ASPIRE MINING LIMITED

ACN 122 417 243

NOTICE OF ANNUAL GENERAL MEETING

TIME: 4.30pm (WST)

DATE: 28 November 2018

PLACE: Level 4, 130 Stirling Street, Perth WA 6000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 9287 4555.

CONTENTS

TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 4.30pm (WST) on 28 November 2018 at:

Level 4, 130 Stirling Street, Perth WA 6000

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 4.30pm (WST) on 28 November 2018 at Level 4, 130 Stirling Street, Perth WA 6000.

The Explanatory Statement provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form form part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4.30pm (WST) on 26 November 2018.

Terms and abbreviations used in this Notice of Meeting are defined in the Glossary.

AGENDA

A. ORDINARY BUSINESS

FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

> *"That for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2018."*

Note: Section 250R(3) of the Corporations Act provides that the vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition: In accordance with the Corporations Act, the Company will disregard any votes cast on Resolution 1:

a) by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or

b) by a person who is a member of the Key Management Personnel at the date of the Annual General Meeting, or their Closely Related Parties, as a proxy.

However, votes will not be disregarded if they are cast as a proxy for a person entitled to vote on Resolution 1:

c) in accordance with a direction as to how to vote on the Proxy Form; or

d) by the Chairman pursuant to an express authorisation to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of the Key Management Personnel.

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – GAN-OCHIR ZUNDUISUREN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That for the purpose of clause 13.2 of the Constitution and for all other purposes, Gan-Ochir Zunduisuren, retires by rotation and, being eligible, is re-elected as a Director."*

RESOLUTION 3 – ELECTION OF DIRECTOR – ALEXANDER PASSMORE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That for the purpose of clause 13.4 of the Constitution and for all other purposes, Alexander Passmore, a Director who was appointed since the last annual general meeting retires and, being eligible, is elected as a Director."*

B. SPECIAL BUSINESS

RESOLUTION 4 – ISSUE OF SHARES TO MR TSERENPUNTSAG TSERENDAMBA

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, subject to the passing of Resolutions 5 and 6, approval is given for the purposes of item 7 of section 611 of the Corporations Act and all other purposes for the Company to issue 476,190,476 Shares to Mr Tserenpuntsag Tserendamba on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion Statement: In accordance with item 7 of section 611 of the Corporations Act, Mr Tserenpuntsag Tserendamba and his associates are excluded from voting on Resolution 1 and the Company will disregard any votes cast on Resolution 4 by Mr Tserenpuntsag Tserendamba or any of his associates.

RESOLUTION 5 – ISSUE OF SHARES TO ELIGIBLE INVESTORS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, subject to the passing of Resolutions 4 and 6, approval is given for the purposes of ASX Listing Rule 7.1 and all other purposes to the issue of up to 100,000,000 Shares to eligible investors, on the terms and conditions set out in the Explanatory Statement.*

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 5 by or on behalf of:

(a) a person who is expected to participate in, or who will obtain a material benefit as a result of, Resolution 5 (except a benefit solely by reason of being a holder of Shares in the Company); or

(b) an associate of a person expected to participate in, or receive a material benefit as a result of, Resolution 5 (except a benefit solely by reason of being a holder of Shares in the Company).

However, the Company need not disregard a vote if it is cast by:

(c) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

(d) the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 6 – ISSUE OF SHARES TO NOBLE PURSUANT TO DEBT TO EQUITY CONVERSION

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, subject to the passing of Resolutions 4 and 5, approval is given for the purposes of ASX Listing Rule 7.1 and all other purposes to the issue of that number of Shares to Noble that would result in Noble acquiring voting power in the Company equivalent to 20% (minus one Share) after completion of the issue of Shares the subject of Resolutions 4 and 5, on the terms and conditions set out in the Explanatory Statement."*

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 6 by or on behalf of:

(a) Noble or any person who is expected to participate in, or who will obtain a material benefit as a result of, Resolution 6 (except a benefit solely by reason of being a holder of Shares in the Company); or

(b) an associate of Noble or any associates of a person expected to participate in, or receive a material benefit as a result of, Resolution 6 (except a benefit solely by reason of being a holder of Shares in the Company).

However, the Company need not disregard a vote if it is cast by:

(c) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

(d) the person chairing the meeting as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 7 – ISSUE OF OPTIONS TO MR ALEXANDER PASSMORE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company approves the issue and allotment of 12,000,000 Options to Mr Alexander Passmore (or his nominee(s)) on the terms and conditions set out in the Explanatory Statement.*

Voting Prohibitions: As required by section 224 of the Corporations Act, a vote on Resolution 7 must not be cast (in any capacity) by or on behalf of Mr Alexander Passmore or an associate of Mr Passmore. However, a vote may still be cast if:

(a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and

(b) it is not cast on behalf of Mr Passmore or an associate of Mr Passmore.

As required by section 250BD of the Corporations Act, a vote on Resolution 7 must not be cast by a person appointed as a proxy if:

(a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel; and

(b) the appointment does not specify the way the proxy is to vote on the resolution.

However the above prohibition does not apply if:

(c) the proxy is the chair of the meeting; and

(d) the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 7 by or on behalf of Mr Alexander Passmore, Mr Passmore's nominee(s) or an associate of Mr Passmore. However, the Company need not disregard a vote if it is cast by:

(a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

(b) the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 8 – ISSUE OF SHARES TO MR JAMES POLSON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, the Company approves the issue of 1,190,476 Shares to Mr James Polson (or his nominee(s)) as part of the Additional Funding on the terms and conditions set out in the Explanatory Statement.*

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 8 by or on behalf of Mr James Polson, Mr Polson's nominee(s) or an associate of Mr Polson. However the Company need not disregard a vote if it is cast by:

(a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

(b) the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 9 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

To consider and, if thought fit, to pass the following resolutions as a **special resolution**:

> *"That the Company renew the proportional takeover provisions contained in clause 35 of the Constitution for a further period of three years from the date of the AGM."*

Details of the renewal of the proportional takeover provisions are set out in the Explanatory Statement below.

RESOLUTION 10 –APPROVAL OF THE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

> *"That for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) and for all other purposes, approval is given in respect of the Company's Performance Rights Plan, on the terms and conditions set out in the Explanatory Statement."*

Voting Prohibition: A vote must not be cast on Resolution 10 by a person appointed as a proxy if the proxy is either a member of the Key Management Personnel or a Closely Related Party of a member of the Key Management Personnel and the appointment does not specify the way the proxy is to vote on Resolution 10. However, the above prohibition does not apply if:

a) the proxy is the Chairman of the AGM; and
b) the appointment expressly authorises the Chairman to exercise the proxy even though the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Voting Exclusion Statement: The Company will disregard any votes cast in favour of Resolution 10 by or on behalf of a Director (except one who is ineligible to participate in the Performance Rights Plan) or an associate of such a Director. However, the Company need not disregard a vote if it is cast:

a) by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
b) by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

C. MAJORITY REQUIRED FOR RESOLUTIONS TO BE PASSED

Each of Resolutions 1 - 8 and Resolution 10 will be passed if at least 50% of the votes cast on the relevant Resolution (either in person, proxy, attorney or by corporate representative) are in favour of that Resolution.

As Resolution 9 requires approval by way of a special resolution, Resolution 9 will be passed if at least 75% of the votes cast on Resolution 9 (either in person, proxy, attorney or by corporate representative) are in favour of that Resolution.

D. PROXIES AND CORPORATE REPRESENTATIVES

Voting by proxy

Each Shareholder that is entitled to attend and vote is entitled to appoint a proxy. A proxy does not need to be a Shareholder. A Shareholder that is entitled to cast two or more votes may appoint not more than two proxies to attend and vote on their behalf. Where two proxies are appointed, each proxy should be appointed to represent a specified portion or number of the Shareholder's voting rights (failing which each appointee will be entitled to cast half the Shareholder's votes).

A Proxy Form together with instructions on how to complete the Proxy Form is attached.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

(a) post to Aspire Mining Limited, PO Box 1918, Subiaco WA 6904; or

(b) facsimile to the Company on facsimile number +61 8 9321 4914; or

(c) email to the Company at info@aspireminingllimited.com.

To be valid, a properly completed Proxy Form must be received by the Company no later than 48 hours before the AGM, being 4.30pm (WST), 26 November 2018.

If you return your Proxy Form but do not nominate a representative, the Chairman of the AGM will be your proxy and will vote on your behalf as you direct on the Proxy Form. If your nominated representative does not attend the meeting then your proxy will revert to the Chairman of the AGM and he will vote on your behalf as you direct on the Proxy Form.

The Chairman will vote undirected proxies in favour of the resolutions. In respect of Resolutions 1, 7 and 10, Shareholders should refer to the important information below under the heading "Important information concerning proxy votes on remuneration related resolutions".

Corporate Representatives

A body corporate Shareholder may elect to appoint a representative, rather than appoint a proxy, in accordance with section 250D of the Corporations Act. Where a body corporate appoints a representative, the Company requires written proof of the representative's appointment to be lodged with or presented to the Company before the meeting.

E. IMPORTANT INFORMATION CONCERNING PROXY VOTES ON REMUNERATION RELATED RESOLUTIONS

The Corporations Act places certain restrictions on the ability of Key Management Personnel and their Closely Related Parties to vote on the advisory resolution to adopt the Company's Remuneration Report and resolutions connected directly or indirectly with the remuneration of the Key Management Personnel. Key Management Personnel are the Company's Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year ended 30 June 2018. Their Closely Related Parties are defined in the Corporations Act and include certain of their family members, dependents and companies they control.

For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and consider appointing someone other than a member of the Key Management Personnel, as such persons may not be able to vote undirected proxies. Shareholders are also encouraged to direct their proxy as to how to vote on all Resolutions. In particular, Shareholders who intend to appoint the Chairman as their proxy (including an appointment by default) are encouraged to direct the Chairman as to how to vote on all Resolutions.

If you appoint the Chairman as your proxy, you should direct the Chairman how to vote on Resolutions 1, 7 and 10. If the Chairman is to act as your proxy (whether by appointment or by default) and you have not given directions on how to vote in respect of Resolutions 1, 7 or 10, then the Proxy Form expressly directs and authorises the Chairman to vote your proxy in favour of Resolutions 1, 7 and 10. This express authorisation acknowledges that the Chairman may vote your proxy even though Resolutions 1, 7 and 10 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

This express authorisation is included because without it the Chairman would be precluded from casting your votes as these resolutions are connected with the remuneration of Key Management Personnel.

DATED: 24 OCTOBER 2018

BY ORDER OF THE BOARD

PHILIP RUNDELL
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 4.30pm (WST) on 28 November 2018 at Level 4, 130 Stirling Street, Perth WA 6000.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1 FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the Annual Financial Report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors, the Directors' Report, the Remuneration Report and the Auditor's Report.

The Company's Annual Financial Report is available on its website at www.aspireminininglimited.com.

In accordance with the Corporations Act, Shareholders who have elected to receive a hard copy of the Annual Financial Report will receive it prior to the AGM. Shareholders who did not elect to receive a hard copy of the Company's Annual Financial Report and now wish to receive it, should contact the Company Secretary on (+61 8) 9287 4555.

2 RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is part of the Directors' Report contained in the Annual Financial Report of the Company for the financial year ending 30 June 2018.

By way of summary, the Remuneration Report sets out the Company's remuneration arrangements for the Directors and Key Management Personnel.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

Section 250R(2) of the Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to shareholders. The vote on this resolution is advisory only and does not bind the Directors or the Company.

The Corporations Act provides that if 25% or more of votes that are cast are voted against the adoption of a company's remuneration report at two consecutive annual general meetings, shareholders will be required to vote at the second of those annual general meetings on a resolution (a "**spill resolution**") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) who were in office at the date of the approval of the applicable directors' report must stand for re-election.

As less than 25% of the votes cast on the resolution to adopt the remuneration report at the Company's 2017 annual general meeting were against the resolution, a spill resolution is not required to be considered at the 2018 Annual General Meeting even if 25% or more of the votes cast on Resolution 1 are voted against the adoption of the Remuneration Report.

In respect of Resolution 1, Shareholders should refer to the important information in section E of the Notice under the heading "Important information concerning proxy votes on remuneration related resolutions".

3 RESOLUTION 2 – RE-ELECTION OF DIRECTOR – GAN-OCHIR ZUNDUISUREN

Clause 13.2 of the Company's Constitution requires that at each annual general meeting of the Company, one third of the Directors for the time being or, if their number is not a multiple of 3, then the number nearest one-third (rounded upwards in case of doubt), shall retire from office, provided always that no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election. A Director appointed as an additional Director during the year is not taken into account in determining the Directors who are to retire by rotation.

A Director who retires by rotation under clause 13.2 of the Constitution is eligible for re-election. The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, as between persons who become Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

In accordance with clause 13.2 of the Constitution, Gan-Ochir Zunduisuren retires by rotation at the Annual General Meeting and, being eligible, seeks re-election as a director of the Company.

Gan-Ochir Zunduisuren has over 15 years of experience in the resource sector including underground zinc mining, gold mining and mining business development in Mongolia and Canada. Mr Zunduisuren is a Managing Executive Director and co-founder of Altai Gold LLC, a mineral resource focused investment company, and was a key part of the syndicate that made the Ovoot Coking Coal project discovery.

Mr Zunduisuren has a Degree in Mining Engineering from the Mongolian University of Science and Technology and a MSc in Global Finance from NYU Stern School of Business and HKUST.

The Directors, other than Mr Zunduisuren who has an interest in Resolution 2, recommend Shareholders vote in favour of Resolution 2.

4 RESOLUTION 3– RE-ELECTION OF DIRECTOR – ALEXANDER PASSMORE

Clause 13.4 of the Company's Constitution provides the Directors with the power to appoint a person to be a Director to fill a casual vacancy. Any Director so appointed holds office only until the next following annual general meeting, at which time they must retire, as, if they wish to continue to be a Director of the Company, must submit themselves to election by the Shareholders.

Resolution 3 seeks the approval of Shareholders to the election of Mr Alexander Passmore as a Director of the Company.

Mr Passmore was appointed on 10 April 2018. Accordingly, Mr Passmore retires in accordance with clause 13.4 of the Constitution and, being eligible, seeks re-election as a Director.

Mr Passmore is a qualified geologist and experienced and well-regarded corporate executive with a strong financial and technical background in the resource sector. Mr Passmore has a diverse background having held technical roles in the industry and then senior positions in both the institutional debt financing and equity capital market arenas.

Mr Passmore has a Bachelor of Science Degree with first class honours in Geology.

The Directors, other than Mr Passmore who has an interest in Resolution 3, recommend Shareholders vote in favour of Resolution 3.

5 BACKGROUND TO STRATEGIC FINANCING AND RESOLUTIONS 4, 5 AND 6

5.1 Strategic Financing

On 29 August 2018, the Company announced the Ovoot Early Development Plan (**OEDP**) to seek to unlock early production from the Company's 100% owned Ovoot Coking Coal Project in Mongolia (**Ovoot**).

The OEDP contemplates the mining of a low ash and high yielding coal from a starter pit that sits within the previously defined Ovoot orebody, with the construction of a new private haul road beside the planned 547km rail path for the Erdenet to Ovoot Railway to take product to the existing rail head at Erdenet for final rail transportation to international end customers.

In support of the OEDP, the Company announced a A$15 million strategic financing (**Strategic Financing**) comprising:

- the placement of 476,190,476 new Shares at A$0.021 per Share to the Company's existing largest Mongolian shareholder Mr Tserenpuntsag Tserendamba to raise A$10 million (being the subject of Resolution 4);
- the placement of a further 100,000,000 new Shares at A$0.021 per Share to professional and sophisticated investors to raise a further A$2.1 million (being the subject of Resolution 5); and
- the prepayment of up to US$2.4 million (plus accrued interest on that amount) of the existing debt owed by the Company to Noble Resources International Pte Ltd (**Noble**), by way of the issue of up to that number of Shares that would result in Noble acquiring voting power in the Company equivalent to 20% (minus one Share) after completion of the issue of Shares to Mr Tserenpuntsag (Resolution 4) and to other investors pursuant to Resolution 5, with any Shares being issued at a deemed price equal to the placement price of A$0.021 (2.1 cents) per Share (being the subject of Resolution 6) (the **Debt Conversion**).

The Company intends to use the funds raised from the Strategic Financing:

- to prepay any remaining amounts owing to Noble under the Noble Facility after completion of the Debt Conversion;
- to fund feasibility studies and to obtain permits and approvals in relation to the OEDP, including mining and road related developments;
- to exercise the option to acquire the land for the Erdenet terminal and associated terminal development; and
- for general working capital purposes.

The funds raised through this Strategic Financing, together with the Company's existing cash reserves as at 30 September 2018 of A$6.2 million, are expected to fully fund the Company to complete feasibility studies for the mine and road components of the

OEDP to support a planned project financing and decision to mine in the first half of 2019.

For the reasons set out in this Explanatory Statement, the Directors (other than Ms Hannah Badenach, being Noble's nominee on the Board of Aspire) consider that the advantages of the Strategic Financing outweigh the disadvantages and that the approval of the Strategic Financing is in the best interests of Shareholders. Accordingly, the Directors (other than Ms Badenach) recommend Shareholders vote in favour of Resolutions 4, 5 and 6 so as to enable the Company to fund the feasibility studies necessary to progress the OEDP.

5.2 Independent Expert's Report

To assist Shareholders in their consideration of the Strategic Financing (including the proposed issue of Shares to Mr Tserenpuntsag that will, if approved, result in Mr Tserenpuntsag acquiring voting power to more than 20% of the Company), and to satisfy the requirements of the Corporations Act in relation to Resolution 4, the Board has engaged BDO Corporate Finance (WA) Pty Ltd (**Independent Expert**) to opine on whether or not the proposed issue of Shares to Mr Tserenpuntsag is 'fair and reasonable' to Shareholders.

The report from the Independent Expert (**Independent Expert's Report**) is attached as Annexure A. The Independent Expert's Report sets out a detailed independent examination of the proposed issue of Shares to Mr Tserenpuntsag so as to enable non-associated Shareholders to assess the merits and decide whether to approve Resolution 4. However, as Resolutions 4, 5 and 6 are all inter-conditional, Shareholders should be aware that all of these Resolutions need to be approved for the Strategic Financing to proceed.

The Independent Expert has concluded that the proposed issue of Shares to Mr Tserenpuntsag is not fair but reasonable to Shareholders who are not associated with Mr Tserenpuntsag (Non-associated Shareholders).

Shareholders are urged to carefully read the Independent Expert's Report to understand its scope, the methodology of the valuation and the sources of information and assumptions made.

6 RESOLUTION 4 – ISSUE OF SHARES TO TSERENPUNTSAG TSERENDAMBA

6.1 Background

The Company has entered into a subscription agreement with existing Mongolian based shareholder, Mr. Tserenpuntsag Tserendamba, whereby Mr Tserenpuntsag has agreed to invest A$10 million in the Company by subscribing for 476,190,476 new Shares at A$0.021 per Share (**Subscription Agreement**). On completion of the placement, it is expected that Mr Tserenpuntsag will hold approximately 27% of Aspire's issued share capital.

Completion of the Subscription Agreement is subject to the following conditions:

- Shareholders approving the proposed share placement to Mr Tserenpuntsag, being the subject of Resolution 4;
- the Independent Expert not changing its conclusion or otherwise withdrawing its report prior to completion of the share placement to Mr Tserenpuntsag;
- the commitments received by the Company to raise an additional amount of A$2.1 million (being the subject of Resolution 6) becoming unconditional and the

Company completing that Share issue at the same time as the issue of Shares to Mr Tserenpuntsag; and

- Noble confirming that it has received all necessary approvals to authorise the Debt Conversion at a deemed issue price of A$0.021 per Share.

Under the Subscription Agreement, Mr Tserenpuntsag has the right to nominate an executive director and a non-executive director to the Board of Aspire. Mr Tserenpuntsag has nominated Mr Achit-Erdene Darambazar (President and CEO of MICC, Mongolia's first investment bank and financial adviser to Mr Tserenpuntsag) to join the Aspire Board as a non-executive director post completion of the placement. Further, Mr Tserenpuntsag has nominated Mr Bat-Amgalan Boldbaatar as an executive director of Aspire. Mr Bat-Amgalan Boldbaatar is expected to play a pivotal role in securing the OEDP by leading community and government relations activities in Mongolia.

In connection with the placement, Mr Tserenpuntsag has undertaken to use his best endeavours to:

- provide and/or assist in arranging future finance of up to US$100 million for the advancement of the OEDP, including the sourcing of low cost debt funding from the Mongolian government and/or other in-country sources as required; and

- support the Company in all Mongolian governmental and regulatory matters and with all community and public relations matters in connection with the OEDP.

In view of the voting power Mr Tserenpuntsag will acquire in the Company upon completion of the proposed share placement, Mr Tserenpuntsag has agreed to a 2 year standstill restriction which will restrict Mr Tserenpuntsag and his associates acquiring further Shares which would have the result of causing Mr Tserenpuntsag's voting power in the Company exceeding 28% or from otherwise seeking to influence or control the composition of the Company's Board or the management or policies of the Company.

Mr Tserenpuntsag has also agreed to vote in favour of any resolutions put to Shareholders during the standstill period that are recommended by a majority of the Company's Board (other than resolutions relating to matters the subject of control transactions pursuant to Part 5.1 or Chapter 6 of the Corporations Act).

These standstill restrictions will not prevent Mr Tserenpuntsag from participating in offers of shares that may be made on a pro-rata basis to all Shareholders or from participating in a securities purchase plan. They will cease to apply if Mr Tserenpuntsag or any of his associates makes a change of control proposal that is unanimously recommended by the Company's Board, if a third party makes or announces an intention to make a bona fide transaction which if successful would result in a change of control of the Company or the Company otherwise provides its prior consent to the proposed transaction.

Mr Tserenpuntsag has agreed that for so long as he holds voting power to more than 20% of the Company, he will provide the Company with prior notice of any intention to sell equity securities in the Company and the terms on which it proposes to do so, so as to provide the Company with the opportunity to propose alternative buyers of all or some of those securities on equivalent terms.

6.2 Advantages of the proposed issue of Shares to Mr Tserenpuntsag

The Directors believe that the proposed issue of Shares to Mr Tserenpuntsag (being the subject of Resolution 4) has the following advantages:

(a) Provides the majority of funding required to complete feasibility studies into the OEDP covering the mine and logistics.

The funds raised from the proposed placement to Mr Tserenpuntsag are expected to provide the majority of the funds required by Aspire to fully fund the completion of feasibility studies for the mine and road components of the OEDP so as to support a planned project financing and decision to mine in the first half of CY2019 as well as providing a sustainable level of working capital.

