subscribed shall have the same meaning.

Placement means the offer of up to \$6,000,000 worth of Shares and corresponding Options to investors as set out in section 5 of this Prospectus (exclusive of Oversubscriptions).

Priority Allocation means the allocation of up to \$2,000,000 worth of Shares and corresponding Options to Eligible Shareholders as set out in section 5 of this Prospectus.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Securities means Shares and/or Options offered pursuant to the Offer.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Term Sheet means the amended term sheet entered into between the Company and Noble (amongst others) on or around the date of this Prospectus.

WST means Western Standard Time as observed in Perth, Western Australia.