The Board considers that implementation of the OEDP will enable the Company to capitalise on the strong prevailing coal market fundamentals by seeking to unlock early production from Ovoot within a targeted 12 to 15 months from the date that a decision to mine is made. The strategy is expected to:

- materially reduce the capital and timing required to achieve first cashflow from a scaled coking coal production at Ovoot;
- deliver a stronger "Mongolian" involvement which will significant enhance Aspire's ability to achieve timely government, permitting, approvals and community support for the OEDP;
- assist Aspire to secure the follow on investment capital required in connection with the starter operations as well as any subsequent larger scale development at Ovoot;
- de-risk the future rail development through achieving early production, market acceptability of Ovoot coal and cashflow from the proposed starter operations; and
- significantly reposition Aspire within the next 1 to 2 years.

The funds raised from the Strategic Financing will also enable the Company to repay all amounts owing to Noble, so as to result in Aspire emerging from the strategic financing debt free.

(b) Delivers a stronger "Mongolian" involvement in the Company

Successful completion of the placement to Mr Tserenpuntsag will significantly increase the undiluted ownership of Aspire held by Mongolian nationals so as to make Aspire a true Mongolian/Australian partnership.

Mr Tserenpuntsag, who will emerge as the Company's largest shareholder following completion of the proposed placement, himself is a successful Mongolian entrepreneur across the food & beverage, information and communication technology, health and recreation and construction sectors.

Mr Tserenpuntsag founded Gem International, a beverage producer, in 1999 and has since gone on to found other leading Mongolian companies. In the beverage sector, these businesses include Gem Khujirt and GN Beverages whilst in the ICT sector he has created market leaders Mongolia Gemnet, DDish-TV and Kewiko. Mr. Tsedenpuntsag was awarded the title of 'Executive of the Year' by the Mongolian Communications Regulatory Commission. He is also a

Naadam Traditional Wrestling Tournament finalist (1994), an International Master of Judo, and the Founder of the Mongolian Rugby Association.

Further, the persons Mr Tserenpuntsag has nominated for appointment to the Aspire Board (in Mr Achit-Erdene Darambazar and Mr Bat-Amgalan Boldbaatar) are both successful Mongolian businessmen in their own right. Mr Achit-Erdene Darambazar (who is to be appointed as a non-executive director following completion of the proposed placement) is the President and CEO of MICC, Mongolia's first investment bank whilst Mr Bat-Amgalan Boldbaatar (who is to be appointed as an executive director) has had senior roles in public relations and publishing and was previously a director of Erdenet Mining Company. He also previously held senior roles in the Government of Mongolia including the State Secretary for the Ministry of Foreign Affairs and Chairman of the Communication Regulatory Commission.

Upon completion of the proposed placement, Mr Tserenpuntsag has undertaken to use his best endeavours to:

- provide and/or assist in arranging material future finance for the advancement of the OEDP, including the sourcing of low cost debt funding from the Mongolian government and/or other in-country sources as required; and
- support the Company in all Mongolian governmental and regulatory matters and with all community and public relation matters in connection with the OEDP.

(c) The Independent Expert considers the proposed placement not fair but reasonable to Shareholders

The Independent Expert has concluded that the proposed issue of Shares to Mr Tserenpuntsag is not fair but reasonable to Non-associated Shareholders. Whilst the Independent Expert considered the proposed placement to Mr Tserenpuntsag not to be fair to Non-associated Shareholders (as the range of values for a share in the Company post-completion of the placement was assessed to be lower than the range of values for a share in the Company pre-completion of the placement), the Independent Expert concluded that the position of the Non-associated Shareholders if the placement is approved to be more advantageous than if the placement was not approved, such that the proposed placement of Shares to Mr Tserenpuntsag is considered to be reasonable to Non-associated Shareholders.

In forming its conclusions, the Independent Expert noted the following key advantages of the proposed placement to Mr Tserenpuntsag:

- The Company will secure access to funds for conducting feasibility studies and to obtain permits and approvals in relation to the OEDP, including mining and road related developments.
- The possibility of early cash flows.
- The proposed placement to Mr Tserenpuntsag allows for the prepayment of any remaining debt to Noble.
- The possibility of the Company getting better support from Mongolian Government and regulatory authorities.

- The possibility of the Company getting better access to Mongolian financial institutions.

- The possibility of the Company having improved capability to manage local communities and of public relations.

However, the Independent Expert has also noted the following disadvantages:

- The placement to Mr Tserenpuntsag may restrict the remaining shareholders' ability to pass special resolutions without the approval of Mr Tserenpuntsag.

- The placement to Mr Tserenpuntsag will result in a dilution of existing Shareholders' interests.

(d) Improves the prospects of raising follow on investment capital

The proposed placement to Mr Tserenpuntsag together with the proposed Debt Conversion will result in the Company having two significant shareholders who between them will hold approximately 47% of the Company's issued share capital. It will also result in the Company repaying all of its outstanding debt owing to Noble, thereby emerging from the Strategic Financing debt-free.

Further, Mr Tserenpuntsag's status in the Mongolian business community is expected to further raise the profile of Aspire in Mongolia and assist the Company in sourcing low cost debt funding from the Mongolian government and/or other in-country sources as and when required.

The strengthening of the Company's capital structure and strengthening the "Mongolian" involvement in the Company is expected to have a material positive effect on the Company's prospects for raising the required development capital associated with the proposed OEDP as well as the larger Ovoot project and the associated Northern Railways infrastructure project.

6.3 Disadvantages of the proposed issue of Shares to Mr Tserenpuntsag

The Directors believe that the proposed issue of Shares to Mr Tserenpuntsag (being the subject of Resolution 4) has the following disadvantages:

(a) Dilution in Shareholder interests

The proposed issue of Shares to Mr Tserenpuntsag will dilute the equity interests of existing Shareholders who are not associated with Mr Tserenpuntsag. The effect of the proposed placement on Mr Tserenpuntsag's voting power in the Company is shown in paragraph 6.5 below.

However, the Directors believe that the benefits of the issue of Shares to Mr Tserenpuntsag set out above outweighs the disadvantages associated with the dilution of the equity interests of existing Shareholders who are not associated with Mr Tserenpuntsag.

(b) Increase in Mr Tserenpuntsag's control over the Company

The proposed issue of Shares to Mr Tserenpuntsag will increase Mr Tserenpuntsag's level of control over the Company to approximately 27% of the Company's issued share capital. Mr Tserenpuntsag will also be entitled to nominate two representatives as directors of Aspire, one of whom is to serve in an executive capacity.

The level of control which Mr Tserenpuntsag may acquire over the Company may reduce the likelihood of a takeover bid being made for the Company, either by Mr Tserenpuntsag or another entity, and hence any control premium in the price of Shares. Mr Tserenpuntsag's increased equity interest may also discourage other major Shareholders from acquiring further Shares, which could result in a decrease in liquidity of Shares on the ASX.

However, the Company notes the two year standstill which has been agreed to by Mr Tserenpuntsag in connection with the proposed placement. The Board believes that the Company should make substantial progress in implementing the OEDP within this 2 year period and that the successful implementation of the OEDP is likely to materially increase the value of Aspire.

(c) Further funding will still be required

The funds raised from the Strategic Financing, including those from the proposed placement to Mr Tserenpuntsag, are expected to only be sufficient to fund the completion of feasibility studies for the mine and road components of the OEDP to support a planned project. Further funding will be required to develop any early stage starter operation pursuant to the OEDP, which may further dilute existing Shareholders' interests in the Company.

However, for the reasons outlined above, the proposed placement to Mr Tserenpuntsag is expected to materially enhance the Company's ability to raise the development capital required to proceed to mine any such starter operation.

6.4 Why is Shareholder approval required for the issue of the Shares to Mr Tserenpuntsag?

(a) Shareholder approval under section 611 item 7 of the Corporations Act

Section 606 of the Corporations Act contains a prohibition on a person acquiring a relevant interest in issued voting shares in a listed company through a transaction which results in the person's voting power in the company increasing from below 20% to more than 20% or from a starting point of more than 20% to a higher percentage. An acquisition is not prohibited if it has been approved by a resolution of shareholders of the listed company in accordance with item 7 of section 611 of the Corporations Act.

A "relevant interest" arises if (among other things) the person has the ability to exercise, or control the exercise of, a right to vote attached to shares. A person's "voting power" for these purposes means the total number of votes that the person and its associates have a relevant interest in, expressed as a percentage of total votes attaching to all shares in the entity.

Accordingly, Shareholder approval is being sought under section 611 item 7 of the Corporations Act to ensure that the Company may issue the Shares to Mr Tserenpuntsag under the proposed placement notwithstanding that the issue of those Shares will result in Mr Tserenpuntsag and his associates increasing their voting power in the Company from a starting point below 20% to more than 20%.

For the exception in section 611 item 7 of the Corporations Act to apply, shareholders must be given all information known to the person proposing to make the acquisition or their associates, or known to the company, that is material to the decision of how to vote on the resolution. In ASIC Regulatory Guide 74, ASIC has indicated what additional information should be provided to shareholders in these circumstances.

Neither the Company nor the Directors are aware of any additional information not set out in this Explanatory Statement, or the Independent Expert's Report attached as Annexure A, that would be relevant to Shareholders in deciding how to vote on the Resolution.

(b) ASX Listing Rule 7.1

If Shareholders approve an issue of securities under section 611 item 7 of the Corporations Act, ASX Listing Rule 7.2 provides that those securities will not be counted for the purpose of determining the Company's ability to issue new securities under ASX Listing Rule 7.1.

Accordingly, if Resolution 4 is approved by Shareholders, the issue of the Shares to Mr Tserenpuntsag pursuant to Resolution 4 will not be included in the calculation of the Company's 15% annual placement capacity for the purposes of ASX Listing Rule 7.1.

6.5 Effect of the issue of Shares on Mr Tserenpuntsag's voting power in the Company

Under Resolution 4, Shareholders are being asked to approve (amongst other things) Mr Tserenpuntsag and his associates increasing their voting power in the Company for the purposes of section 611 item 7 of the Corporations Act.

The following table outlines the Company's current capital structure and voting power of the Company's Shareholders, both prior to and after the completion of the placement to Mr Tserenpuntsag.

	Capital structure prior to Strategic Financing		**Indicative capital structure post Strategic Financing**	
	Number of Shares	**Voting Power %**	**Number of Shares**	**Voting Power %**
Mr Tserenpuntsag	426,154,672	16.34	902,345,148	27.0
Noble (note Explanatory note 6 below)	502,650,623	19.27	666,271,411	19.9
Existing Shareholders (other than Mr Tserenpuntsag and Noble)	1,679,215,552	64.39	1,779,215,552	53.1
Total undiluted Shares	2,608,020,847	**100%**	3,347,832,111	**100%**

Explanatory notes and assumptions

1. The Company does not issue any additional Shares after the Last Practicable Date.
2. Mr Tserenpuntsag does not acquire any relevant interest in Shares after the Last Practicable Date, other than in the Shares to be issued to Mr Tserenpuntsag under the Subscription Agreement.
3. No Option or Performance Right holder converts their Options or performance rights into Shares after the Last Practicable Date.

4. All of the Share issues contemplated by the Strategic Financing transactions (as set out in section 5 of this Explanatory Statement) proceed.

5. The Company issues Shares to Noble as part of the Debt Conversion. At an A$:US$ exchange rate of 0.70, the maximum number of Shares that Aspire is required to issue to Noble under the terms of the Noble Prepayment Deed is 167,737,457 Shares. This would result in the prepayment of US$2.47m (A$3.534m) of amounts drawn down under the Noble Facility (inclusive of a small cash payment of less than A$12,000).

6. The precise number of Shares required to be issued to Noble under the Noble Prepayment Deed will depend on the time taken to complete the Strategic Financing (and the interest that accrues on amounts drawn down under the Noble Facility over that time) as well as the relevant US$:A$ foreign exchange rate applicable to the prepayment arrangements.

   If the Company is not required to issue the maximum number of Shares contemplated as being potentially issued to Noble under the terms of the Noble Prepayment Deed (being that number of Shares that would give Noble a 20% (minus one Share) interest in the Company post completion of the issue of Shares to Mr Tserenpuntsag and pursuant to the Additional Funding), then the voting power of Mr Tserenpuntsag would increase as a result of a fewer number of Shares being on issue post completion of the Debt Conversion. Any increase in Mr Tserenpuntsag's voting power as a result of the exact number of Shares required to be issued to Noble under the terms of the Noble Prepayment Deed is not expected to be material.

Shareholders should note that the table above also reflects the issue of Shares under the proposed Additional Funding and the issue of Shares to Noble under the Debt Conversion, being the subject of Resolutions 5 and 6. As set out above, the issue of Shares to Mr Tserenpuntsag will only proceed if Shareholders also approve the issue of Shares pursuant to the Additional Funding and the Debt Conversion the subject of Resolutions 5 and 6.

6.6 Mr Tserenpuntsag's intentions for the Company

If the issue of Shares to Mr Tserenpuntsag occurs, Mr Tserenpuntsag has confirmed that he is supportive of the Company pursuing feasibility studies for both the mine and road components of the OEDP.

Other than as disclosed elsewhere in this Explanatory Statement, Mr Tserenpuntsag has confirmed to Aspire that he has no intention to:

- make any changes to the business of the Company;
- inject any further capital into the Company;
- make any changes to the existing employees of the Company but supports the Board in its efforts to properly resource the Company to deliver the OEDP;
- transfer any of the Company's assets between the Company and Mr Tserenpuntsag or any of his associates;
- redeploy any of the Company's fixed assets; or
- change the Company's financial or dividend distribution policies.

The statements set out above are statements of the current intention of Mr Tserenpuntsag only and may vary as new information becomes available or circumstances change. Mr Tserenpuntsag has provided the Company with this information to assist the Company to meet its obligations under ASIC Regulatory Guide 74. The Company takes no responsibility for any omission from, or any error or false or misleading statement in this section.

6.7 Consequences if Resolution 4 is not approved

If Resolution 4 is not approved by the requisite majority, then the issue of Shares to Mr Tserenpuntsag will not proceed. Further, as the resolutions to approve the Additional Funding and the Debt Conversion are inter-conditional with Resolution 4, the proposed issue of additional Shares and the proposed Debt Conversion will also not proceed.

In those circumstances, the Company will not have raised the necessary funding to enable the Company to proceed with the proposed feasibility studies into the OEDP.

6.8 Additional information required by the Corporations Act and the ASIC Regulatory Guide 74

The following information is provided for the purposes of section 611 item 7 of the Corporations Act and ASIC Regulatory Guide 74:

(a) All Shares issued in connection with the proposed placement to Mr Tserenpuntsag will be issued to Mr Tserenpuntsag. Further information about Mr Tserenpuntsag is set out in paragraph 6.1 above.

(b) Any issue of Shares to Mr Tserenpuntsag will be made in accordance with the terms of the Subscription Agreement.

(c) The number of Shares that are to be issued to Mr Tserenpuntsag is outlined in paragraph 6.1 above. For the purposes of seeking approval to an increase in Mr Tserenpuntsag's voting power, approval is being sought to authorise Mr Tserenpuntsag to increase his voting power in the Company from 16.3% to up to 27.0%, being an increase in voting power of 10.7%. The voting power of Mr Tserenpuntsag's associates will be the same as the voting power of Mr Tserenpuntsag.

It is noted that if the Company is not required to issue the maximum number of Shares contemplated as potentially being issued to Noble under the terms of the Noble Prepayment Deed (being that number of Shares that would give Noble a 20% (minus one Share) interest in the Company post completion of the issue of Shares to Mr Tserenpuntsag and pursuant to the Additional Funding), then the voting power of Mr Tserenpuntsag would increase as a result of a fewer number of Shares being on issue post completion of the Debt Conversion. Any increase in Mr Tserenpuntsag's voting power as a result of the exact number of Shares required to be issued to Noble under the terms of the Noble Prepayment Deed is not expected to be material.

Based on an assumed completion date of 7 December 2018 and an A$:US$ exchange rate of A$1:US$0.72, the Company expects to issue 164,128,358 Shares to Noble under the Debt Conversion, which would result in Mr Tserenpuntsag acquiring voting power of 26.9% upon completion of the issue of Shares the subject of Resolution 4.

However, in order to accommodate the potential strengthening of the A$ against the US$ (and the resultant impact that may have on reducing the number of Shares required to be issued to Noble under the terms of the Noble Prepayment Deed), Shareholders are being asked to approve Mr Tserenpuntsag increasing his voting power to up to 27.0% as a result of the acquisition of the 476,190,476 Shares the subject of Resolution 4.

(d) An explanation of the reasons for the issue of the Shares to Mr Tserenpuntsag, as well as the perceived advantages and disadvantages of the issue of Shares to Mr Tserenpuntsag, are set out in paragraph 6.2 and 6.3.

As set out in paragraph 6.9 below, all Directors (other than Ms Hannah Badenach) voted in favour of the Company issuing Shares to Mr Tserenpuntsag, and have recommended that Shareholders vote in favour of Resolution 4. The reasons for the recommendation of Directors are also set out in paragraph 6.9 below.

(e) Other than as set out below or elsewhere in this Explanatory Statement, there are no contracts or proposed contracts between Mr Tserenpuntsag and the Company or any of their associates that are conditional on, or directly or indirectly dependent on, Shareholder approval of Resolution 4.

6.9 Directors' recommendation

Based on the information available, including that contained in this Explanatory Statement and the Independent Expert's Report and the advantages and disadvantages outlined above, the Directors (other than Ms Hannah Badenach) approve the proposal to put Resolution 4 to Shareholders. As Ms Badenach is Noble's nominee on the Board of Aspire and the fact that Resolution 4 is inter-conditional with Resolutions 5 and 6 (including the proposed Debt Conversion under the Noble Prepayment Deed), Ms Badenach declined to participate in the decision to put Resolution 4 to Shareholders.

The Directors (other than Ms Badenach) consider that the advantages to the proposed issue of Shares to Mr Tserenpuntsag outweigh the disadvantages, and the issue of Shares to Mr Tserenpuntsag is in the best interests of Shareholders. Accordingly, the Directors (other than Ms Badenach who declines to make a recommendation for the reasons outlined above) recommend that Shareholders vote in favour of Resolution 4.

6.10 No other material information

Other than as set out in this document, and other than information previously disclosed to Shareholders, there is no other information that is known to the Directors which may reasonably be expected to be material to the making of a decision by Shareholders whether or not to vote in favour of Resolution 4.

7 RESOLUTION 5 – ISSUE OF SHARES TO ELIGIBLE INVESTORS

7.1 Background

As part of the Strategic Financing, the Company has received binding commitments from professional and sophisticated investors to subscribe for 100,000,000 new Shares at A$0.021 (2.1 cents) per Share to raise A$2.1 million (**Additional Funding**). Receiving such commitments to the issue of these new Shares pursuant to this Additional Funding was a condition precedent to the Subscription Agreement entered into with Mr Tserenpuntsag.

The issue of new Shares pursuant to the Additional Funding is expected to close at the same time as the placement of new Shares to Mr Tserenpuntsag. Funds raised from the Additional Funding are to be used for the purposes outlined in section 5 of this Explanatory Statement above.

As set out above, Resolution 5 is conditional upon Shareholders also approving the issue of Shares the subject of Resolutions 4 and 6.

7.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

If approved, the effect of Resolution 5 will be to allow the Directors to issue 100,000,000 Shares to investors pursuant to the Additional Funding during the three months after the General Meeting (or a longer period if allowed by ASX) without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

7.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Additional Funding:

(a) the maximum number of securities to be issued is 100,000,000;

(b) the Shares will be issued on completion of the Additional Funding which is expected to occur on one date being no later than 5 business days after the date of the General Meeting and in any event no later than three months after the date of the General Meeting (or such later date as may be permitted pursuant to the terms of any waiver granted by the ASX or modification of the ASX Listing Rules);

(c) the Shares will be issued at a price of A$0.021 per Share;

(d) the Shares will be issued to applicants under the Additional Funding (which may include existing Shareholders of the Company) being professional and sophisticated investors within the scope of section 708 of the Corporations Act;

(e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, and will rank equally in all respects;

(f) the intended use of the funds raised by the Additional Funding is set out in section 5 of this Explanatory Statement above.

7.4 Directors' recommendation

The Directors (other than Ms Badenach who declines to make a recommendation for the reasons outlined in section 6.9 above) recommend that Shareholders vote in favour of Resolution 5.

8 RESOLUTION 6 – ISSUE OF SHARES TO NOBLE PURSUANT TO DEBT TO EQUITY CONVERSION

8.1 The Debt Conversion

The Company has entered into binding agreement with Noble to prepay up to US$2.4 million (plus interest accruing on that amount) of the outstanding amount owing under the Noble Facility by way of the issue of Shares at A$0.021 (2.1 cents) per Share, being the same price as Shares issued to Mr Tserenpuntsag and pursuant to the Additional Funding (**Noble Prepayment Deed**).

Under the Noble Prepayment Deed, Aspire has agreed to issue to Noble on completion of the issue of Shares to Mr Tserenpuntsag, that number of Shares that is equal to the lower of:

(a) US$2.4 million (plus interest that accrues on such amount up until the date that is 2 business days prior to completion of the issue of Shares to Mr Tserenpuntsag under the Subscription Agreement) divided by A$0.021 (converted into US$ at the average US$:A$ foreign exchange rate over the 5 business days ending on the last day that interest on such amounts is calculated); and

(b) that number of Shares that equates to a 20% (minus one Share) shareholding in the Company (post completion of the issue of Shares to Mr Tserenpuntsag and pursuant to the Additional Funding) at a deemed issue price of A$0.021 per Share (converted into US$ on the same basis as outlined in paragraph (a) above).

It is not possible to predict the number of Shares that may be issued to Noble under the Prepayment Deed as this will depend on the time taken to complete the Strategic Financing (and the interest accruing on amounts drawn down under the Noble Facility over that time) as well as the relevant US$:A$ foreign exchange rate for the purpose of the calculation above.

However, the maximum number of Shares that will be issued to Noble as part of the Debt Conversion is 167,737,457, being that number of Shares that equates to a 20% (minus one Share) Shareholding in the Company.

Aspire has agreed that any remaining amounts owing to Noble under the Noble Facility (after the Debt Conversion) are to be repaid in cash out of the proceeds of the Strategic Financing.

The Noble Prepayment Deed is conditional on Noble receiving all necessary approvals required for Noble to enter into the arrangement to convert amounts owing under the Noble Facility into Shares in accordance with the terms of the Noble Prepayment Deed.

Under the terms of the Noble Prepayment Deed, Noble will have the right to appoint one of its nominees as a non-executive director of the Company for so long as Noble holds at least 9.9% of Aspire . The Noble Prepayment Deed acknowledges that existing director Ms Hannah Badenach is the current nominee of Noble on Aspire's Board.

Approval of the issue of Shares pursuant to the proposed Debt Conversion the subject of this Resolution 6 is conditional upon Shareholders also approving the issue of Shares the subject of Resolutions 4 and 5.

8.2 ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in paragraph 7.2 of this Explanatory Statement.

If approved, the effect of Resolution 6 will be to allow the Directors to issue up to 167,737,457 Shares to Noble pursuant to the Debt Conversion during the three months after the General Meeting (or a longer period if allowed by ASX) without using the Company's 15% annual placement capacity under ASX Listing Rule 7.1.

8.3 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Debt Conversion:

(a) the maximum number of securities to be issued is 167,737,457 Shares;

(b) the Shares will be issued on one date being the date of completion of the issue of Shares to Mr Tserenpuntsag under the Subscription Agreement (expected to occur no later than 5 business days after the date of the General Meeting) and in any event no later than three months after the date of the General Meeting (or such later date as may be permitted pursuant to the terms of any waiver granted by the ASX or modification of the ASX Listing Rules);

(c) the Shares will be issued at a deemed issue price of A$0.021 per Share, being the same price as Shares proposed to be issued to Mr Tserenpuntsag under the Subscription Agreement and under the Additional Funding;

(d) the Shares will be issued to Noble or it's nominee;

(e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, and will rank equally in all respects;

(f) the consideration received from the issue of Shares the subject of the Debt Conversion is the prepayment of an equivalent amount of debt owing under the Noble Facility.

8.4 Directors' recommendation

The Directors (other than Ms Badenach who declines to make a recommendation for the reasons outlined in section 6.9 above) recommend that Shareholders vote in favour of Resolution 6.

9 RESOLUTION 7 – ISSUE OF OPTIONS TO MR ALEXANDER PASSMORE

9.1 Background

Mr Alexander Passmore was appointed as a non-executive director on 10 April 2018. As part of Mr Passmore's remuneration package, the Company agreed to issue Mr Passmore with 12,000,000 Options subject to obtaining the requisite Shareholder approval at the next general meeting of the Company.

The issue of Options to Mr Passmore forms part of the agreed remuneration paid to Mr Passmore as a non-executive director of the Company. The total remuneration package to be provided to Mr Passmore in his capacity as a non-executive director is a cash fee of $24,000 per annum (exclusive of GST) and the proposed issue of the 12,000,000 Options.

The Board acknowledges that the grant of options to a non-executive director is a departure from Recommendation 8.2 of the Corporate Governance Principles and recommendations published by the ASX Corporate Governance Council. However, having considered the alternatives to an issue of Options (such as a higher annual cash-based component of remuneration), the Board considers that the grant of Options is an effective way to remunerate Mr Passmore for his services as the Options issued to Mr Passmore will preserve the Company's cash resources.

The Options to be issued to Mr Passmore are in the same class as the ASX-listed options currently on issue in the Company. As such, the amount payable on the exercise of each Option is $0.018 (or 1.8 cents) and the Options expire at 5.00pm (WST) on 11 December 2019. The Options will be transferable on ASX. The full terms and conditions of the Options are set out in Annexure B.

At the time that the Company agreed to issue the Options to Mr Passmore, the Company's Share price was approximately $0.008 per Share and the Options were trading at around $0.004 per Option. As such, at that time, the Options were substantially “out of the money”. The Company agreed to seek the approval of Shareholders to the issue of these Options to Mr Passmore at the next Shareholders meeting following his appointment. The meeting to which this Notice relates is the first opportunity the Company has to seek the approval of Shareholders to the issue of these Options to Mr Passmore.

The Company acknowledges that the Company’s share price has increased significantly since Mr Passmore’s appointment (and the Company committing to issue the Options to Mr Passmore) which has in turn materially increased the value of the Options proposed to be issued to Mr Passmore. Based on the closing price of Options on ASX on 4 October 2018 of $0.010 per Option, the value of the Options proposed to be issued to Mr Passmore is $120,000. However, Shareholders should be aware that the value of the Options proposed to be issued to Mr Passmore will continue to fluctuate with movements in price of the Options on ASX.

Shareholders should be aware that if Resolution 7 is not approved, the Company may need to compensate Mr Passmore in other ways for the value attributable to these Options.

9.2 Requirement for Shareholder approval

Listing Rule 10.11 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of equity securities by a company to one of its related parties. As a director of the Company, Mr Passmore is considered to be a related party of the Company such that the proposed issue of Options to Mr Passmore requires approval pursuant to Listing Rule 10.11. It is noted that if approval is obtained under Listing Rule 10.11, further approval is not required to the issue of the Options for the purposes of Listing Rule 7.1.

Further, Chapter 2E of the Corporations Act also prohibits a public company from giving a financial benefit to a related party of a public company (such as a director) unless either the giving of the financial benefit falls within one of the express exceptions provided in the Corporations Act or otherwise shareholder approval is obtained prior to the giving of the financial benefit. The grant of Options will constitute a financial benefit for the purposes of these provisions.

It is noted that express exceptions are provided in Chapter 2E of the Corporations Act to the provision of a financial benefit to a related party where:

- the financial benefit is given on terms that would be reasonable in the circumstances if the entity and the related person were dealing at arm’s length, or on terms that are less favourable to the related party than these terms
- the financial benefit is remuneration to a related party as (relevantly) an officer in circumstances where to give the financial benefit would be reasonable given the circumstances relating to the Company and Mr Passmore’s appointment (including his role).

The Directors (other than Mr Alexander Passmore) consider that the issue of Options to Mr Passmore falls within the scope of these exceptions as Mr Passmore’s remuneration (including the proposed issue of Options) was negotiated at arm’s length as part of the Company seeking to secure Mr Passmore’s services as a non-executive director of the Company. Accordingly, the Company is not seeking approval to the issue of the Options for the purposes of Chapter 2E of the Corporations Act.

9.3 ASX Listing Rule 10.11 requirements

Pursuant to Listing Rule 10.13, the Company provides the following information to Shareholders in respect of Resolution 7:

(a) the name of the person receiving the Options is Mr Alexander Ross Passmore, a non-executive director of the Company (or his nominee(s));

(b) maximum number of Options to be issued by the Company to Mr Passmore (or his nominee(s)) is 12,000,000 Options;

(c) subject to receiving Shareholder approval, the Options will be issued to Mr Passmore (or his nominee(s)) as soon as practicable following the Meeting and in any event no later than one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules);

(d) the Options are issued for no monetary consideration and will be exercisable at a price of $0.018 (or 1.8 cents) and will expire at 5.00pm (WST) on 11 December 2019. The full terms and conditions of the options are set out in Annexure B;

(e) no funds will be raised from the issue of the Options, although the Company will raise $0.018 per Option if and when those Options are exercised. The Company currently proposes to use any funds raised to fund the Company's ongoing activities as part of the OEDP and for general working capital purposes;

(f) a voting exclusion statement in respect of Resolution 7 is included in the Notice.

9.4 Directors' recommendation

The Directors (other than Mr Alexander Passmore), have carefully considered the proposed issue of Options to Mr Passmore and Mr Passmore's remuneration package generally, and consider the issue to be an important component of his remuneration package.

Accordingly, having considered these factors and having considered the alternatives to an issue of Options to Mr Passmore (such as a higher cash-based component of remuneration), the Directors (other than Mr Passmore) believe that the issue of Options to Mr Passmore is in the best interests of the Company and recommend that Shareholders vote in favour of Resolution 7. To the extent permitted by law, the Chairman intends to vote all undirected proxies in favour of Resolution 7.

Mr Passmore makes no recommendation to Shareholders in relation to Resolution 7 because he has an interest in the outcome of the Resolution.

10 RESOLUTION 8 – ISSUE OF SHARES TO MR JAMES POLSON

10.1 Background

As set out in paragraph 7.1 above, Resolution 8 seeks the approval of Shareholders to issue 100,000,000 new Shares pursuant to the Additional Funding.

The Company has received a commitment from Mr James Polson to acquire 1,190,476 Shares proposed to be issued pursuant to the Additional Funding at 2.1 cents per Share. Mr Polson is the spouse of Ms Hannah Badenach, an existing non-executive director of the Company. As the spouse of a director of the Company, Mr Polson is considered to be a related party for the purposes of the Listing Rules and Chapter 2E of the Corporations Act. Approval of Shareholders is therefore required to issue Shares to Mr Polson.

10.2 Requirement for Shareholder approval

Listing Rule 10.11 provides that, subject to certain exceptions, prior approval of shareholders is required for an issue of equity securities by a company to a related party of the company. As the spouse of a director, Mr Polson is considered to be a related party of the Company. As none of the exceptions apply, Shareholder approval is required under ASX Listing Rules 10.11 to enable Mr Polson to participate in the Additional Funding and to subscribe for 1,190,476 Shares in the capital of the Company. It is noted that if approval is obtained under Listing Rule 10.11, further approval is not required to the issue of these Shares to Mr Polson for the purposes of Listing Rule 7.1.

As set out in paragraph 9.2 above, Chapter 2E of the Corporations Act also prohibits a public company from giving a financial benefit to a related party of a public company unless either the giving of the financial benefit falls within one of the nominated exceptions or shareholder approval is obtained prior to the giving of the financial benefit.

One of the exceptions to the requirement to obtain Shareholder approval in accordance with Chapter 2E of the Corporations Act applies where the financial benefit is given on terms that would be reasonable in the circumstances if the entity and the related person were dealing at arm's length, or on terms that are less favourable to the related party than these terms.

The Directors (other than Ms Hannah Badenach) consider that the issue of Shares to Mr Polson pursuant to the Additional Funding falls within the scope of this exception as the Shares are being issued on the same terms as all other investors who have participated in, and agreed to subscribe for Shares under, the Additional Funding.

10.3 ASX Listing Rule 10.11 requirements

Pursuant to Listing Rule 10.13, the Company provides the following information to Shareholders in respect of Resolution 8:

(a) the name of the person receiving the Shares is Mr James Polson, the spouse of Ms Hannah Badenach, an existing non-executive director of the Company (or his nominee(s));

(b) the maximum number of Shares to be issued by the Company to Mr Polson (or his nominee(s)) is 1,190,476 Shares;

(c) the Shares will be issued to Mr Polson on completion of the Additional Funding, which is expected to occur no later than 5 business days after the date of the General Meeting and in any event no later than one month after the date of the General Meeting (or such later date as may be permitted pursuant to the terms of any waiver granted by the ASX or modification of the ASX Listing Rules);

(d) Mr Polson is the spouse of Ms Hannah Badenach, a non-executive director of the Company;

(e) the Shares will be issued at an issue price of A$0.021 per Share, being the same price as Shares proposed to be issued to other investors under the Additional Funding;

(f) the intended use of the funds raised by the Additional Funding is set out in section 5 of this Explanatory Statement above;

(g) a voting exclusion statement in respect of Resolution 8 is included in the Notice.

10.4 Directors' recommendation

The Directors (other than Ms Hannah Badenach, who declines to make a recommendation because she is the spouse of Mr Polson) recommend that Shareholders vote in favour of Resolution 8.

11 RESOLUTION 9 – RENEWAL OF PROPORTIONAL TAKEOVER PROVISIONS

11.1 Background

The Constitution currently contains proportional takeover provisions requiring Shareholders to approve any takeover offer for only a proportion of each Shareholder's Shares (clause 35 of the Constitution). These provisions are designed to assist Shareholders to receive proper value for their Shares if a proportional takeover bid is made for the Company.

In accordance with the section 648G(1) Corporations Act, the proportional takeover provisions expire three years from their adoption, or if renewed, from the date of renewal.

The Company has not renewed its proportional takeover provisions since the Constitution was adopted on 29 November 2010. Accordingly, clause 35 of the Constitution ceased to operate with effect from 29 November 2013.

Renewal of the proposed proportional takeover provisions must be approved by a special resolution, requiring approval of 75% or more of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

If renewed, the proposed proportional takeover provisions will be exactly the same terms as the existing provisions and will have effect for a three year period commencing on 28 November 2018.

11.2 What is a proportional takeover?

A proportional takeover bid is a takeover offer sent to all Shareholders, but only in respect of a specified portion of each Shareholder's Shares. Accordingly, if a Shareholder accepts in full the offer under a proportional takeover bid, the Shareholder will dispose of the specified portion of their Shares in the Company and retain the balance of their Shares.

11.3 Effect of Clause 35 of the Company's Constitution

Clause 35 of the Constitution is set out in full in Annexure C of this Notice of Meeting.

In summary, if a proportional takeover bid is made, the Directors must:

- convene a general meeting no less than 14 days before the end of the bid period; and
- allow Shareholders to vote on a resolution to approve the proportional takeover bid.

The bidder and its associates are not allowed to vote on the resolution.

If the bid is rejected, binding acceptances are required to be rescinded, and all unaccepted offers and offers failing to result in binding contracts are taken to have been withdrawn.

If the bid is approved, the transfers resulting from the bid may be registered provided they comply with other provisions of the Corporations Act and the Constitution. If no resolution is voted on by the above deadline, a resolution approving the bid is taken to have been passed.

If Resolution 9 is passed, the proportional takeover provisions will only apply until 27 Novmber 2021 (being 3 years after the date of this Annual General Meeting), unless again renewed by Shareholders. The provisions will not impact upon a full takeover bid being made for the Company.

11.4 Knowledge of acquisition proposals

The Company is currently seeking the approval of Shareholders for the Strategic Financing as set out in section 5.1 above (including the issue of Shares to Mr Tserenpuntsag pursuant to Resolution 4).

The protections provided by clause 35 of the Constitution were previously available to Shareholders and the Board considers the renewal of those protections to be advantageous to Shareholders in the event that a proportional takeover bid is made for the Company in the future.

As at 23 October 2018, being the last date prior to the finalisation of this Notice of Meeting, no Director is aware of any other proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

11.5 Reasons for renewal

As a proportional takeover bid involves an offer for only a proportion of each Shareholder's Shares, a bidder may acquire control of the Company:

- without Shareholders having the chance to sell all of their Shares, leaving them as part of a minority interest in the Company; and
- without payment of an adequate control premium.

The Board considers that the proportional takeover provisions should be renewed as they lessen the risk of a bidder obtaining control of the Company without adequately compensating existing Shareholders as they allow Shareholders to decide collectively whether a proportional takeover bid is acceptable and appropriately priced.

11.6 Impact of existing proportional takeover provisions

While the proportional takeover provisions were in effect, between 29 November 2010 and 29 November 2013, no takeover bids for the Company were made, either proportional or otherwise.

Since the proportional takeover provisions ceased to operate on 29 November 2013, no takeover bids for the Company have been made, either proportional or otherwise.

Accordingly, no actual advantages or disadvantages of the proportional takeover provisions, for the Directors or the Shareholders, could be reviewed.

The Directors are not aware of any potential takeover bid that was discouraged by the inclusion of proportional takeover provisions in the Company's Constitution.

11.7 Advantages and disadvantages for Shareholders

Advantages

Renewal of the proportional takeover provisions has the following advantages for Shareholders:

- provides the right to decide whether a proportional takeover bid should proceed;
- provides protection from being locked in as a minority Shareholder;
- increases bargaining power; and
- provides a mechanism to understand the view of the majority of Shareholders which may assist individual Shareholders to decide whether to accept or reject an offer under proportional takeover bid.

Disadvantages

Renewal of the proportional takeover provisions has the following disadvantages for Shareholders:

- the provisions discourage proportional takeover bids;
- reduces Shareholders' opportunities to sell Shares at a premium;
- restricts the ability of individual Shareholders to deal with their Shares as they see fit; and
- reduces the likelihood of a proportional takeover bid succeeding.

11.8 Advantages and disadvantages for Directors

The renewal of the proportional takeover provisions will enable the Directors to formally ascertain the views of Shareholders in respect of a proportional takeover bid. Without such provisions, the Directors are dependent upon their perception of the interests and views of Shareholders.

Other than this advantage, the Directors consider that renewal of such a provision has no potential advantages or potential disadvantages for them as they remain free to make a recommendation on whether a proportional takeover offer should be accepted.

11.9 Directors' recommendation

The Board considers that the potential advantages for Shareholders of the proportional takeover provisions outweigh the potential disadvantages.

The Board unanimously recommends that Shareholders vote in favour of Resolution 9.

12 RESOLUTION 10 –APPROVAL OF THE PERFORMANCE RIGHTS PLAN

12.1 Background

Resolution 10 seeks shareholder approval to approve the Performance Rights Plan in order to provide increased flexibility with its future capital management initiatives.

The Performance Rights Plan was originally approved and adopted by Shareholders on 18 August 2011. It was approved again by Shareholders for the purposes of ASX Listing Rule 7.2 (Exception 9(b)) on 2 June 2015.

The objective of the Performance Rights Plan remains to provide the Company with a remuneration mechanism, through the issue of securities in the capital of the Company, to motivate and reward the performance of employees in achieving specified performance milestones within a specified performance period. The Board will continue to ensure that the performance milestones attached to the securities issued pursuant to the Performance Rights Plan are aligned with the successful growth of the Company's business activities.

12.2 ASX Listing Rule 7.1

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.2 (Exception 9(b)) sets out an exception to ASX Listing Rule 7.1 which provides that issues under an employee incentive scheme are exempt for a period of three years from the date on which shareholders approve the issue of securities under the scheme as an exception to ASX Listing Rule 7.1.

If Resolution 10 is passed, the Company will be able to continue to grant Performance Rights under the Performance Rights Plan to eligible participants over a period of three years after the meeting, and to issue Shares to those employees if they achieve the performance and vesting criteria of those Performance Rights, without using the Company's 15% annual placement capacity.

12.3 Terms of the Performance Rights Plan

A summary of the terms of the Performance Rights Plan is provided in Annexure D to this Explanatory Statement. A copy of the Performance Rights Plan will be made available free of charge to any Shareholder on request.

A total of 278,280,000 Performance Rights have been granted under the Performance Rights Plan as at the date of this Explanatory Statement. Of these, 52,735,421 vested and were converted into Shares and 14,461,250 Performance Rights have lapsed without the vesting conditions being satisfied.

13 ENQUIRIES

Shareholders are requested to contact the Company Secretary on (+ 61 8) 9287 4555 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

AGM or **Annual General Meeting** or **Meeting** means the annual general meeting convened by the Notice.

Additional Funding means the proposed issue of 100,000,000 Shares to investors.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Chairman means the chair of the Meeting from time to time.

Closely Related Party of a member of the Key Management Personnel means:

a) a spouse or child of the member; or

b) a child of the member's spouse; or

c) a dependent of the member or the member's spouse; or

d) anyone else who is one of the member's family and may be expected to influence the member or be influenced by the member in the member's dealings with the Company; or

e) a company the member controls; or

f) a person prescribed by the Corporations Regulations 2001 (Cth).

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

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Debt Conversion means the prepayment of amounts owing under the Noble Facility by way of the issue of Shares to Noble pursuant to Resolution 6, as outlined in paragraph 8.1 of this Explanatory Statement.

Directors means the directors of the Company.

Explanatory Statement means this explanatory statement accompanying the Notice.

Independent Expert means, BDO Corporate Finance (WA) Pty Ltd, the person engaged by the Board to opine on whether or not the Strategic Financing is 'fair and reasonable' to Shareholders.

Independent Expert's Report means the report prepared by the Independent Expert.

Key Management Personnel has the same meaning as in the accounting standards. Broadly speaking this includes those persons with the authority and responsibility for planning, directing and controlling the activities of the Company (whether directly or indirectly), and includes any directors of the Company.

Last Practicable Date means 23 October 2018, being the last practicable date before finalisation of this Explanatory Statement.

Noble means Noble International Resources Pte Ltd.

Noble Facility means the loan facility provided by Noble to Ovoot Coking Coal Pte Ltd (a wholly owned subsidiary of the Company) pursuant to an agreement dated 21 February 2013 (as amended).

Noble Prepayment Deed means the binding agreement between Noble and the Company for the Company to prepay up to US$2.4 million (plus interest accruing on that amount) of the outstanding amount owing under the Noble Facility by way of the issue of Shares at 2.1 cents per Share.

Notice or **Notice of Meeting** means the notice of Annual General Meeting, accompanying this Explanatory Statement.

OEDP means the Ovoot Early Development Plan.

Option means an Option to subscribe for a Share issued by the Company.

Ovoot means the Company's 100% owned Ovoot Coking Coal Project in Mongolia.

Performance Right means a performance right issued by the Company.

Performance Rights Plan means the Company's performance rights plan, a summary of which is contained in Annexure D to this Notice.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report contained in the Directors' Report, forming part of the Company's Annual Financial Report for the Company and its controlled entities for the financial year ended 30 June 2018.

Resolution means a resolution set out in the Notice of Meeting.

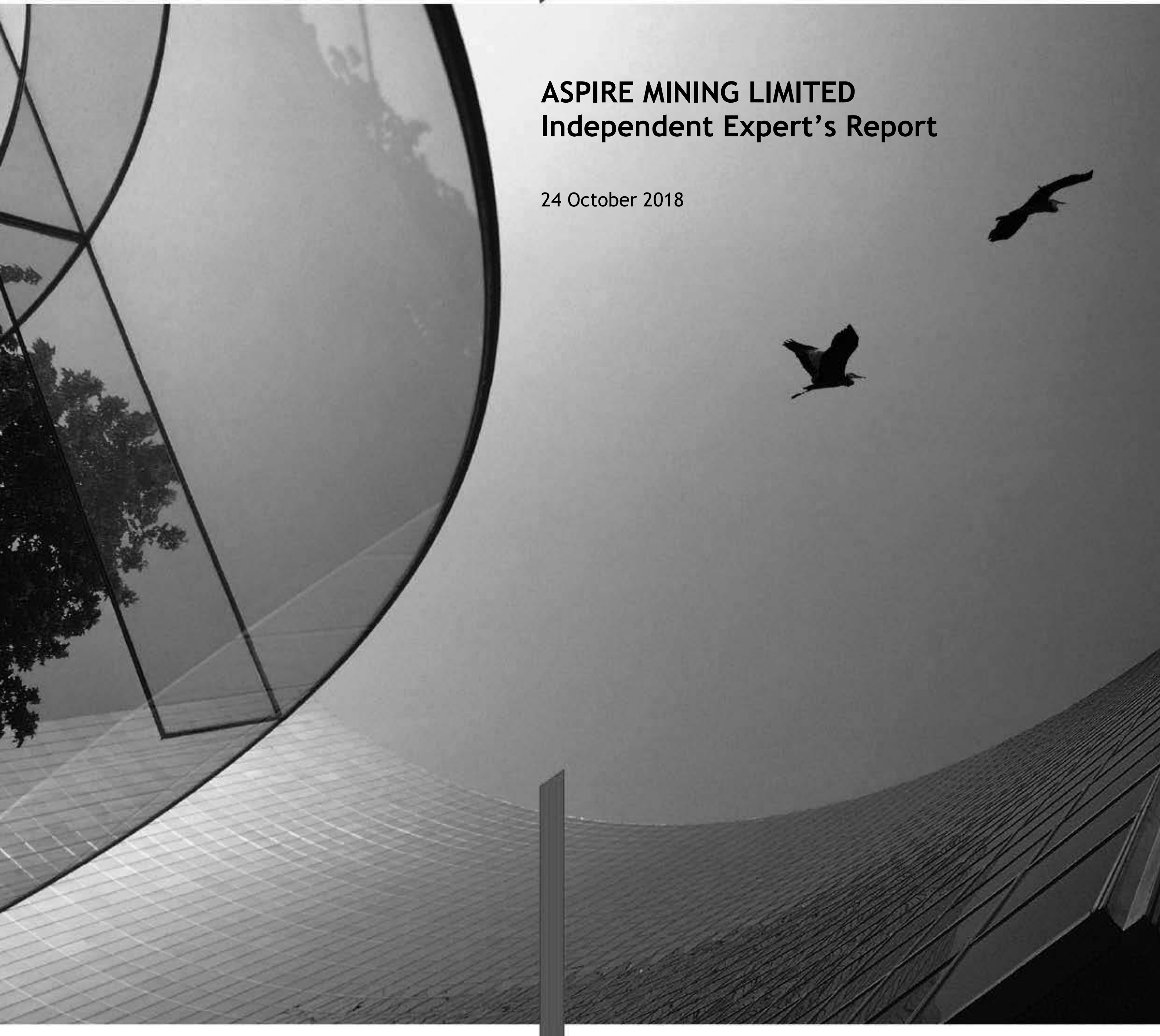
Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Strategic Financing means the Company's proposed A$15 million strategic financing package detailed in section 5.1 of this Explanatory Statement.

Subscription Agreement has the meaning given to that term in section 6.1 of this Explanatory Statement.

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



ASPIRE MINING LIMITED
Independent Expert's Report

24 October 2018

BDO

Financial Services Guide

24 October 2018

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 ('**we**' or '**us**' or '**ours**' as appropriate) has been engaged by Aspire Mining Limited ('**Aspire**') to provide an independent expert's report on the proposal to issue 476,190,476 new shares to an existing substantial shareholder, Mr. Tserenpuntsag Tserendamba ('**Mr. Tserenpuntsag**') for a consideration of $10.0 million in cash which on completion will increase his current shareholding of 16.3% to approximately 27.0% on an undiluted basis (the '**Proposed Transaction**'). You will be provided with a copy of our report as a retail client because you are a shareholder of Aspire.

Financial Services Guide
In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ('**FSG**'). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- Who we are and how we can be contacted;
- The services we are authorised to provide under our Australian Financial Services Licence, Licence No. 316158;
- Remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- Any relevant associations or relationships we have; and
- Our internal and external complaints handling procedures and how you may access them.

Information about us
BDO Corporate Finance (WA) Pty Ltd is a member firm of the BDO network in Australia, a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International). The financial product advice in our report is provided by BDO Corporate Finance (WA) Pty Ltd and not by BDO or its related entities. BDO and its related entities provide services primarily in the areas of audit, tax, consulting and financial advisory services.

We do not have any formal associations or relationships with any entities that are issuers of financial products. However, you should note that we and BDO (and its related entities) might from time to time provide professional services to financial product issuers in the ordinary course of business.

Financial services we are licensed to provide
We hold an Australian Financial Services Licence that authorises us to provide general financial product advice for securities to retail and wholesale clients.

When we provide the authorised financial services we are engaged to provide expert reports in connection with the financial product of another person. Our reports indicate who has engaged us and the nature of the report we have been engaged to provide. When we provide the authorised services we are not acting for you.

General Financial Product Advice
We only provide general financial product advice, not personal financial product advice. Our report does not take into account your personal objectives, financial situation or needs. You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice.

Fees, commissions and other benefits that we may receive
We charge fees for providing reports, including this report. These fees are negotiated and agreed with the person who engages us to provide the report. Fees are agreed on an hourly basis or as a fixed amount depending on the terms of the agreement. The fee payable to BDO Corporate Finance (WA) Pty Ltd for this engagement is approximately $30,000.

Except for the fees referred to above, neither BDO, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees
All our employees receive a salary. Our employees are eligible for bonuses based on overall productivity but not directly in connection with any engagement for the provision of a report. We have received a fee from Aspire for our professional services in providing this report. That fee is not linked in any way with our opinion as expressed in this report.

Referrals
We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Complaints resolution
Internal complaints resolution process
As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing addressed to The Complaints Officer, BDO Corporate Finance (WA) Pty Ltd, PO Box 700 West Perth WA 6872.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than **45 days** after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme
A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service ('**FOS**') or Australian Financial Complaints Authority ('**AFCA**') schemes. FOS is being transitioned to AFCA on the 1 November and until transition a compliant can be provided to either entity.

FOS is an independent organisation that was established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial service industry. AFCA is the new external dispute resolution scheme which will provide these services and has been established to allow for the amalgamation of all FOS schemes into one. It will deal with complaints from consumers in the financial system by providing free, fair and independent financial services complaint resolution.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with FOS before the 1 November 2018, or AFCA. Our AFCA/FOS Membership Number is 12561. Further details about AFCA and FOS are available at the AFCA website www.afca.org.au and the FOS website www.fos.org.au, or by contacting them directly via the details set out below.

Australian Financial Complaints Authority & Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001

FOS Free call: 1800 367 287
AFCA Free call : 1800 931 678
Emails: info@fos.org.au
info@afca.org.au

TABLE OF CONTENTS

© 2018 BDO Corporate Finance (WA) Pty Ltd

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

24 October 2018

The Directors
Aspire Mining Limited
Level 9, 182
St. Georges Terrace,
Perth, WA 6000, Australia

Dear Directors

INDEPENDENT EXPERT'S REPORT

1. Introduction

On 29 August 2018, Aspire Mining Limited (**'Aspire'** or '**the Company**') announced that it had entered into a definitive, binding, conditional subscription agreement (the **'Agreement'**) with an existing shareholder, Mr. Tserenpuntsag Tserendamba, for him to invest $10.0 million (the **'Proposed Transaction'**) as part of a $15.0 million financing package. Under the Agreement, Mr. Tserenpuntsag has agreed to subscribe for 476,190,476 new ordinary shares of Aspire at $0.021 per share, which on completion (post all the pre-requisites including shareholder and necessary regulatory approvals) will increase his shareholding from the current level of 16.3% to approximately 27.0% on an undiluted basis.

2. Summary and Opinion

2.1 Purpose of the report

The directors of Aspire have requested that BDO Corporate Finance (WA) Pty Ltd ('**BDO**') prepare an independent expert's report (**'our Report**') to express an opinion as to whether or not the issue of new shares to Mr. Tserenpuntsag resulting in an increase of his shareholding to 27.0%, is fair and reasonable to the non-associated shareholders of Aspire ('**Shareholders**').

Our Report is prepared pursuant to item 7 of section 611 of the Corporations Act 2001 Cth ('**Corporations Act**' or '**the Act**') and is to be included in the Notice of Meeting to be provided to the Shareholders of Aspire in order to assist the Shareholders in their decision whether to approve the Proposed Transaction.

2.2 Approach

Our Report has been prepared having regard to Australian Securities and Investments Commission ('**ASIC**') Regulatory Guide 111 'Content of Expert's Reports' ('**RG 111**') and Regulatory Guide 112 'Independence of Experts' ('**RG 112**').

In arriving at our opinion, we have assessed the terms of the Proposed Transaction as outlined in the body of this Report. We have considered:

BDO Corporate Finance (WA) Pty Ltd ABN 27 124 031 045 AFS Licence No 316158 is a member of a national association of independent entities which are all members of BDO (Australia) Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Corporate Finance (WA) Pty Ltd and BDO (Australia) Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation (other than for the acts or omissions of financial services licensees) in each State or Territory other than Tasmania.

- how the value of a share in Aspire prior to the Proposed Transaction on a control basis compares to the value of a share in Aspire following the Proposed Transaction on a minority interest basis;
- other factors which we consider to be relevant to Shareholders in their assessment of the Proposed Transaction; and
- the position of Shareholders should the Proposed Transaction not proceed.

2.3 Opinion

We have considered the terms of the Proposed Transaction as outlined in the body of this report and have concluded that, in the absence of an alternative offer, the Proposed Transaction is **not fair but reasonable**.

In our opinion, the Proposed Transaction is not fair because the value of a share of Aspire following the Proposed Transaction on a minority basis is lower than the value of a share of Aspire prior to the Proposed Transaction on a control basis. However, we consider the Proposed Transaction to be reasonable because the advantages of the Proposed Transaction to Shareholders are greater than the disadvantages. In particular, according to clause 6 of the Subscription Agreement signed between Aspire and Mr. Tserenpuntsag, Mr. Tserenpuntsag undertakes that he and his nominees will use best endeavours to:

a) provide and/or assist in arranging future finance for the advancement of the Ovoot Early Development Plan **('OEDP')**, including the sourcing of low cost debt funding from the Mongolian Government and/or other in-country and international sources as required; and

b) support Aspire in all Mongolian Governmental and regulatory matters and with all community and public relations matters in connection with OEDP.

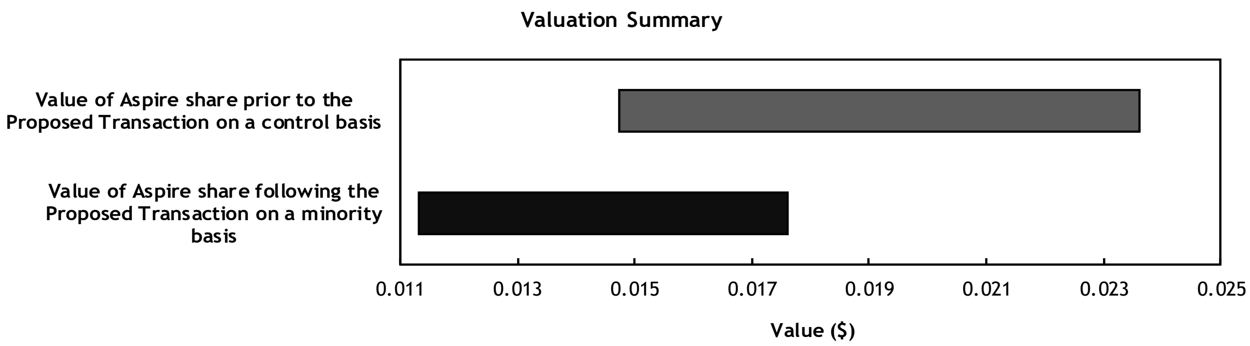
2.4 Fairness

In section 12, we determine that the value of a share of Aspire prior to the Proposed Transaction compares to the value of a share of Aspire following the Proposed Transaction, as detailed below.

	Ref	Low $	Preferred $	High $
Value of Aspire share prior to the Proposed Transaction on a control basis	10	0.0147	0.0185	0.0236
Value of Aspire share following the Proposed Transaction on a minority basis	11	0.0113	0.0140	0.0176

Source: *BDO analysis*

The above valuation ranges are presented in the chart below:



The above pricing indicates that, in the absence of any other relevant information, the Proposed Transaction is not fair for Shareholders.

2.5 Reasonableness

We have considered the analysis in section 13 of this Report, in terms of both:

- advantages and disadvantages of the Proposed Transaction; and
- other considerations, including the position of Shareholders if the Proposed Transaction does not proceed and the consequences of not approving the Proposed Transaction.

In our opinion, the position of Shareholders if the Proposed Transaction is approved is more advantageous than the position if the Proposed Transaction is not approved. Accordingly, in the absence of any other relevant information and/or an alternative proposal we believe that the Proposed Transaction is reasonable for Shareholders.

The respective advantages and disadvantages considered are summarised below:

ADVANTAGES AND DISADVANTAGES			
Section	Advantages	Section	Disadvantages
13.5	Access to funds for conducting feasibility studies and to obtain permits and approvals in relation to the OEDP, including mining and road related developments (also see section 4).	13.6	Restriction on special resolutions
13.5	Possibility of early cash flows	13.6	Dilution of existing Shareholders' interests
13.5	Prepayment of any remaining debt to Noble.		
13.5	Possibility of getting better support from Mongolian Government and regulatory authorities.		
13.5	Possibility of getting better access to Mongolian financial institutions.		
13.5	Possibility of having improved capability to manage local communities and of public relations.		

Other key matters we have considered include:

Section	Description
13.1	Alternative Proposal
13.2	Practical Level of Control
13.3	Consequences of not approving the Proposed Transaction
13.4	Minority interest value prior to the transaction compared to the value post transaction

3. Scope of the Report

3.1 Purpose of the Report

Section 606 of the Corporations Act expressly prohibits the acquisition of shares by a party if that acquisition will result in that person (or someone else) holding an interest in 20.0% or more of the issued shares of a public company, unless a full takeover offer is made to all shareholders or that person can avail itself of one of the other exceptions in section 611 of the Corporations Act. As a result of the Proposed Transaction Mr. Tserenpuntsag will increase his interest in Aspire from approximately 16.3% to approximately 27.0% on an undiluted basis.

Section 611 permits such an acquisition if the shareholders of that entity have agreed to the issue of such shares. This agreement must be by resolution passed at a general meeting at which no votes are cast in favour of the resolution by any party who is associated with the party acquiring the shares, or by the party acquiring the shares. Section 611 states that the shareholders of the company must be given all information that is material to the decision on how to vote at the meeting.

RG 74 states that the obligation to supply shareholders with all information that is material can be satisfied by the non-associated directors of the entity, by either:

- undertaking a detailed examination of the Proposed Transaction themselves, if they consider that they have sufficient expertise, experience and resources; or
- by commissioning an Independent Expert's Report.

3.2 Regulatory guidance

Neither the Listing Rules nor the Corporations Act define the meaning of 'fair and reasonable'. In determining whether the Proposed Transaction is fair and reasonable, we have had regard to the views expressed by ASIC in RG 111. This regulatory guide provides guidance as to what matters an independent expert should consider to assist security holders to make informed decisions about transactions.

RG111 suggests that where the Proposed Transaction is a control transaction, the expert should focus on the substance of the control transaction rather than the legal mechanism used to effect it. It further suggests that where a transaction is a control transaction, it should be analysed on a basis consistent with a takeover bid.

In our opinion, the Proposed Transaction is a control transaction as defined by RG 111 and we have therefore assessed the Proposed Transaction as a control transaction to consider whether, in our opinion, it is fair and reasonable to Shareholders.

3.3 Adopted basis of evaluation

RG 111 states that a transaction is fair if the value of the offer price or consideration is equal to or greater than the value of the securities subject of the offer. This comparison should be made assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length. When considering the value of the securities subject of the offer in a control transaction it is inappropriate for the expert to apply a discount on the basis that the shares being acquired represent a minority or portfolio interest as such the expert should consider this value inclusive of a control premium. Further to this, RG 111 states that a transaction is reasonable if it is fair. It might also be reasonable if, despite being 'not fair', the expert believes that there are sufficient reasons for security holders to accept the offer in the absence of any higher bid.

Having regard to the above, BDO has completed this comparison in two parts:

- a comparison between value of a share in Aspire prior to the Proposed Transaction on a control basis and the value of a share in Aspire following the Proposed Transaction on a minority basis (fairness – see Section 12 'Is the Proposed Transaction Fair?'); and
- an investigation into other significant factors to which Shareholders might give consideration, prior to approving the resolution relating to the Proposed Transaction, after reference to the value derived above (reasonableness – see Section 13 'Is the Proposed Transaction Reasonable?').

3.4 APES 225 'Valuation Services' compliance

This assignment is a Valuation Engagement as defined by Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services' (**'APES 225'**).

A Valuation Engagement is defined by APES 225 as follows:

'an Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.'

This Valuation Engagement has been undertaken in accordance with the requirements set out in APES 225.

4. Outline of the Proposed Transaction

On 29 August 2018, Aspire announced that it had entered into a definitive, binding, conditional subscription agreement with an existing shareholder, Mr. Tserenpuntsag Tserendamba, for him to invest $10.0 million as part of a $15.0 million financing package.

Under the Agreement, Mr. Tserenpuntsag has agreed to subscribe for 476,190,476 new fully paid ordinary Aspire shares at $0.021 per share (**'Placement Shares'**), which on completion (post all the pre-requisites including shareholder and necessary regulatory approvals) will increase his shareholding from the current level of 16.3% to approximately 27.0%.

The details of the Proposed Transaction are set out in the Agreement between Aspire and Mr. Tserenpuntsag dated 24 August 2018. Completion of the issue and allotment of the Placement Shares to Mr. Tserenpuntsag in accordance with the Agreement is conditional on satisfaction of the following conditions precedent (**'CPs'**):

- Shareholders of Aspire passing all necessary resolutions as required under Aspire's constitution, the Listing Rules and the Corporations Act;
- the Independent Expert opining that the Proposed Transaction is fair and reasonable, or not fair but reasonable, to Shareholders, and the Independent Expert not changing its conclusions or withdrawing its report prior to the completion of the issue and allotment of the Placement Shares in accordance with the Agreement;
- Aspire receiving legally binding commitments from investors to subscribe for such number of new shares to raise $1.7 million **('Additional Subscription Amount')** on terms satisfactory to Aspire, and that all of those commitments are or become unconditional (or are conditional only on the completion of the issue and allotment of the Placement Shares in accordance with the Agreement,

occurring) with the effect that the issue and payment for those new Shares will occur at or before Completion; and

- Noble Resources International Pte Limited (**'Noble'**) confirming in writing to Aspire that it has received all necessary approvals to authorise the conversion of the amount of debt in accordance with the prepayment deed entered into between Aspire, Noble, and Ovoot Coking Coal Pte Ltd (**'Noble Debt Conversion'**).

	$	$
Sources and uses of funds	**Range**	
Sources of funds:		
Placement	12,100,000	12,100,000
	12,100,000	**12,100,000**
Uses of funds:		
Issue costs	774,019	774,019
Hydrology and drilling report	4,000,000	5,000,000
Working capital and overheads	500,000	750,000
	5,274,019	**6,524,019**
Available for further studies, approvals, road and/or plant construction	6,825,981	5,575,981
	12,100,000	**12,100,000**

Source*: Management.*

As at the date of our Report, Mr. Tserenpuntsag, holds a relevant interest in 426,154,672 shares in the Company representing a 16.3% shareholding on an undiluted basis. The issue of the Placement Shares to Mr. Tserenpuntsag will increase his holding in Aspire to 902,345,148 shares representing a maximum holding of 27.0% on an undiluted basis. Furthermore, according to Aspire's ASX Release dated 3 September 2018, Aspire obtained placements pre-commitments for the amount of $2.1 million (higher than the $1.7 million specified in the Agreement).

The table below shows the movement in the number of Aspire shares from 1 July 2017 to the date of the report:

	Date	Number
Balance as at 30 June 2017		939,534,971
Issued at 3.3 cents on exercise of vested performance rights	03/07/2017	5,500,000
Issued at 2 cents pursuant to placement	14/08/2017	54,922,250
Issued at 2 cents pursuant to placement	24/08/2017	500,000
Issued at 2 cents pursuant to debt principal for equity agreement	24/08/2017	23,333,333
Issued at 2 cents pursuant to debt interest for equity agreement	01/09/2017	41,671,200
Issued at 2 cents pursuant to asset acquisition agreement	01/09/2017	66,666,667
Issued at 3.3 cents on exercise of vested performance rights	04/10/2017	6,000,000
Issued at 1.9 cents pursuant to asset acquisition agreement	07/11/2017	10,000,000
Issued at 1.2 cents pursuant to renounceable rights issue	11/12/2017	1,377,754,105
Exercise of options	09/02/2018	42,000
Issued on vesting and exercise of performance rights issued on 6 Feb 2017.	09/05/2018	3,250,000
Exercise of options	28/05/2018	13,000
Exercise of options	25/06/2018	36,000

	Date	Number
Issued on vesting and exercise of performance rights.	13/07/2018	34,216,671
Shares issued on exercise of unlisted options	15/08/2018	44,527,250
Shares issued on exercise of unlisted options	24/09/2018	53,400
Shares on issue as at the date of this report		**2,608,020,847**

***Source:** Interim financial report for the six months ended 31 December 2017, Audited Financial Statements for the year ended 30 June 2018, Aspire's ASX announcements, Management.*

The tables below show the breakdown total number of shares of Aspire following the transaction on an undiluted basis:

	Number
Issued shares of Aspire at the date of our Report	2,608,020,847
Shares to be issued to Mr. Tserenpuntsag Tserendamba	476,190,476
Share to be issued to Noble for debt conversion	163,620,788
Placement of shares to raise $2.1 million	100,000,000
Total number of Aspire shares following the Transaction	**3,347,832,111**

***Source:** Management and BDO analysis*

Number of shares	Mr. Tserenpuntsag	Private placement	Noble	Other shareholders	Total
Issued shares of Aspire at the date of our Report	426,154,672	-	502,650,623	1,679,215,552	2,608,020,847
New shares to be issued	476,190,476	100,000,000	163,620,788*	-	739,811,264
Issued shares post transaction	**902,345,148**	**100,000,000**	**666,271,411**	**1,679,215,552**	**3,347,832,111**
% holding at the date of the report	**16.3%**	**0.0%**	**19.3%**	**64.4%**	**100.0%**
% holding post transaction	**27.0%**	**3.0%**	**19.9%**	**50.2%**	**100.0%**

***Source:** Management and BDO analysis*
**The number of shares estimated to be issued to Noble is based on the conversion of US$2,403,481 at AUD/US$ of 0.72 resulting in $3,338,168. This may differ had the number of shares to be issued to Noble was determine based on the outstanding balance as at 30 June 2018 i.e. $3,246,630. Actual number of shares to be issued to Noble will differ depending on the exchange rate between US$ and $ on the date of conversion.*

Aspire has listed options on issue and some performance shares. According to a release made by Aspire on 24 September 2018 (Appendix 3B), there are a total of 688,732,652 listed options exercisable at 1.8 cents on or before 11 December 2019. Furthermore, according to the terms of the appointment of Mr. Alex Passmore as a non-executive director, he will be issued 12,000,000 options, resulting in a total of 700,732,652 listed options.

The table below shows the breakdown of the total number of shares of Aspire based on the exercise of the listed options following the Proposed Transaction:

Number of shares	Mr. Tserenpuntsag	Other shareholders	Total
Issued shares at Report date	426,154,672	2,181,866,175	2,608,020,847
New shares to be issued	476,190,476	263,620,788	739,811,264
Option conversion	128,330,119	572,402,533	700,732,652
Issued shares post transaction and exercise of options	**1,030,675,267**	**3,017,889,496**	**4,048,564,763**
% holding at the date of the report	**16.3%**	**83.7%**	**100.0%**
% holding post transaction	**25.5%**	**74.5%**	**100.0%**

***Source:** Management and BDO analysis*

The table below shows the breakdown of the total number of shares of Aspire based on the exercise of the listed options of Mr. Tserenpuntsag only:

Number of shares	Mr. Tserenpuntsag	Other shareholders	Total
Issued shares at Report date	426,154,672	2,181,866,175	2,608,020,847
New shares to be issued	476,190,476	263,620,788	739,811,264
Option conversion	128,330,119	-	128,330,119
Issued shares post transaction and exercise of options	**1,030,675,267**	**2,445,486,963**	**3,476,162,230**
% holding at the date of the report	**16.3%**	**83.7%**	**100.0%**
% holding post transaction	**29.6%**	**70.4%**	**100.0%**

Source: *Management and BDO analysis*

As shown in the table above, in the case that only Mr. Tserenpuntsag exercises his options and none of the other option holders exercise any of their options, Mr. Tserenpuntsag would have the capacity to increase his shareholding interest to 29.6%. However, according to the Subscription Agreement, he is restricted for a period of 24 months after the Proposed Transaction from increasing his interest in the Company to greater than 28.0%. The Agreement further states that in case his voting power increases to more than 28.0% (other than with the prior written consent of the Company or other circumstances as stipulated in the Agreement) Mr. Tserenpuntsag must:

1. sell the number of shares required to reduce his voting power in the Company to 28.0% or less within one month (or such longer periods as approved by the Company) after the date on which his voting power increased above 28.0%
2. not exercise voting rights over the number of shares held by him which represent the number shares by which his voting power exceeds 28.0%

In addition to the listed options, Aspire also has 211,083,329 Performance Rights on issue. The table below shows the breakdown of the Performance Rights issued as at the date of this Report:

	Number
Performance rights issued to qualifying consultant on 31 July 2015	40,000,000
Performance rights issued to Directors on 9 May 2018	130,666,666
Performance rights issued to employees and qualifying contractors on 9 May 2018 on 9 May 2018	40,416,663
	211,083,329

Source: *Management and Appendix 3B dated 24 September 2018*

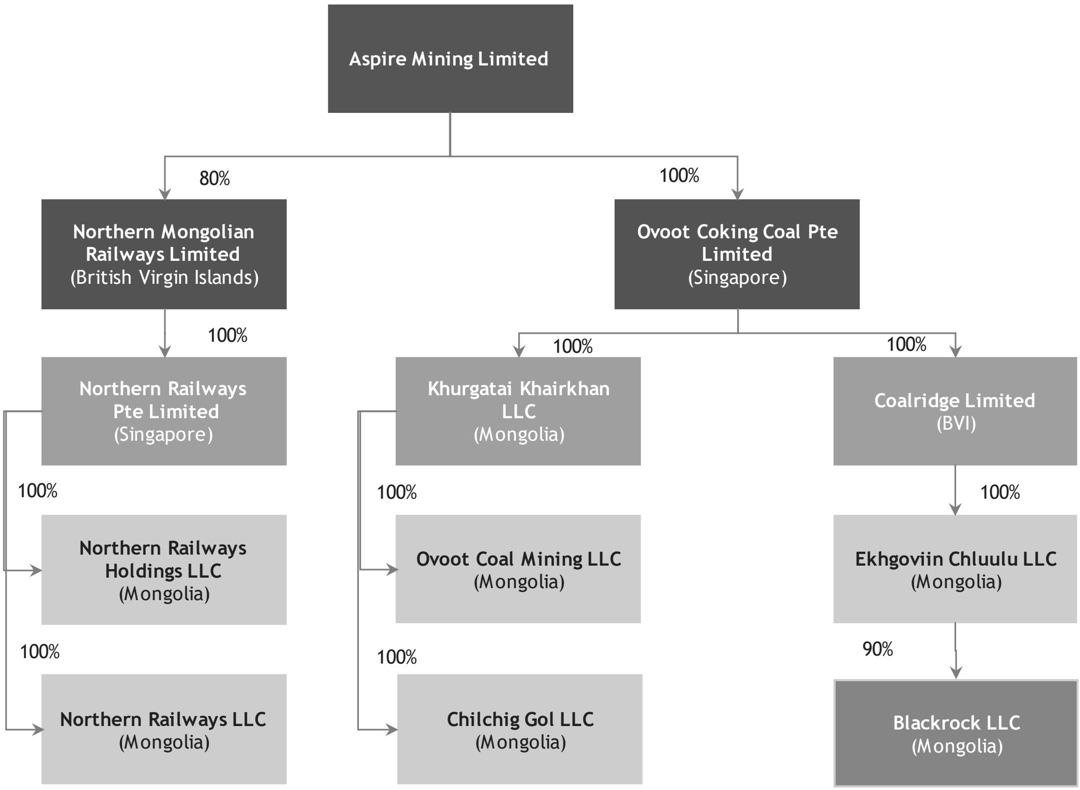
The vesting requirements applicable to the 40,000,000 Performance Rights issued to Signum Resources (together, the "Consultants") are based on execution of a Concession Agreement to build and operate the Ovoot to Erdenet Northern Railway and provision by 31 December 2018 of an offer to fund 70.0% of the funding require to build the railway. Management does not expect the vesting requirements related to these Performance Rights to be met. The Performance Rights issued to directors, employees and qualifying contractors issued on 9 May 2018 will be split into tranches that are subject to separate vesting conditions requiring satisfaction by certain dates between 30 June 2019 to 30 June 2021. Each Performance Right will vest and, upon exercise of the vested Performance Right, entitle the holder to one fully paid ordinary share in Aspire provided the relevant vesting condition is met. No monetary consideration is payable upon grant of the Performance Rights, nor payable on exercise of the Performance Rights. Since these Performance Rights may only be vested between 30 June 2019 and 30 June 2021, the likelihood and effect of their conversion has not been analysed.

5. Profile of Aspire

5.1 Background

This section provides background on Aspire, its projects, material corporate events, and historical financial information. In preparing our opinion we have relied upon this information and certain information included within the independent specialist valuation attached to this report

Aspire is an exploration and development company, with metallurgical coal and infrastructure assets in Mongolia and having mining and exploration licenses in Mongolia's Northern provinces. The Company is headquartered in Perth, Western Australia. Aspire is primarily focused on developing the Ovoot Coking Coal Project (**'Ovoot Project'**), and the Nuurstei Coking Coal Project (**'Nuurstei Project'**). The Company also has an 80% interest Northern Railways LLC (**'Northern Railways'**), a Mongolian registered rail and infrastructure company, which has been established to develop the Erdenet-Ovoot Rail Project (**'Erdenet-Ovoot Project'**). The chart below shows the group structure of Aspire:



Source: *Management*

The Company's current board members and senior management are:

- Mr David Paull – Managing Director and Chairman;
- Mr Gan-Ochir Zunduisuren –Executive Director;
- Mr Neil Lithgow – Non-Executive Director;
- Ms Hannah Badenach – Non-Executive Director;
- Mr Alex Passmore – Non-Executive Director; and
- Mr Phil Rundell – Company Secretary.

The Erdenet-Ovoot Project is located within the 'Northern Rail Corridor', between the Chinese port of Tianjin and the Trans-Siberian Railway. Once developed the Erdenet-Ovoot Project will transport coal from Ovoot and Nuurstei to export markets. On 29 August 2018, the Company announced the Ovoot Early Development Plan (**'OEDP'**), a plan to bring forward production from the Ovoot Project, by establishing a starter open-pit mine within the previously defined orebody, and private haul road to run alongside the planned Erdenet-Ovoot rail path. Under the OEDP, the Company intends to truck washed coal to the existing Erdenet rail head, while it continues to progress the Erdenet-Ovoot rail connection. The chart below indicates the location of the Ovoot and Nuurstei Project and the transport infrastructure (planned and current):

Source: *Aspire's ASX announcements*

5.2 Ovoot Project

The Ovoot Project is a coking coal project located in the Khuvsgul province in North West Mongolia. The project is located over 134 square kilometres, and is covered by Exploration License 13636X and Mining Lease MV 017098. Aspire acquired the Ovoot Project in 2009.

During 2011 and 2012, Aspire undertook a drilling program which included exploration, infill, geotechnical and hydrological drilling. During 2012, the Company released the results of a Pre-Feasibility Study (**'PFS'**) undertaken by Xstract Mining Consultants Pty Limited (**'Xstract'**). The PFS was undertaken based on a two stage production profile over an initial life of mine of 15 years. The first stage involved production of saleable coal delivered by road to a new railhead, before being transported to end markets, while stage two involved ramped up production of coal, deliverable by rail from Ovoot to Erdenet before being transported to end markets. The PFS proposed to use mining contractors operating an open pit, and using standard truck and excavator technology. During December 2012, the Company released a PFS revision (**'PFS Revision'**), incorporating the Company's updated reserves and resources, which were announced subsequent to the release of the initial PFS findings. The PFS Revision also included revised mine plans and a study to support an underground mine. Further coal resource upgrades were announced in mid-2013. During 2015 the Company undertook a Modular Plant Study, which reassessed up-to-date capital costs for the wash plant and materials handling components of the project.

During 2016 and 2017, only minimal care and maintenance activities were undertaken on the project, as the Company focused on progressing the necessary rail connectivity. During 2017, several exploration areas within the Ovoot Project were relinquished due to high holding costs.

The Erdenet-Ovoot Project sits within the 'Northern Rail Corridor' which is an economic corridor between China and Russia (through Mongolia). The 'Northern Rail Corridor' has been identified by Mongolian, Chinese and Russian Governments, as a passage which may support and facilitate trade between the three nations. The Erdenet to Ovoot railway has been specifically identified within the 'Northern Rail Corridor', which may see the project benefit from government initiatives and policies.

On 29 August 2018, Aspire announced the OEDP and the related funding commitments.

Ovoot Early Development Plan ("OEDP")

OEDP involves the early works construction of a new private haul road to follow the existing planned rail path from Ovoot to the existing rail head at Erdenet for final rail transportation to its customers. Identified in the Erdenet to Ovoot Rail Feasibility Study, this will be a temporary haul road (and future rail service road). As an item of the Concession Agreement entered between Government of Mongolia and Northern Railways LLC on 20 August 2015 (the **'Concession Agreement'**) to design, build, operate and transfer ("**DBOT**") the railway base structure between Edenet and Ovoot mine, the road was to act as a rail service road, however, Aspire intends to engineer it to haul coal and commence commercial operations earlier than under the rail option. Management believes that delivery of the road-based OEDP complements the development of the Erdenet to Ovoot Railway. According to management, much of the permitting and approvals required for the road path are also applicable for the future rail development whilst management does not expect any delays to the rail development as the result of OEDP.

The Company has identified a low ash high yielding open pit section of the Ovoot orebody which is expected to be suited to form the basis of the starter pit for the OEDP. According to management, the OEDP will be designed around achieving early production from Ovoot while the Company's rail infrastructure subsidiary continues to work towards establishing the Erdenet to Ovoot rail connection.

Management believes that the cash flows expected from successful execution of OEDP will de-risk the project.

The table below shows the list of approvals required for the road and the rail project which management expects to receive by the first half of 2019:

List of approvals for road and rail project
1. Environmental Impact Assessment
2. Land use agreements.
3. Approval to use haul road.

***Source**: Management*

To financially support the OEDP, Aspire has executed a strategic financing package comprising of the following:

a) $10.0 million through the issue of Placement Shares to Mr. Tserenpuntsag Tserendamba
b) $1.7 million to be raised through private placements. However, according to Aspire's ASX announcement dated 3 September 2018, the Company has already received pre-commitments up to an amount of $2.1 million.
c) Conversion of debt owed to Noble amounting to US$2,403,481 plus accrued interest determined at the time of conversion.

5.3 Northern Railways LLC

Northern Railways is a Mongolian registered company established by Aspire. Northern Railways is responsible for the oversight of all aspects of pre-development, construction, and operation of the Erdenet to Ovoot Railway, a 547 kilometre railway between Erdenet and Ovoot. Aspire effectively owns 80.0% of Northern Railways, while Noble is the effective owner of the remaining 20%.

A 30-year concession was granted to Northern Railways in August 2015 by the Government of Mongolia to progress the development of the Erdenet to Ovoot Railway. Party to the Concessional Agreement was a consortium which was established by Northern Railways on 5 May 2015, comprising Aspire (then a 100.0% shareholder of Northern Railways), China Railways 20 Bureau Group Corporation (**'CR20G'**) and China Railway First Survey and Design Institute (**'FSDI'**) (the **'Consortium'**). The objectives of the Consortium according to the agreement are to work exclusively and collaboratively on the Erdenet to Ovoot mine railway.

During October 2017, Northern Railways and Aspire entered into a binding Memorandum of Understanding (**'MoU'**) with China Gezhouba Group Corporation (**'CGGC'**), a large Chinese state owned enterprise. In the MOU, CGGC agreed to complete a Definitive Feasibility Study (**'DFS'**) for the Erdenet to Ovoot Railway by 31 March 2018. On 4 June 2018, Aspire released initial findings from the DFS. Aspire stated that the engineers would continue to address a number of matters and opportunities presented from the initial finding of the DFS, and that the DFS would be provided to the Mongolian Ministry of Roads and Transportation for its review and approval.

During February 2018 the Consortium was expanded to include CGGC and CGGC was also officially added to the Concession Agreement as a joint engineering procurement and construction contractor with CR20G.

5.4 Nuurstei Project

The Nuurstei Project is a coking coal project located 10 kilometres from the Khuvsgul provincial capital of Moron in northern Mongolia. During 2014 Aspire acquired a 50.0% interest in the corporate structure that operated the Ekhgoviin Chuluu Joint Venture (**'ECJV'**). The other 50.0% was owned by Noble. At the time Aspire held a 60.0% interest in the Nuurstei Project, with the ability to increase its interest to 90.0%. During May 2015, ECJV increased its interest in the Nuurstei Project from 60.0% to 90.0%, following a payment of US$201,500 to the Mongolian vendor. During 2015, Noble granted Aspire an option to acquire its 50.0% interest in the ECJV for US$1.0 million and a royalty. During mid-2017, Aspire announced it had agreed to exercise the option to acquire Noble's 50.0% interest in the ECJV. Aspire agreed with Noble that the US$1.0 million payable on exercise, would be satisfied through the issue of US$1.0 million of Aspire shares to Noble.

During April 2017, Aspire announced that it had received an independent conceptual mining study (**'the Study'**) from Bluefield Advisory. The study was a desktop concept study to determine the potential for open cut mining of the Nuurstei Project. On the back of the study's findings, it was determined that a US$1.5 million drilling and sampling program should be undertaken to confirm the assumptions used in the conceptual mine plan produced by the Study.

During May 2017, Aspire announced that it had signed a MOU with a Mongolian government agency to mine and purchase raw coal from an existing mine adjacent to the Nuurstei Project. Aspire intended to wash the purchased coal for delivery to customers in China, with the processes allowing the Company to test logistics and cost assumptions. Following this announcement, Aspire announced it had also executed an offtake agreement with Noble, covering the first six months of production from the Nuurstei Project, noting pricing would be agreed closer to the commencement of production.

At the end of May 2017, the Company announced that the Mineral Resource Authority of Mongolia (**'MRAM'**) had approved the registration of the Nuurstei Project. During October 2017 the Company announced that it had received mining license MV-020941 from MRAM, covering 860.91 hectares of the Nuurstei Project. The mining licence would provide tenure over the deposit for an initial period of 30 years with up to two additional 20 year extensions if needed.

During January 2018 the Company appointed Ferrostaal Mining Services (**'Ferrostaal'**) to manage the drilling and sampling activities to be undertaken at the Nuurstei Project. The Company also appointed RPM Global (**'RPM'**) to provide technical advisory services including JORC 2012 compliance oversight for the drilling and sampling program. During the same period, the Company received the results of pilot scale carbonisation test work on a washed bulk sample of 300 kilograms of coal indicative of coal expected to be produced from Nuurstei.

During March 2018, the Company commenced the drilling program to target resource extensions and upgrades. Two drill rigs were mobilised on site and 58 drill holes were planned. The Company also announced that Mongolian mining contractor, PSST LLC (**'PSST'**) had been contracted to mine 100,000 tonnes of raw coal from the mine adjacent to the Nuurstei Project. The Company intends to purchase the coal from the government with the intention to test logistics and cost assumptions to be used in the feasibility study. However, the Company has temporarily suspended the drilling program while it engages in additional local community consultation. Drilling has remained suspended while further community engagement and consultation is in process and the focus has changed to the OEDP. The Company notes that it is working on a longer term co-operation agreement with the local communities required to support mining operations.

5.5 Recent Corporate Events

On 14 June 2017, the Company announced that it was seeking to raise up to $4.0 million (before costs) by issuing 200 million shares at 2.0 cents each, with free attaching options exercisable at 2.5 cents within 12 months of issue (**'Capital Raising'**). On 14 August 2017, the Company announced that it had closed its Capital Raising after receiving applications for 54.9 million shares at 2.0 cents per share and 54.9 million free attaching options, to raise approximately $1.1 million before costs.

Combined with the Capital Raising, the Company also proposed to convert $2.60 million of debt and other obligation into equity (**'Debt Conversion'**) at the same terms proposed under the Capital Raising. At its General Meeting held on 26 July 2017, shareholders approved the Debt Conversion, specifically the issue of shares to Noble, to satisfy interest payable under the Noble Facility (**'Noble Facility'**) and US$1.0 million cash payable to Noble as a result of the Company's decision to exercise its option to acquire the remaining 50% of the ECJV.

On 3 November 2017 the Company announced a six for five renounceable rights issue (**'Rights Issue'**) to raise $16.5 million. Under the Rights Issue, applicants would receive one attaching option for every four new shares issued. The Rights Issue was fully underwritten. On 12 December 2017, the Company announced the completion of the Rights issue, with 1,377,754,105 new shares and 344,438,526 new options being allocated. In addition, 344,438,526 options at no consideration were issued to the underwriter pursuant to the agreement with underwriter that underwrote the Rights Issue. The funds raised from the Rights Issue were used to complete a feasibility study for the Nuurstei Project and to repay up to $3.75 million of the Noble Facility.

5.6 Historical Consolidated Statement of Financial Position

The table below shows the historical consolidated statements of financial position of Aspire as at 30 June 2016, 2017 and 2018 of Aspire:

Statement of Financial Position	Audited as at 30-Jun-18 $	Audited as at 30-Jun-17 $	Audited as at 30-Jun-16 $
CURRENT ASSETS			
Cash and cash equivalents	7,488,401	412,089	418,529
Trade and other receivables	1,386,423	180,685	299,695
TOTAL CURRENT ASSETS	**8,874,824**	**592,774**	**718,224**
NON-CURRENT ASSETS			
Deferred exploration and evaluation expenditure	35,609,772	35,875,408	40,826,207
Property, plant and equipment	269,408	189,145	284,171
Intangible assets	-	-	1,677
TOTAL NON-CURRENT ASSETS	**35,879,180**	**36,064,553**	**41,112,055**
TOTAL ASSETS	**44,754,004**	**36,657,327**	**41,830,279**
CURRENT LIABILITIES			
Trade and other payables	760,525	1,440,179	543,200
Borrowings	-	9,358,061	-
TOTAL CURRENT LIABILITIES	**760,525**	**10,798,240**	**543,200**
NON-CURRENT LIABILITIES			
Borrowings	3,246,630	-	6,719,527
TOTAL NON-CURRENT LIABILITIES	**3,246,630**	**-**	**6,719,527**
TOTAL LIABILITES	**4,007,155**	**10,798,240**	**7,262,727**
NET ASSETS	**40,746,849**	**25,859,087**	**34,567,552**
EQUITY			
Issued capital	99,087,130	80,200,207	79,865,150
Reserves	(4,217,742)	(6,881,040)	(1,931,037)
Accumulated losses	(53,920,814)	(47,460,080)	(43,366,561)
TOTAL EQUITY	**40,948,574**	**25,859,087**	**34,567,552**
Non-controlling interests	(201,725)	-	-
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS	**40,746,849**	**25,859,087**	**34,567,552**

Source: Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

Commentary on Historical Consolidated Statement of Financial Position

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and on hand and short term deposits. According to the audited financial statements, all cash was available for use and no restrictions were placed on the use of it any time during the year ended 30 June 2018, other than a short term deposit of $10,000 which is on deposit as cash backed security against a business use credit card limit and office rental.

The table below shows the breakdown of cash as at 30 June 2018, 2017, and 2016:

Aspire Mining Ltd	30-Jun-18	30-Jun-17	30-Jun-16
Cash and cash equivalents	**$**	**$**	**$**
Cash at bank and in hand	1,665,587	357,089	363,529
Short term deposits	5,822,814	55,000	55,000
	7,488,401	**412,089**	**418,529**

Source: Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

Cash and cash equivalents increased from $418,529 as at 30 June 2017 to $7,488,401 mainly due to proceeds from issue of securities amounting to $13,006,838 during the year ended 30 June 2018.

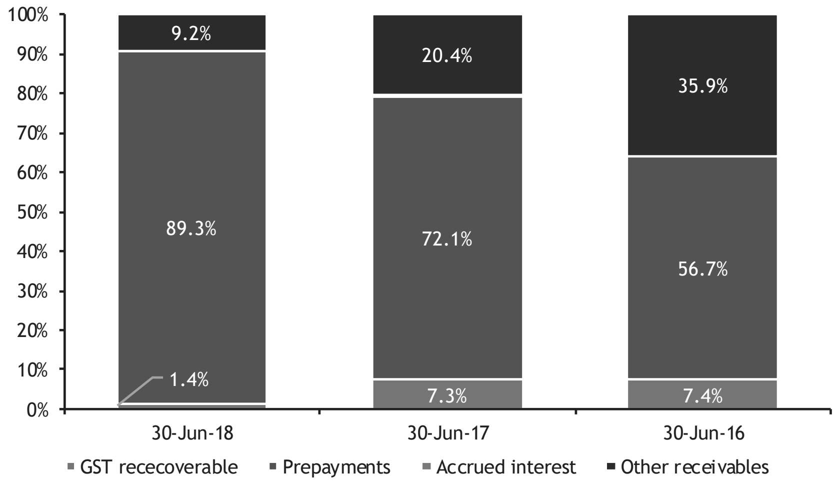
The table below shows the summarised cash flow statement of Aspire for the years ended 30 June 2018, 2017, and 2016:

Aspire Mining Ltd	30-Jun-18	30-Jun-17	30-Jun-16
Summarised statement of cash flows	**$**	**$**	**$**
Cash flows from operations	(3,730,271)	(1,450,846)	(2,635,270)
Cash flows from investing activities	(1,284,481)	(1,737,239)	(985,136)
Cash flows from financing activities	12,094,127	3,187,360	(35,701)
Net increase/(decrease) during the year	**7,079,375**	**(725)**	**(3,656,107)**
Cash and cash equivalents at the beginning	412,089	418,529	4,036,016
Effect of foreign exchange rate fluctuation	(3,063)	(5,715)	38,620
Cash and cash equivalents at the end	**7,488,401**	**412,089**	**418,529**

Source: Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

Trade and other receivables

Trade and other receivables comprise of GST recoverable, prepayments, accrued interest and other receivables. Trade and other receivables increased from $180,685 as at 30 June 2017 to $1,386,423 as at 30 June 2018 mainly due to an increase in prepayments. Prepayments comprised c. 89.3% of total trade and other receivables as at 30 June 2018. The chart below shows the composition of trade and other receivables as at 30 June 2016, 2017, and 2018:



Deferred exploration and evaluation expenses

Exploration expenditure incurred on projects other than the Ovoot Coking Coal Project and Nuurstei Coking Coal Project has been impaired, written-off or expensed as that expenditure is not expected to be recouped through successful development and exploration of the areas of interest, or alternatively, by sale. The recoupment of the expenditure that has been carried forward is dependent upon the successful development and commercial exploitation or sale of the respective areas.

As Northern Railways LLC does not currently have in place the funding to build and operate the railway, the Group has impaired the evaluation expenditure incurred.

The table below shows the breakdown of deferred exploration and evaluation expenditure at cost as at 30 June 2018, 2017, and 2016:

Aspire Mining Ltd	30-Jun-18	30-Jun-17	30-Jun-16
Deferred exploration and evaluation expense - at cost	**$**	**$**	**$**
Balance at beginning of the year	35,875,408	40,826,207	39,089,179
Expenditure incurred, net of cost recoveries	515,221	1,769,637	1,994,821
Acquisition costs	1,684,350	-	-
Impairment of exploration and evaluation expenditure	(2,627,205)	(2,140,501)	(303,600)
Recovery of mining expenditure	-	167,584	
Foreign exchange loss	161,998	(4,747,519)	45,807
	35,609,772	**35,875,408**	**40,826,207**
Ovoot Coking Coal Project	34,484,418	34,309,364	39,370,027
Nuurstei Coking Coal Project	1,125,354	1,566,044	1,456,180
Northern Railways evaluation	-	-	-
	35,609,772	**35,875,408**	**40,826,207**

Source: Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

Trade and other payables

Trade and other payables comprise of trade payables, accrued expenses, borrowing fees payable, corporate credit card, and interest payable to Noble. Trade payables and accrued expenses are normally settled on 30 day terms.

The table below shows the breakdown of trade and other payables as at 30 June 2018, 2017, and 2016:

Aspire Mining Ltd	30-Jun-18	30-Jun-17	30-Jun-16
Trade and other payables	**$**	**$**	**$**
Trade payables	575,955	141,544	112,405
Accrued expenses	54,861	134,074	42,941
Borrowing fees payable	-	260,230	-
Corporate credit card	4,366	5,043	146
Interest payable*	125,343	899,288	387,708
	760,525	**1,440,179**	**543,200**

Source: Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

*The Company has agreed with Noble Resources International Pte. Ltd. that interest will be converted to equity subject to shareholder approval and completion of the Proposed Transaction.

Borrowings

Borrowings as at 30 June 2018 related to debt from Noble denominated in US$ and amounting to US$2,403,481 ($3,246,630), implying a FX rate of 0.740.

Issued share capital

As at 30 June 2018, Aspire's fully paid issued share capital net of share issue costs amounted to $99,087,130. The number of shares on issue were 2,529,223,526.

Non-controlling interest

There is a 10% non-controlling interest in the corporate entity that holds the Nuurstei Project mining and exploration licenses. There is also a 20% non-controlling interest in Northern Rail Holdings Limited ('**NRHL**'). During the period, the group disposed of a 10% interest in NRML to the Noble Group bringing Noble's interests in NRML to 20% in exchange for a US$1.4 million reduction of the long-term facility payable to Noble

Contingent liabilities

According to the audited financial statements, there are no contingent liabilities at 30 June 2018 and management has confirmed that there are no contingent liabilities as at the date of our report.

5.7 Historical Consolidated Statement of Comprehensive Income

The table below shows the historical consolidated statements of comprehensive income of Aspire as at 30 June 2018, 2017 and 2016 of Aspire:

Statement of Comprehensive Income	Audited for the year ended 30-Jun-18	Audited for the year ended 30-Jun-17	Audited for the year ended 30-Jun-16
	$	$	$
Other income	216,309	4,133	30,210
Employee benefits expense	(752,719)	(411,467)	(489,762)
Exploration and evaluation expenditure impaired	(2,627,205)	(2,140,501)	(303,600)
Contract mining	(735,719)		
Recovery of exploration expenditure	-	167,584	909,064
Foreign exchange gain	(37,139)	13,702	50,075
Interest expense	(581,916)	(771,818)	(626,118)
Borrowing cost	(3,487)	(304,921)	-
Share based payments	(767,554)	(420,151)	(40,130)
Other expenses	(1,675,758)	(1,014,854)	(1,950,169)
Loss before income tax expense	(6,965,188)	(4,878,293)	(2,420,430)
Income tax (expense)/benefit	(15,084)	(5,226)	107,950
Net loss for the year	(6,980,272)	(4,883,519)	(2,312,480)
Other comprehensive income			
Items that may be reclassified subsequently to profit and loss			
Exchange difference on translating foreign controlled entities	35,894	(4,580,154)	44,222
Other comprehensive (loss)/income for the year net of tax	35,894	(4,580,154)	44,222
Total comprehensive loss for the period	**(6,944,378)**	**(9,463,673)**	**(2,268,258)**

Source: Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

Commentary on Historical Consolidated Statement of Comprehensive Income

Other income

Other income relates to interest income earned on cash deposits. The table below shows the interest rate earned on average cash balances:

Aspire Mining Ltd	30-Jun-18	30-Jun-17	30-Jun-16
Interest income	$	$	$
Average cash balance	3,950,245	415,309	2,227,273
Interest income	216,309	4,133	30,210
Average interest rate earned	**5.5%**	**1.0%**	**1.4%**

Exploration and evaluation expenses impaired

Exploration expenditure incurred on projects other than the Ovoot Project and Nuurstei Project has been impaired, written-off or expensed as that expenditure is not expected to be recouped through successful development and exploration of the areas of interest, or alternatively, by sale; and mainly relates to Northern Railway LLC as it does not currently have in place the funding to build and operate the railway.

Other expenses

Other expenses constituted approximately 23.3% of total expenses during 2018 and comprise of consultants and corporate costs, director's fees, legal fees, rent and outgoing, travel expenses, and accounting and audit fees. The table below shows the breakdown of other expenses for the years ended 30 June 2018, 2017 and 2016:

Aspire Mining Ltd Other expenses	30-Jun-18 $	30-Jun-17 $	30-Jun-16 $
Accounting and audit fees	128,877	83,831	148,472
Amortisation and depreciation	32,016	44,936	75,881
Company secretarial	143,860	160,605	91,722
Consultants and corporate costs	294,479	81,301	529,782
Director's fees	230,781	216,000	248,130
Insurance	65,636	29,845	51,501
Legal fees	82,577	53,425	147,203
Office and administration costs	62,788	48,431	85,380
Share registry and listing expenses	68,677	44,335	39,070
Profit on sale of plant and equipment	-	-	(29,632)
Media, promotion and investor relations	143,753	53,122	46,440
Projects	-	-	151,191
Rent and outgoings	71,718	70,599	217,354
Travel expenses	184,780	109,036	130,032
Other	165,817	19,388	17,643
	1,675,758	**1,014,854**	**1,950,169**
Total expenses	7,181,497	4,882,426	2,450,640
%age of total expenses	**23.3%**	**20.8%**	**79.6%**

Source: Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

5.8 Capital Structure

The share structure of Aspire as at the date of this Report is outlined below:

	Number
Total ordinary shares on issue	2,608,020,847
Top 20 shareholders	1,762,974,302
Top 20 shareholders - % of shares on issue	67.6%

Source: *Management*

The ordinary shares held by the most significant shareholders as at the date of this Report are detailed below:

Name	Number of Ordinary Shares Held	Percentage of Issued Shares (%)
Noble Resources International Pte Ltd	502,650,623	19.27%
Tserenpuntsag Tserendamba	426,154,672	16.34%
Neil Lithgow via Spectral Investments Pty Limited	237,278,501	9.10%
HSBC	224,430,469	8.61%
Subtotal	1,390,514,265	53.32%
Others	1,217,506,582	46.68%
Total ordinary shares on Issue	**2,608,020,847**	**100.00%**

Source: Management

According to the Company's Appendix 3B dated 24 September 2018, there are a total of 688,732,652 listed options exercisable at 1.8 cents on or before 11 December 2019. Furthermore, according to the terms of the appointment of Mr. Alex Passmore as a non-executive director, he will be issued 12,000,000 options, resulting in total 700,732,652 listed options.

6. Acquirer and the Proposed Board Representatives

6.1 Mr. Tserenpuntsag Tserendamba

Under the terms of the Agreement between Mr. Tserenpuntsag and Aspire, Mr. Tserenpuntsag has the right, not obligation, at any time after acquiring voting power of more than 25% of the Company, to require the Company to appoint one nominee as a non-executive director of the Company and one nominee as an executive director of the Company, subject to the Company agreeing to the terms of the employment agreement with such nominee. Management advised that Mr. Tserenpuntsag has nominated Mr. Achit-Erdene Darambazar and Mr. Bat-Amgalan Boldbaatar.

For this purpose, Aspire acknowledged and agreed (in the Subscription Agreement) that the following are reasonably acceptable, without limiting Mr. Tserenpuntsag discretion to nominate another person as a nominee:

- Mr. Achit-Erdene Darambazar (as a non-executive director), and
- Mr. Bat-Amgalan Boldbaatar (as an executive director).

7. Economic analysis

Economic performance of Mongolia

According to the Asian Development Bank (**'ADB'**) the following are the highlights of the economic performance of Mongolia during 2017:

- Gross domestic product (**'GDP'**) (constant prices: 2010 prices) growth in Mongolia accelerated to 5.1% during 2017 (MNT16,849.5 billion) from 1.2% during 2016 (MNT16,035.9 billion), mainly due to a surge in coal exports (which approximately doubled) and large investments related to underground development at the Oyu Tolgoi copper and gold mine;
- Exports of goods and services increased from MNT11,700.7 billion during 2016 to MNT13,024.5 billion in 2017 (11.3% increase), mainly because of coal exports, however, increased mining investments pushed up imports substantially. Imports increased by 24.1% from MNT10,995.8 billion in 2016 to MNT13,641.3 billion in 2017.
- Gross capital formation drove economic growth, increasing by 39.3% from MNT4,629.8 billion in 2016 to MNT6,447.9 billion in 2017.
- Overall consumption increased from MNT10,770.4 billion in 2016 to MNT11,161.1 billion in 2017 (3.63% increase), as household consumption recovered with increased income from agriculture. Average consumer price inflation (**'CPI'**) accelerated to 6.4% during 2017 from 1.1% during 2016 as pass-through from a 24.7% depreciation of the Mongolian togrog in 2016 began to affect import prices, combined with increased prices for foods items due to production issues, and increased transport cots due to taxes. Core inflation excluding food and energy was substantially higher in the second half of 2017, and even higher in January 2018 at 8.8% year on year, indicating intensifying pressure on prices.
- Mongolian togrog increase by 2.5% against the US dollar during 2017 due to recovery in foreign direct investment (**'FDI'**).
- Complying with the commitments under an agreement with the International Monetary Fund (**'IMF'**) Extended Fund Facility the Government of Mongolia decreased the budget deficit to 3.9% of GDP from 15.3% during 2016 as a result of the following:
    - Fiscal consolidation reduced budgetary expenditure by 5.9% (current expenditure decreased from MNT6,613.8 billion in 2016 to MNT7,005.5 billion in 2017.
    - Higher receipts from taxes on external trade and connected activities: total current revenue increased from MNT5,756.4 billion in 2016 to MNT7,185.0 billion in 2017 (a 24.8% increase).
- Interest payments on government debt increased from 10.4% during 2016 to 12.9% during 2017 due to deficit financing, currency depreciation, and a rising share of external debt in total public debt.

Economic prospects of Mongolia

According to ADB following are the highlights of the economic prospects of Mongolia:

- GDP growth is forecast to decelerate slightly to 3.8% during 2018 before rising again to 4.3% during 2019, supported by FDI expected to exceed US$1 billion annually during 2018 and 2019 to develop the Oyu Tolgoi underground mine.
- The quality of copper concentrate from the open-pit mine is expected to improve significantly. The contribution to growth from coal mining and related activities is expected to be smaller during 2018, as transportation bottlenecks limit expansion in coal exports, but improve in 2019 as

the bottlenecks are alleviated. On the whole, the contribution of mining to growth is projected to turn positive during 2018 and rise higher during 2019.

- The service sector is expected to remain the driver of growth, though its contribution will be lower during 2018 as coal transport declines, recovering in 2019.
- Crop production is projected to return to normal during 2018 after the drought during 2017, helping the agriculture sector to recover. Manufacturing is expected to grow at a slower rate compared to 2017, with cement and food processing playing prominent roles. Construction is set to recover in line with higher mining investments.
- Consumption growth is expected to be supported during 2018 and 2019 by rising government expenditure, higher incomes, and strengthening consumer confidence linked to mining activity.
- Investment is expected to grow during both years but at a diminishing pace as FDI inflows remain stable. The expected decline in coal exports during 2018 may be compensated by increased copper concentrate exports, but with imports expected to remain robust, net exports are expected to be negative in both years.
- Average inflation is expected to accelerate to 8.0% during 2018 and ease to 7.0% during 2019. Rising domestic demand and international oil and food prices, with the effect of looser monetary policy in 2017, are expected to drive inflation higher during 2018. These effects are expected to be less pronounced during 2019 as oil prices and domestic demand subside.
- Fiscal policy is expected to be expansionary during 2018 and 2019. The budget deficit is projected to equal 6.4% of GDP during 2018 and 5.1% during 2019 as expenditure on social insurance, welfare, and equipment increases. In addition, reforms to ease reporting requirements and the tax burden for small and medium-sized enterprises is likely to reduce budget revenue.

According to ADB, the downside risks to the outlook include lower coal and copper prices, disruptions to the successful implementation of the program supported by the IMF, interruptions to Oyu Tolgoi production or investment, and worsening financial instability arising from the bank restructuring program. Upside risks to growth are higher commodity prices and a possible deal on large infrastructure projects tied to existing mining production.

Source: Asian Development Outlook 2018 (published in April 2018)

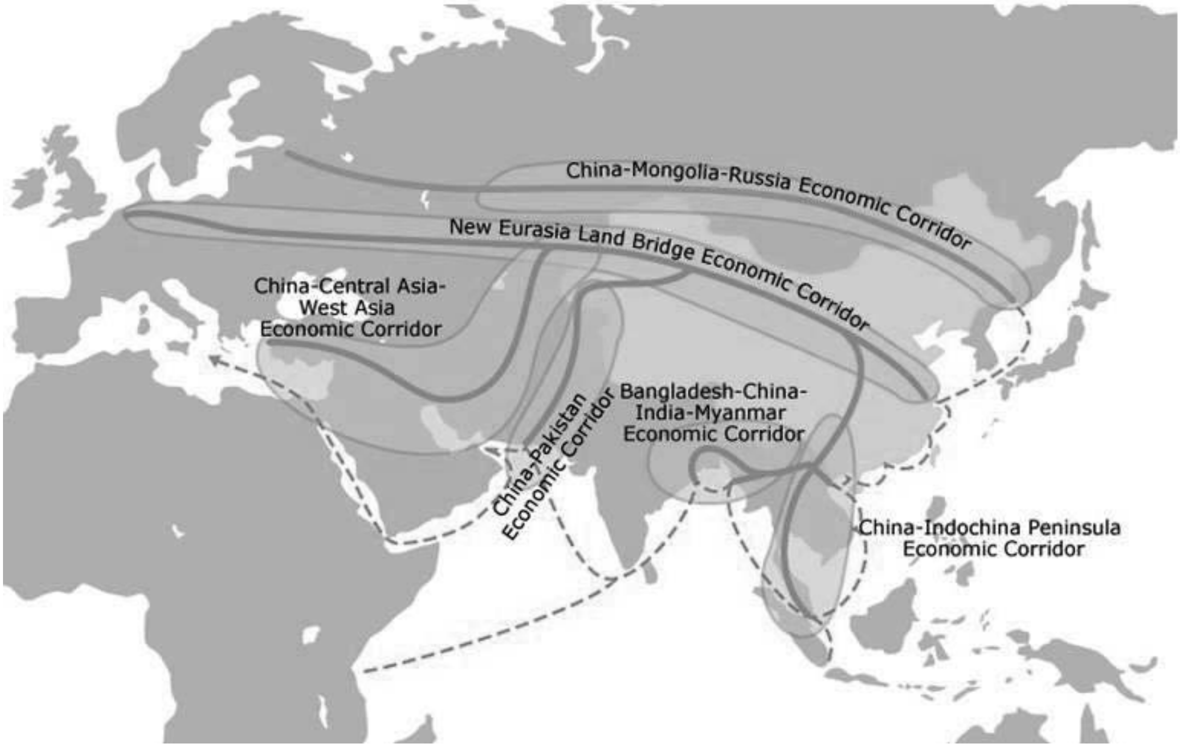
China's "One Belt, One Road" initiative

The 'One Belt, One Road' (**'OBOR'**) initiative is a Chinese economic and strategic agenda by which the two ends of Eurasia, as well as Africa and Oceania, are being more closely tied along two routes-one overland and one maritime. The OBOR initiative has five aspects:

- Policy coordination
- Connecting infrastructure
- Unimpeded trade
- Financial integration
- People to people bonds

The OBOR runs through the continents of Asia, Europe and Africa, connecting the East Asia economic circle at one end with the developed European economic circle at the other, and mobilising the economic potential of the inland countries. China is working with countries along the routes to plan six economic corridors, encompassing the central cities along the international routes and the economic industrial parks (as cooperation platforms).

The six corridors identified under OBOR initiative are shown in the chart below:



Source: HKTDC Research

One of the corridors of this initiative linking China to Russia passes though Mongolia. The OBOR initiative aims to improve transport and communication infrastructure between China and Mongolia and also includes other sectors. China is now a key investor and trading partner of Mongolia and since 2014 the two countries are bound by a strategic partnership.

According to the Mongolian government, the development of the new silk roads could also enable the development of projects in agricultural industry and ecotourism. In early September 2017, the Industrial and Commercial Bank of China ('**ICBC**'), the world's largest bank, opened an office in Ulaanbaatar, the capital of Mongolia. On 26 September 2017, an association of financial cooperation between China and Mongolia was inaugurated in Hohhot, Inner Mongolia. The association, sponsored by China's Baoshang Bank and the Mongolian Bank for Trade and Development, gathers more than 30 financial institutions from both countries. The aim of this association is to promote Sino-Mongolian exchanges and to better coordinate the financing of projects related to the China Mongolia Russia economic corridor, by sharing investment risks and facilitating cross-border operations.

As a result of OBOR initiative, Mongolia hopes to diversify its economy and reduce dependence on extraction, develop its industrial sector, increase exports through better integrated regional transport networks, and may also attract European investors and diversify the economic partner of Mongolia.

8. Industry analysis

Coal deposits are found below the earth's surface with the quality of a coal deposit determined by the length of time in formation, commonly known as its 'organic maturity', in addition to the temperature and pressure at which the deposit is formed. The rank of coal refers to the physical and chemical properties that coals of different maturities possess. Lower rank coals such as Lignite generally possess a much lower organic maturity, have a soft texture, a dull earthly appearance and are characterized by high moisture levels and low energy (carbon) content. Higher ranked coals such as Anthracite, which is the highest ranking coal, are harder, stronger, contain less moisture, and produce more energy.

There are two methods generally used to mine coal, being opencast mining and underground mining, with the choice of extraction largely determined by the geology of the coal deposit.

The two major coal types are coking coal and thermal coal. Coking coal is used for the production of metallurgical coke, which is used as a reductant in the production of both iron and steel. It is primarily used because of its high carbon content and coking characteristics, however it is also used for the smelting and casting of base metals. Of the different types of coking coal, hard coal is the most valuable as it produces the highest quality coke. Semi soft coking coal and Pulverised Coal Injection are used more in blending with hard coking coal to be used as an auxiliary fuel source to increase the effectiveness of blast furnaces.

Thermal coal, also referred to as steaming coal generally contains less carbon than coking coal and consequently cannot be used in the production of steel. It is therefore primarily used as an energy source for coal fired power plants. The major producers of thermal coal are China, USA and India, with the largest importers being China, Japan and South Korea.

Aspire's primary asset is the Ovoot Project in northern Mongolia. Ovoot contains a high-quality coking coal, featuring amongst others, very high energy vitrinite content, fluidity and low ash. Aspire have announced a total coal resource of 281 million tonnes for Ovoot with the majority amenable to open cut.

8.1 Metallurgical Coal Demand

Globally, metallurgical coal demand increased from c. 808.4 million tonnes in 2007 to c. 1,104.4 million tonnes in 2017 indicating a CAGR of 2.3%). During the same period, global crude steel production increased from c. 1,348 million tons to 1,689 million tons (a CAGR of 2.3%). Growth has however slowed down over the past few years with global coal demand growing at a CAGR of 0.4% from 996.4 million tonnes in 2013 to c. 1,104.4 million tonnes in 2017 following closely that of crude steel production which grew at a CAGR of 0.5% from c. 1,650 million tonnes in 2013 to c. 1,689 million tonnes in 2017. Organisation for Economic Co-operation and Development ('**OECD**') forecast the global demand of steel to fall in the range of 1.87 billion tonnes to 2.0 billion tonnes by 2035 which should also derive the global demand for metallurgical coal.

The table below shows the top five countries by demand for metallurgical coal from 2013 to 2017:

000 tonnes	2013	2014	2015	2016	2017	*CAGR%*
China	604,487	607,196	592,842	597,852	615,270	*0.4%*
Japan	72,110	72,128	69,013	68,960	67,364	*-1.7%*
India	43,219	46,265	48,886	54,234	56,740	*7.0%*
Russia	43,094	44,273	45,054	44,706	44,356	*0.7%*
South Korea	35,135	40,332	39,885	39,774	40,200	*3.4%*
Others	198,360	199,315	197,354	187,092	190,428	*-1.0%*
Global	**996,406**	**1,009,509**	**993,034**	**992,620**	**1,014,358**	***0.4%***

Source: Bloomberg intelligence, World steel in figures 2018 (World Steel Association)

Global metallurgical coal exports increased from c. 219.9 million tonnes in 2007 to c. 310.7 million tonnes in 2017 (CAGR of 3.5%). Growth in exports slowed down over the past few years with global coal exports growing at a CAGR of 0.1% from c. 309.0 million tonnes in 2013 to c. 310.7 million tonnes in 2017. The largest increase in metallurgical coal exports was witnessed by China (19.9%) and Mongolia's exports to China. Mongolia's exports to China increased at a CAGR% of 18.0% from c. 17.3 million tonnes in 2013 to c. 33.6 million tonnes in 2017.

The table below shows the breakdown of global metallurgical coal exports by country:

000 tonnes	2013	2014	2015	2016	2017	*CAGR%*
Australian	169,833	186,471	185,679	188,072	170,734	*0.1%*
Canada	38,989	34,210	30,370	30,230	32,373	*-4.5%*
US	60,094	57,194	41,737	37,131	50,126	*-4.4%*
Other exports to Japan	21,638	21,888	20,856	22,276	21,553	*-0.1%*
Mongolia exports to China	17,330	19,226	14,344	26,316	33,578	*18.0%*
China	1,111	797	969	1,203	2,297	*19.9%*
Global metallurgical coal exports	**308,996**	**319,786**	**293,955**	**305,228**	**310,662**	***0.1%***

Source: Bloomberg intelligence

Global metallurgical coal imports increased from c. 181.9 million tonnes in 2007 to c. 278.5 million tonnes in 2017 (CAGR of 4.4%). Growth in imports declined over the past few years with global coal imports growing at a CAGR of -0.9% from c. 288.6 million tonnes in 2013 to c. 278.5 million tonnes in 2017. Largest increase in metallurgical coal imports was witnessed by Africa and Middle East (imports from US) which increased at a CAGR of 12.4% from c. 1.2 million tonnes in 2013 to c. 1.9 million tonnes in 2017. Imports of metallurgical coal by India increased of CAGR 5.8% from c. 35.9 million tonnes in 2013 to c. 44.9 million tonnes in 2017.

The table below shows the breakdown of global metallurgical coal imports by country:

000 tonnes	2013	2014	2015	2016	2017	*CAGR%*
China	75,421	62,440	47,999	59,307	69,901	*-1.9%*
Japan	77,041	74,250	70,663	73,975	71,880	*-1.7%*
South Korea	27,808	29,463	29,420	28,056	26,049	*-1.6%*
Taiwan	6,727	6,870	6,405	6,581	6,599	*-0.5%*
Indian	35,920	42,829	46,927	42,716	44,939	*5.8%*

000 tonnes	2013	2014	2015	2016	2017	*CAGR%*
Europe	26,494	31,197	21,099	16,244	17,863	*-9.4%*
North America	6,207	5,587	4,290	3,903	4,545	*-7.5%*
South America	8,164	7,524	5,860	6,118	7,160	*-3.2%*
Africa & Middle East (from U.S.)	1,156	1,074	572	786	1,845	*12.4%*
Others	23,644	28,179	35,038	35,288	27,714	*4.1%*
Global metallurgical coal imports	**288,582**	**289,413**	**268,274**	**272,975**	**278,495**	***-0.9%***

Source: Bloomberg intelligence

Prices

Key highlights of metallurgical coal price movements according to Bloomberg are as follows:

- Metallurgical coal prices to decline 17.0% during 2H 2018.
- For 2019, a price of US$150 per metric ton is estimated which reflects an increase of c. 10.0% compared to prices at start of 2018.
- Since January 2018, the 2019 calendar average on the forward curve has moved from US$154 per metric ton to US$178 per metric ton. As shown in the table below the consensus is US$148 per metric ton for 2019, with the high estimate at US$165 per metric ton and the low estimate at US$126 per metric ton. However, Bloomberg expects it to be US$145 per metric ton during 2019.

Consensus (US$ per metric tonnes)	2018	2019	2020
High	209	165	170
Average	190	148	152
Low	174	126	140
Curve	**200**	**178**	**166**

Source: Bloomberg intelligence

9. Valuation approach adopted

There are a number of methodologies which can be used to value a business or the shares in a company. The principal methodologies which can be used are as follows:

- Capitalisation of future maintainable earnings (‘**FME**’)
- Discounted cash flow (‘**DCF**’)
- Quoted market price basis (‘**QMP**’)
- Net asset value (‘**NAV**’)
- Market based assessment.

A summary of each of these methodologies is outlined in Appendix 2.

Different methodologies are appropriate in valuing particular companies, based on the individual circumstances of that company and available information. In our assessment of the value of Aspire shares we have chosen to employ the following methodologies:

9.1 Valuation of an Aspire Share prior to the Proposed Transaction

In our assessment of the value of an Aspire share prior to the Proposed Transaction, we have chosen to employ the following methodologies:

- NAV on a going concern basis as our primary valuation methodology; and
- QMP as our secondary methodology as this represents the value that a Shareholder can receive for a share if sold on market.

We have chosen these methodologies for the following reasons:

- Aspire’s mineral assets do not currently generate any income nor are there any historical profits that could be used to represent future earnings, so the FME approach is not appropriate;
- Aspire currently has no foreseeable future net cash inflows, so the application of the DCF valuation approach is not appropriate;
- Consequently, we have adopted the NAV approach as our primary valuation method. Aspire’s mineral assets are currently not producing assets and no revenue or cash flows are currently generated by these assets. Therefore, we consider that the NAV approach is best suited for the valuation; and
- We have adopted QMP as our secondary approach. The QMP basis is a relevant methodology to consider because Aspire’s shares are listed on the ASX. This means there is a regulated and observable market where Aspire’s shares can be traded. However, in order for the QMP methodology to be considered appropriate, the listed shares should be liquid and the market should be fully informed of the company’s activities.

Independent specialist valuation

In valuing Aspire’s mineral assets as part of our NAV valuation, we have relied on the independent specialist valuation performed by Agricola Mining Consultants Pty (‘**Agricola**’) in accordance with the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets 2015 (‘**the Valmin Code’**) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 (‘the **JORC Code’**). We are satisfied with the valuation methodologies adopted by

Agricola which we believe are in accordance with industry practice and compliant with the requirements of the Valmin Code. A copy of Agricola's valuation report is attached in Appendix 3.

9.2 Valuation of Aspire Shares following the Proposed Transaction

In our assessment of the value of Aspire's share following the Proposed Transaction, we have chosen to employ the NAV (sum-of-parts) as our primary valuation methodology, having consideration for:

- the value of Aspire's mineral assets in Mongolia (placing reliance on Agricola's independent specialist valuation opinion);
- the effect of the new shares issued as part of the Proposed Transaction;
- the effect of cash inflow resulting from the issue of new shares; and
- the effect of the Debt Conversion.

10. Valuation of Aspire prior to the Proposed Transaction

10.1 Net Asset Valuation of Aspire

The value of Aspire's assets on a going concern basis is reflected in our valuation below:

Statement of Financial Position	Notes	Unaudited management accounts as at 30-Sep-18	Low valuation	Preferred valuation	High valuation
		$	$	$	$
CURRENT ASSETS					
Cash and cash equivalents	1	6,185,408	6,185,408	6,185,408	6,185,408
Trade and other receivables		1,326,894	1,326,894	1,326,894	1,326,894
TOTAL CURRENT ASSETS		**7,512,302**	**7,512,302**	**7,512,302**	**7,512,302**
NON-CURRENT ASSETS					
Deferred exploration and evaluation expense	2	35,890,753	34,410,000	44,670,000	61,537,000
Property, plant and equipment	3	459,357	459,357	459,357	459,357
Intangible assets		-	-	-	-
TOTAL NON-CURRENT ASSETS		**36,350,110**	**34,869,357**	**45,129,357**	**61,996,357**
TOTAL ASSETS		**43,862,412**	**42,381,659**	**52,641,659**	**69,508,659**
CURRENT LIABILITIES					
Trade and other payables	4	801,923	801,923	801,923	801,923
Borrowings		-	-	-	-
TOTAL CURRENT LIABILITIES		**801,923**	**801,923**	**801,923**	**801,923**
NON-CURRENT LIABILITIES					
Borrowings		3,330,030	3,330,030	3,330,030	3,330,030
TOTAL NON-CURRENT LIABILITIES		**3,330,030**	**3,330,030**	**3,330,030**	**3,330,030**
TOTAL LIABILITES		**4,131,953**	**4,131,953**	**4,131,953**	**4,131,953**
NET ASSETS		**39,730,459**	**38,249,706**	**48,509,706**	**65,376,706**
Number of shares			2,608,020,847	2,608,020,847	2,608,020,847
Value per share ($)			0.0147	0.0186	0.0251

Source: Management, BDO analysis, un-audited management accounts as at 30 September 2018, Valuation report of Agricola.

We have not undertaken a review of Aspire's unaudited management accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

The table above indicates the net asset value of a share of Aspire prior to the Proposed Transaction is between $0.0147 and $0.0251 with a preferred value of $0.0186.

We note the following in relation to the valuation in the table above and the adjustments which were made to the net assets of Aspire as at 30 June 2018 in arriving at our valuation.

Note 1: Cash and cash equivalents

Cash and cash equivalents have been adjusted for cash received on the exercise of options post 30 June 2018, interest paid on Noble's debt as follows and any estimated expenses as indicated by the management.

The table below shows the cash movement from 30 June 2018 to 30 September 2018:

Aspire Mining Ltd Cash movement (30 June 2018 to 30 September 2018)	A$
Payments to suppliers and employees	(1,001,470)
Interest received	85,488
Interest paid	(174,706)
GST and Income tax paid	(25,847)
Purchase of property plant & equipment	(31,866)
Contract Mining	(967,494)
Mining tenement expenditure - Carried forward E&EE	(193,662)
Mining tenement expenditure - Impaired	(130,904)
Proceeds from the issue of shares	1,101,392
Reduction in finance lease and hire purchase liabilities	(4,207)
Exchange rate adjustment	40,283
Net cash movement	**(1,302,993)**

Source: Management, BDO analysis and Audited financial statements for the years ended 30 June 2018, 2017 and 2016.

Note 2: Deferred exploration and evaluation expenditure

We instructed Agricola to provide an independent market valuation of the exploration assets held by Aspire. Agricola has chosen to value the coal resource on the basis of comparable transactions as the primary method and to use the Geo Rating method as a cross check by assessing the base acquisition cost of the tenement and applying multiples to account for four key technical aspects of the project, which forms the basis of the technical value. A market factor is then applied to the technical value to arrive at a market value of the project.

We consider these methods to be appropriate for valuing Aspire's exploration assets.

Full details of Agricola's valuation are provided in Appendix 3 to our Report.

The range of values for 100% of each of Aspire's exploration assets as assessed by Agricola is set out below:

Aspire Mining Limited	Low value	Preferred value	High value
Mineral Assets Valuation	**$**	**$**	**$**
Mineral Resources			
OVOOT	33,030,000	42,935,000	59,454,000
NUURSTEI (90.0%)	1,080,000	1,285,000	1,490,000
TOTAL	**34,110,000**	**44,220,000**	**60,944,000**
Exploration Areas			
Ovoot: XV-017003	115,000	170,000	213,000
Hurimt: XV-014510	175,000	270,000	370,000
Myngan: XV-017922	10,000	10,000	10,000
TOTAL	**300,000**	**450,000**	**593,000**
GRAND TOTAL	**34,410,000**	**44,670,000**	**61,537,000**

The table above indicates a range of values between $34.1 million and $61.5 million, with a preferred value of $44.7 million.

Note 3: Property, plant and equipment

Property, plant and equipment have been adjusted for purchases amounting to $189,949.

Note 4: Trade and other payables

Trade and other payables have been adjusted for the interest payment to Noble and reduction in finance lease and hire purchase liabilities.

Diluted basis

We have also addressed the valuation on the basis that all options currently on issue which are 'in the money' (only in preferred and high value case) are exercised. Our assessment of value is set out in the table below:

NAV prior to the Proposed Transaction	Ref	Preferred value A$	High value A$
Value of Aspire prior to the Proposed Transaction		**48,509,706**	**65,376,706**
Cash raised from exercise of options		12,613,188	12,613,188
Value of Aspire post the Proposed Transaction (including cash raised)		**61,122,894**	**77,989,894**
Number of shares on issue prior to the Proposed Transaction	11.2	2,608,020,847	2,608,020,847
Shares issued on exercise of options		700,732,652	700,732,652
Total shares on issue after conversion of options		3,308,753,499	3,308,753,499
Value per share ($)		**$0.0185**	**$0.0236**

For value of Aspire share prior to the Proposed Transaction on a control basis we have used the diluted preferred and high values throughout our analysis since under the undiluted preferred and high value scenarios, the options having an exercise price of $0.018 are 'in the money' and are more likely than not, to be exercised.

10.2 Quoted Market Prices for Aspire's shares prior to the Proposed Transaction

To provide a comparison to the valuation of Aspire in Section 10.1, we have also assessed the quoted market price for a share of Aspire.

The quoted market value of a company's shares is reflective of a minority interest. A minority interest is an interest in a company that is not significant enough for the holder to have an individual influence in the operations and value of that company.

RG 111.11 suggests that when considering the value of a company's shares for the purposes of approval under Item 7 of s611 the expert should consider a premium for control. An acquirer could be expected to pay a premium for control due to the advantages they will receive should they obtain 100.0% control of another company. These advantages include the following:

- control over decision making and strategic direction;
- access to underlying cash flows;
- control over dividend policies; and
- access to potential tax losses.

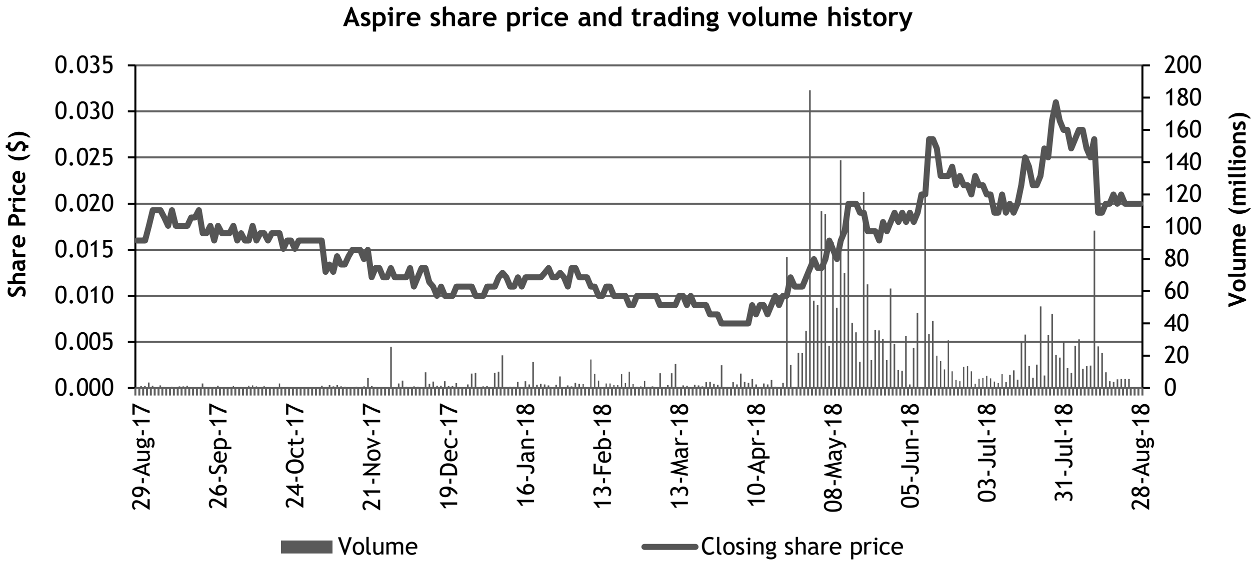
Whilst Mr. Tserenpuntsag will not be obtaining 100% of Aspire, RG111 states that the expert should calculate the value of a target's shares as if 100% control were being obtained. The expert can then consider an acquirer's practical level of control when considering reasonableness. Reasonableness has been considered in Section 13.

Therefore, our calculation of the quoted market price of a share of Aspire share including a premium for control has been prepared in two parts. The first part is to calculate the quoted market price on a minority interest basis. The second part is to add a premium for control to the minority interest value to arrive at a quoted market price value that includes a premium for control.

Minority interest value

Our analysis of the quoted market price of an Aspire share is based on the pricing prior to the announcement of the Proposed Transaction. This is because the value of an Aspire share after the announcement may include the effects of any change in value as a result of the Proposed Transaction. However, we have considered the value of an Aspire share following the announcement when we have considered reasonableness in Section 13.

Information on the Proposed Transaction was announced to the market on 29 August 2018. Therefore, the following chart provides a summary of the share price movement over the 12 months to 28 August 2018 which was the last trading day prior to the announcement.



Source: Bloomberg

The daily price of Aspire shares from 28 August 2017 to 28 August 2018 has ranged from a low of $0.007 on 6 April 2018 to a high of $0.031 on 27 July 2018. The share price generally trended upwards from April 2018, to reach $0.031 on 27 July 2018, before declining to $0.019 on 13 August 2018. The general uptrend in the price from April 2018 to June 2018, coincided with significantly higher trading volumes. The highest single day of trading was on 1 May 2018, when 184,496,571 shares were traded.

During this period a number of announcements were made to the market. The key announcements are set out below:

Date	Announcement	Closing Share Price Following Announcement $ (movement)			Closing Share Price Three Days After Announcement $ (movement)		
13/08/2018	Erdenet to Ovoot Rail Update	0.019	▼	29.6%	0.020	▲	5.3%
30/07/2018	Quarterly Cashflow Report	0.029	▼	6.5%	0.026	▼	10.3%
30/07/2018	Quarterly Activities Report	0.029	▼	6.5%	0.026	▼	10.3%
18/06/2018	Coke Tests Return High Quality Results	0.023	►	0.0%	0.022	▼	4.3%
12/06/2018	Response to ASX Price and Volume Query	0.027	▲	28.6%	0.023	▼	14.8%
04/06/2018	Rail Feasibility Confirms Attractive Economics	0.018	▼	5.3%	0.019	▲	5.6%
24/05/2018	Becoming a substantial holder	0.016	▼	5.9%	0.018	▲	12.5%
21/05/2018	Support for Erdenet to Ovoot Railway	0.017	▼	10.5%	0.016	▼	5.9%
30/04/2018	Quarterly Cashflow Report	0.013	▲	8.3%	0.013	►	0.0%
30/04/2018	Quarterly Activities Report	0.013	▲	8.3%	0.013	►	0.0%
23/04/2018	Response to ASX Price and Volume Query	0.012	▲	20.0%	0.011	▼	8.3%
13/04/2018	MOU Executed to Advance Rail Project	0.008	▼	11.1%	0.009	▲	12.5%
10/04/2018	Non-Executive Director Appointment	0.008	▼	11.1%	0.008	►	0.0%
22/03/2018	Nuurstei Coking Coal Project Update	0.009	►	0.0%	0.008	▼	11.1%
22/03/2018	CGGC Delivers Draft Erdenet to Ovoot Rail Feasibility Study	0.009	►	0.0%	0.008	▼	11.1%
15/03/2018	Nuurstei Project Update	0.009	▼	10.0%	0.009	►	0.0%
13/03/2018	Half Yearly Report and Accounts	0.010	▲	11.1%	0.010	►	0.0%
05/03/2018	MD Presentation to PDAC	0.010	►	0.0%	0.009	▼	10.0%
26/02/2018	Investor Presentation	0.010	▲	11.1%	0.010	►	0.0%
15/02/2018	Northern Rail Update	0.011	►	0.0%	0.010	▼	9.1%
01/02/2018	CGGC added to Northern Rail Consortium	0.013	▲	18.2%	0.012	▼	7.7%
31/01/2018	Quarterly Cashflow Report	0.011	▼	8.3%	0.012	▲	9.1%
31/01/2018	Quarterly Activities Report	0.011	▼	8.3%	0.012	▲	9.1%
19/01/2018	Nuurstei Project Update	0.012	►	0.0%	0.013	▲	8.3%
12/12/2017	Aspire Completes Rights Issue	0.012	▼	11.5%	0.011	▼	4.3%
05/12/2017	Renounceable Rights Issue Closure and Notice of Shortfall	0.013	▲	8.3%	0.013	►	0.0%
10/11/2017	Prospectus	0.013	►	0.0%	0.015	▲	11.9%
08/11/2017	Addendum to Notice of Annual General Meeting	0.014	▲	13.5%	0.014	►	0.0%
03/11/2017	Reinstatement to Official Quotation	0.013	▼	21.3%	0.014	▲	13.5%
03/11/2017	Transformational Equity Raising Presentation	0.013	▼	21.3%	0.014	▲	13.5%
03/11/2017	Transformational Recapitalisation	0.013	▼	21.3%	0.014	▲	13.5%
31/10/2017	Voluntary Suspension	0.016	►	0.0%	0.013	▼	21.3%
30/10/2017	Trading Halt	0.016	►	0.0%	0.016	►	0.0%
27/10/2017	Quarterly Cashflow Report	0.016	►	0.0%	0.016	►	0.0%

Date	Announcement	Closing Share Price Following Announcement $ (movement)			Closing Share Price Three Days After Announcement $ (movement)		
27/10/2017	Quarterly Activities Report	0.016	►	0.0%	0.016	►	0.0%
12/10/2017	MOU Executed to Complete Rail Feasibility Study	0.017	►	0.0%	0.017	►	0.0%
09/10/2017	Nuurstei Mining License Granted	0.018	▲	10.0%	0.017	▼	4.5%
28/09/2017	Full Year Statutory Accounts	0.017	►	0.0%	0.016	▼	4.8%

Source: Bloomberg

On 13 August 2018, the Company released an update on the Erdenet-Ovoot Project, it highlighted an amendment to the Rail Concession Agreement, which extended the completion of the conditions precedent date by 18 months to 20 February 2020. These conditions include the Definitive Environmental Impact Assessment and Management Plan, Land Use Agreements and funding availability. On the date of the announcement, the share price declined by 29.6% to close at $0.019, before increasing by 5.3% over the subsequent three-day trading period to close at $0.020.

On 30 July 2018, the Company released its quarterly cash flow and activities reports, in which it highlighted key developments made during quarter, including the completion of a revised drilling plan and budget for the Nuurstei Project and continued community relations activities. On the date of the announcement, the share price declined 6.5% to close at $0.029, before declining by a further 10.3% over the subsequent three-day trading period to close at $0.026.

On 18 June 2018, the Company released the results of pilot scale carbonisation test work undertaken on a washed sample of coal. The sample confirmed the presence of premium hard coking coal. On the date of the announcement the share price remained unchanged at $0.023, before declining 4.3% over the subsequent three-day trading period to close at $0.022.

On 12 June 2018, the Company responded to an ASX 'price and volume query' stating that it was unaware of any company-specific information that had not been disclosed to the market, however it did note that the Presidents of Russia, China and Mongolia had met to discuss trade and transport infrastructure through Mongolia. On the date of the announcement the share price increased by 28.6%, to close at $0.027, before declining by 14.8% over the subsequent three-day trading period to close at $0.023.

On 4 June 2018, the Company released the results of the at the Erdenet–Ovoot Project Feasibility Study, which showed a positive net present value of the project. The share price declined by 5.3%, on the date of the announcement to close at $0.018, before increasing by 5.6% over the subsequent three-day trading period to close at $0.019.

On 24 May 2018, the Company released an initial substantial holder notice relating to Mr. Tserenpuntsag. The notice disclosed that Mr. Tserenpuntsag had acquired a relevant interest in 367,664,380 fully paid ordinary Aspire shares between 22 April 2018 and 23 May 2018, which resulted in Mr. Tserenpuntsag's voting power increasing to 14.54%. The share price decreased by 5.9% on the date of the announcement to close at $0.016, before increasing by 12.5% over the subsequent three-day trading period to close at $0.018.

On 21 May 2018, the Company announced growing support from both within Mongolia and the Tuva Republic in the Russian Federation for the Erdenet-Ovoot Project following discussions with Northern

Railways representatives. On the date of the announcement, the Company's share price declined by 10.5%, to close at $0.017, before declining a further 5.9% over the subsequent three-day trading period to close at $0.016.

On 30 April 2018, the Company released its quarterly activities and quarterly cash flow reports which provided updates relating to the Nuurstei Project and Northern Railways. The cash flow report disclosed that cash levels during the quarter had decreased by approximately $1.5 million primarily due to exploration and development expenditure. On the date of the announcement the share price increased 8.3% to close at $0.013.

On 23 April 2018, the Company responded to an ASX Price and Volume Query stating that it was unaware of any company-specific information that had not been announced to the market nor was it aware of any other reason which could have caused this. On the date of the announcement the share price increased 20%, to close at $0.012, before declining by 8.3% over the subsequent three-day trading period to close at $0.011.

On 13 April 2018, the Company announced that CGGC, Aspire and Norther Railways had entered into a MOU over the Erdenet-Ovoot Project following an official visit by the Mongolian Prime Minister to China. On the date of the announcement, Aspire's share price declined by 11.1% to close at $0.008, before increasing 12.5% over the subsequent three-day trading period to close at $0.009.

On 22 March 2018, the Company released two announcements, the first of which disclosed that CGGC had delivered a draft feasibility study for the project which confirmed its financial viability. The second announcement disclosed that drilling at the Nuurstei Project had been temporarily delayed due to the need for additional local community discussions. On the date of these announcements the share price remained unchanged, closing at $0.009, before declining by 11.1% over the subsequent three-day trading period to close at $0.008.

On 15 March 2018 the Company announcing that its drilling program had commenced at the Nuurstei Project. On the date of the announcement the share price declined by 10.0% to close at $0.009.

On 13 March 2018 the Company released its Half Yearly Report and Accounts which showed a net loss after tax of approximately $1.5 million for the six-month period to 31 December 2017. On the date of the announcement the share price increased by 11.1% to close at $0.010.

On 15 February 2018, the Company provided an update on the Erdenet-Ovoot Project and advised that Northern Railways had granted a three-month extension to CGGC and its investment partners to take up its option to purchase a 51% stake in Northern Railways, moving date to 15 May 2018. On the date of the announcement, the Company's share price remained unchanged, to close at $0.011, before declining 9.1%, over the subsequent three-day trading period to close at $0.010.

On 1 February 2018, the Company announced that CGGC was added as joint engineering, procurement and construction contractors on the Erdenet-Ovoot Project. CGGC had also agreed to support in the sourcing of debt and equity funding for the project. On the date of the announcement the share price increased by 18.2% to close at $0.013, before declining by 7.7% over the subsequent three trading days to close at $0.012.

On 31 January 2018, the Company released its Quarterly Activities and Cashflow Reports. During the quarter the Company successfully completed a rights issue and repaid some of its debt. The net effect was an increase in the cash balance over the quarter to approximately $11 million. On the date of the announcement, the share price declined by 8.3% to close at $0.011, before increasing by 9.1% over the subsequent three-day trading period to close at $0.012.

On 19 January 2018, the Company provided an update on the Feasibility Study for the Nuurstei Project and announced the appointment of Mr Neil Wilson as Nuurstei Project Manager. On the date of the announcement the share price remained unchanged to close at $0.012, before increasing by 8.3% over the subsequent three trading days to close at $0.013.

On 12 December 2017, the Company announced that it had completed a rights issue, raising approximately $16.5 million (pre-costs). As part of the rights issue, a total of 1,377,754,105 new shares and 344,438,526 new options were issued. On the date of the announcement, the share price declined by 11.5%, to close at $0.012, before declining a further 4.3% over the subsequent three trading days, to close at $0.011.

On 5 December 2017, the Company announced that its rights issue had closed, with a 62% shortfall in subscription of the rights which would be allocated after consultation with the underwriter, Patersons Securities Limited ('**Patersons**'). On the date of the announcement the share price increased by 8.3% to close at $0.013.

On 3 November 2017, the Company announced a pro-rata 6-for-5 renounceable rights issue at 1.2 cents per share. For every 4 new shares issued, an attaching option exercisable at 1.8 cents with a 2-year expiry would also be issued. The capital raising aimed to raise $16.5 million (pre-costs) and would be fully underwritten by Patersons. On the date of the announcement, the share price declined by 21.3% to close at $0.013, before increasing by 13.5% over the subsequent three-day trading period to close at $0.014.

On 27 October 2017 the Company released its Quarterly Activities and cash flow Reports for the quarter ended 30 September 2017. The reports summarised the performance over the quarter and key developments including the signing of a binding MOU with CGGC to complete the Feasibility Study for the Erdenet-Ovoot Project, an increase in Aspire's interest in the Nuurstei Project to 90% and the successful grant of a mining license for the Nuurstei Project by the Mongolian Government. The share price remained unchanged on the day of the announcement and the subsequent three-day trading period.

To provide further analysis of the market prices for an Aspire share, we have also considered the weighted average market price for 10, 30, 60 and 90 day periods to 28 August 2018.

Share Price per unit	28-Aug-18	10 Days	30 Days	60 Days	90 Days
Closing price	$0.020				
Volume weighted average price (VWAP)		$0.0203	$0.0251	$0.0243	$0.0198

Source: Bloomberg, BDO analysis

The above weighted average prices are prior to the date of the announcement of the Proposed Transaction to avoid the influence of any increase in price of Aspire shares that has occurred since the Proposed Transaction was announced.

An analysis of the volume of trading in Aspire shares for the twelve months to 28 August 2018 is set out below:

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
1 Day	$0.020	$0.020	-	0.00%
10 Days	$0.019	$0.022	61,435,173	2.36%
30 Days	$0.019	$0.032	575,046,931	22.05%
60 Days	$0.018	$0.032	1,079,318,994	41.39%

Trading days	Share price low	Share price high	Cumulative volume traded	As a % of Issued capital
90 Days	$0.011	$0.032	2,709,254,827	103.88%
180 Days	$0.006	$0.032	3,116,416,355	119.50%
1 Year	$0.006	$0.032	3,232,083,118	123.93%

Source: Bloomberg, BDO analysis

This table indicates that Aspire's shares display a high level of liquidity, with 123.9% of the Company's current issued capital being traded in a twelve-month period. Of this, 119.50% of the issued capital was traded in the 180 trading days prior to the announcement of the Proposed Transaction. We also note that during this period, Mr. Tserenpuntsag was purchasing Aspire shares on-market. Between 22 April 2018 and 29 May 2018, Mr. Tserenpuntsag acquired a total of 407,382,572 shares.

Out of a 52-week period ended 28 August 2018, the weekly volume of shares traded was greater than or equal to 1.0% for 22 weeks and over a 26-week period ending 28 August 2018, the weekly volume of shares traded was greater than or equal to 1.0% for 18 weeks

RG 111.69 states that for the quoted market price methodology to be an appropriate methodology there needs to be a 'liquid and active' market in the shares and allowing for the fact that the quoted price may not reflect their value should 100% of the securities not be available for sale. We consider the following characteristics to be representative of a liquid and active market:

- Regular trading in a company's securities;
- Approximately 1% of a company's securities are traded on a weekly basis;
- The spread of a company's shares must not be so great that a single minority trade can significantly affect the market capitalisation of a company; and
- There are no significant but unexplained movements in share price.

A company's shares should meet all of the above criteria to be considered 'liquid and active', however, failure of a company's securities to exhibit all of the above characteristics does not necessarily mean that the value of its shares cannot be considered relevant.

In the case of Aspire, we consider there to be a liquid and active market for the Company's shares, with 103.88% of the Company's current issued capital being traded over the 90-day period prior to the announcement of the Proposed Transaction. However, we also note that majority of the trading volume is observed after April 2018 with only 383,370,129 shares being traded from 28 August 2017 to 30 March 2018.

Our assessment is that a range of values for Aspire shares based on market pricing, after disregarding post announcement pricing, is between $0.020 and $0.024 with a mid-point of $0.022.

Control Premium

The quoted market price per share reflects the value to minority interest shareholders. In order to value an Aspire share on a control basis, we have added a control premium that is based on our analysis set out below.

We have reviewed control premiums on completed transactions, paid by acquirers of both general mining companies and all ASX-listed companies. In assessing the appropriate sample of transactions from which to determine an appropriate control premium, we have excluded transactions where an acquirer obtained a controlling interest (20% and above) at a discount (i.e. less than a 0% premium). We have summarised our findings below.

General mining companies

Year	Number of Transactions	Average Deal Value (AU$m)	Average Control Premium (%)
2018	7	95.12	67.56
2017	4	16.20	28.55
2016	13	59.54	74.92
2015	9	340.82	57.86
2014	15	118.46	47.88
2013	17	117.99	63.99
2012	18	207.01	52.45
2011	21	811.55	37.42
2010	21	555.11	50.61

Source: Bloomberg, BDO analysis

All ASX listed companies

Year	Number of Transactions	Average Deal Value (AU$m)	Average Control Premium (%)
2018	20	1,754.69	52.67
2017	27	1,048.03	44.00
2016	42	718.51	49.58
2015	33	850.04	33.23
2014	45	518.59	40.00
2013	41	128.21	50.99
2012	52	472.10	51.68
2011	68	891.85	44.43
2010	53	574.61	44.37

Source: Bloomberg, BDO analysis

The mean and median of the entire data sets comprising control transactions from 2010 onwards for general mining companies and all ASX listed companies, respectively, is set out below.

	General Mining Companies		All ASX listed companies	
Entire Data Set Metrics	Average Deal Value (AU$m)	Average Control Premium (%)	Average Deal Value (AU$m)	Average Control Premium (%)
Mean	328.75	53.45	698.38	45.59
Median	44.48	41.63	108.42	35.60

In arriving at an appropriate control premium to apply we note that observed control premiums can vary due to the:

- Nature and magnitude of non-operating assets;
- Nature and magnitude of discretionary expenses;
- Perceived quality of existing management;
- Nature and magnitude of business opportunities not currently being exploited;
- Ability to integrate the acquiree into the acquirer's business;
- Level of pre-announcement speculation of the transaction;
- Level of liquidity in the trade of the acquiree's securities.

When performing our control premium analysis, we considered completed transactions where the acquirer held a controlling interest, defined at 20% or above, pre transaction or proceeded to hold a controlling interest post transaction in the target company.

The table above indicates that the long term average control premium paid by acquirers of general mining companies and all ASX listed companies is approximately 53.45% and 45.59%, respectively. However, in assessing the transactions included in the table, we noted transactions that appear to be extreme outliers. These outliers included 15 general mining transactions and 28 ASX listed company transactions in total, for which the announced premium was in excess of 100%. We have removed these transactions because we consider it likely that the acquirer in these transactions would be paying for special value and/or synergies in excess of the standard premium for control. Whereas, the purpose of this analysis is to assess the premium that is likely to be paid for control, not specific strategic value to the acquirer.

In a population where there are extreme outliers, the median often represents a superior measure of central tendency compared to the mean. We note that the median announced control premium over the last eight years was approximately 41.63% for general mining companies and 35.60% for all ASX listed companies. Based on the above analysis, we consider an appropriate premium for control to be applied is between 30% and 40%, with a midpoint of 35%.

Quoted market price including control premium

Applying a control premium to Aspire's quoted market share price results in the following quoted market price value including a premium for control:

Aspire Mining Ltd	Low	Midpoint	High
Pre Transaction QMP	$	$	$
Quoted market price value	0.0200	0.0220	0.0240
Control premium	30%	35%	40%
Quoted market price valuation including a premium for control	**0.0260**	**0.0297**	**0.0336**

Therefore, our valuation of an Aspire share based on the quoted market price method and including a premium for control is between $0.026 and $0.034, with a midpoint value of $0.030.

10.3 Assessment of Aspire value prior to the Proposed Transaction

The results of the valuations performed are summarised in the table below:

Aspire	Low	Preferred value	High
Valuation Summary	$	$	$
NAV methodology	0.0147	0.0185*	0.0236*
Value based on ASX market prices	0.0260	0.0297	0.0336

** For value of Aspire share prior to the Proposed Transaction on a control basis we have used the diluted preferred and high values throughout our analysis since under the undiluted preferred and high value scenarios, the options having an exercise price of $0.018 are 'in the money' and are more likely than not, to be exercised.*

In our opinion the value of an Aspire share prior to the Proposed Transaction on a control basis is between $0.0147 and $0.0236 with a preferred value of $0.0185.

We consider the net asset value to be the most appropriate methodology, given that the core value of the Company lies in the mineral assets that it holds. We instructed an independent specialist (Agricola) to value Aspire's mineral assets in accordance with the VALMIN code, which we have included in our net asset value. The net asset value also best represents the value that is attributable to shareholders as a whole.

We note that our NAV value is lower than the value obtained using the QMP methodology. We attribute this difference in value derived under the two methods to the following:

- the NAV value is lower than the QMP value, which often occurs for companies focused on exploration which regularly trade at a premium to their net asset value. The reason for this is that mining companies at the pre-production stage generally anticipate a potential upside of 'blue-sky' prospects for the company and its mineral assets, which is factored into the share price often prior to such value being warranted by public announcements.
- the nature of the Proposed Transaction is such that the same assets are involved pre and post the Proposed Transaction. Consequently, it is advantageous to consider the pre and post values on a consistent basis and this is more readily achieved with a NAV value because the QMP value on a post Proposed Transaction basis still contains an element of doubt about whether the Proposed Transaction will be approved; and
- our net assets value includes the assessment of value in an independent technical report on the market value of Aspire's mineral assets performed by Agricola which utilises a combination of valuation methods reflecting the market value of Aspire's mineral assets. Based on the results above, we consider the value of a share of Aspire to be in the range from $0.0147 to $0.0236, with a preferred value of $0.0185.

11. Valuation of Aspire following the Proposed Transaction

11.1 Transactional adjustments based on the effect of the Proposed Transaction

The adjusted statement of financial position as at the date of this report based on the conditions precedent is presented below:

Statement of Financial Position	Notes	Unaudited management accounts as at 30-Sep-18 $	Transactional adjustments based on CPs	Adjusted post transaction position*
CURRENT ASSETS				
Cash and cash equivalents	1	6,185,408	11,325,981	17,511,389
Trade and other receivables		1,326,894	-	1,326,894
TOTAL CURRENT ASSETS		**7,512,302**	**11,325,981**	**18,838,283**
NON-CURRENT ASSETS				
Deferred exploration and evaluation expense		35,890,753	-	35,890,753
Property, plant and equipment		459,357	-	459,357
Intangible assets		-	-	-
TOTAL NON-CURRENT ASSETS		**36,350,110**	**-**	**36,350,110**
TOTAL ASSETS		**43,862,412**	**11,325,981**	**55,188,393**
CURRENT LIABILITIES				
Trade and other payables		801,923	(43,499)	758,424
Borrowings		-	-	-
TOTAL CURRENT LIABILITIES		**801,923**	**(43,499)**	**758,424**
NON-CURRENT LIABILITIES				
Borrowings	2	3,330,030	(3,330,030)	-
TOTAL NON-CURRENT LIABILITIES		**3,330,030**	**(3,330,030)**	**-**
TOTAL LIABILITES		**4,131,953**	**(3,373,529)**	**758,424**
NET ASSETS		**39,730,459**	**14,699,510**	**54,429,969**
EQUITY				
Issued capital	3	100,190,625	14,762,018	114,952,643
Reserves		(3,469,928)	-	(3,469,928)
Accumulated losses		(56,675,912)	(62,508)	(56,738,420)
TOTAL EQUITY		**40,044,785**	**14,699,510**	**54,744,295**
Non-controlling interests		(314,326)	-	(314,326)
EQUITY ATTRIBUTABLE TO THE OWNERS		**39,730,459**	**14,699,510**	**54,429,969**

Source: Management, BDO analysis, un-audited management accounts as at 30 September 2018, Valuation report of Agricola.

Fair value adjustments to the mineral assets of the Company have been accounted for in the next section.

We have not undertaken a review of Aspire's unaudited management accounts in accordance with Australian Auditing and Assurance Standard 2405 'Review of Historical Financial Information' and do not express an opinion on this financial information. However, nothing has come to our attention as a result of our procedures that would suggest the financial information within the management accounts has not been prepared on a reasonable basis.

Note 1: Adjustment to cash and cash equivalents

Cash and cash equivalents have been adjusted for the following:

- $10,000,000 cash raised against the shares to be issued to Mr. Tserenpuntsag.
- $2,100,000 raised from placements.
- Less any transaction related costs such as commissions and fees estimated by the management to be approximately $774,019.

Note 2: Adjustments to borrowings and accrued interest

Borrowings relate to the debt from Noble which has been assumed to convert to equity. Accrued interest related to borrowings has been adjusted to cash for payment on 18 August 2018 in the 'adjusted pre transaction position'. For interest accrued on the Noble's debt from 18 August 2018 up to 26 November 2018 (estimated conversion date) amounting to $97,869 we created a liability and ultimately converted to equity. The a*ctual amount of the accrued interest may differ from the estimated amount based on exchange rate at the time of conversion and the exact date of conversion.*

Note 3: Adjustments to issued capital

The table below shows the adjustments to the issued capital:

Aspire Mining Ltd Issued capital	A$
Adjusted issued capital balance pre-transaction	100,190,625
Conversion of borrowings from Noble	3,338,168
Conversion of accrued interest on borrowings from Noble	97,869
Cash raised against issue of new shares to Mr. Tserenpuntsag Tserendanda	10,000,000
Expenses related to capital raising	(774,019)
Placement for additional capital (refer to section 4)	2,100,000
Adjusted post transaction issued capital	**114,952,643**

11.2 Net Asset Valuation of Aspire

As discussed in section 9, we have relied on the NAV methodology in determining the value of a share of Aspire following approval of the Proposed Transaction. Our valuation of Aspire following the Proposed Transaction is summarised below:

Statement of Financial Position	Low valuation $	Preferred valuation $	High valuation $
CURRENT ASSETS			
Cash and cash equivalents	17,511,389	17,511,389	17,511,389
Trade and other receivables	1,326,894	1,326,894	1,326,894
TOTAL CURRENT ASSETS	**18,838,283**	**18,838,283**	**18,838,283**
NON-CURRENT ASSETS			
Deferred exploration and evaluation expense	34,410,000	44,670,000	61,537,000
Property, plant and equipment	459,357	459,357	459,357
Intangible assets	-	-	-
TOTAL NON-CURRENT ASSETS	**34,869,357**	**45,129,357**	**61,996,357**
TOTAL ASSETS	**53,707,640**	**63,967,640**	**80,834,640**
CURRENT LIABILITIES			
Trade and other payables	758,424	758,424	758,424
Borrowings	-	-	-
TOTAL CURRENT LIABILITIES	**758,424**	**758,424**	**758,424**
NON-CURRENT LIABILITIES			
Borrowings	-	-	-
TOTAL NON-CURRENT LIABILITIES	**-**	**-**	**-**
TOTAL LIABILITES	**758,424**	**758,424**	**758,424**
NET ASSETS	**52,949,216**	**63,209,216**	**80,076,216**
Number of shares	3,347,832,111	3,347,832,111	3,347,832,111
Value per share ($)	0.0158	0.0189	0.0239
Minority discount (%)	28.6%	25.9%	23.1%
Value per share ($) - minority basis	**0.0113**	**0.0140**	**0.0184**

The table above indicates the net assets value of a share of Aspire following the Proposed Transaction and on a minority basis is between $0.0113 and $0.0184 with a preferred value of $0.0140. The following adjustments additional to the transactional adjustments were made to the net assets of Aspire as at the date of the report in arriving at our valuation of the Company following the Proposed Transaction:

Deferred exploration and evaluation expenditure

As stated in section 10.1 of our Report, we instructed Agricola to provide an independent market valuation of the mineral assets of Aspire.

The range of values for 100% of each of Aspire's exploration assets as assessed by Agricola is set out below:

Aspire Mining Limited Mineral Assets Valuation	Low value $	Preferred value $	High value $
Mineral Resources			
OVOOT	33,030,000	42,935,000	59,454,000
NUURSTEI (90.0%)	1,080,000	1,285,000	1,490,000
TOTAL	**34,110,000**	**44,220,000**	**60,944,000**
Exploration Areas			
Ovoot: XV-017003	115,000	170,000	213,000
Hurimt: XV-014510	175,000	270,000	370,000
Myngan: XV-017922	10,000	10,000	10,000
TOTAL	**300,000**	**450,000**	**593,000**
GRAND TOTAL	**34,410,000**	**44,670,000**	**61,537,000**

Number of shares

In determining a valuation per share for Aspire following the Proposed Transaction, we adjusted the number of shares on issue to reflect the issue of new shares to Mr. Tserenpuntsag, to raise $2.1 million, and shares to be issued to Noble against the conversion of its debt. The number of shares that will be on issue following the Proposed Transaction will be 3,347,832,111. The table below shows the breakdown of the number of shares on issued post the Proposed Transaction:

	Number
Issued shares of Aspire at the date of our Report	2,608,020,847
Shares to be issued to Mr. Tserenpuntsag Tserendanda	476,190,476
Share to be issued to Noble for debt conversion*	163,620,788
Placement of shares to raise $2.1 million	100,000,000
Total number of Aspire shares following the Transaction	**3,347,832,111**

Source: Management

**The number of shares estimated to be issued to Noble is based on the conversion of US$2,403,481 at AUD/US$ of 0.72 resulting in $3,338,168. This may differ had the number of shares to be issued to Noble was determine based on the outstanding balance as at 30 June 2018 i.e. $3,246,630. Actual number of shares to be issued to Noble will differ depending on the exchange rate between US$ and $ on the date of conversion.*

In determining the value of a share of Aspire on a diluted basis, in addition to increasing the number of shares to reflect the issue of new shares to Mr. Tserenpuntsag, issue of new shares to raise $2.1 million, and shares to be issued to Noble against the conversion of its debt; we have increased the number of shares to reflect the exercise of options where the exercise price of $0.018 is below the undiluted post transaction value per share in a high value case of $0.0184. The total number of options that will be 'in the money' is 700,732,652. This increases the total number of shares on issue from 3,347,832,111 to 4,048,564,763 on a diluted basis, as well as adding cash of $12,613,188 raised through the exercise.

We have also address the valuation on the basis that all options currently on issue which are 'in the money' are exercised. Our assessment of value is set out in the table below:

NAV following the Proposed Transaction	Ref	High value $
Value of Aspire post the Proposed Transaction		**80,076,216**
Cash raised from exercise of options		12,613,188
Value of Aspire post the Proposed Transaction (including cash raised)		**92,689,404**
Discount for minority interest		23.1%
Value of Aspire post the Proposed Transaction (minority interest basis)		**71,299,542**
Number of shares on issue post the Proposed Transaction	11.2	3,347,832,111
Shares issued on exercise of options		700,732,652
Total shares on issue after conversion of options		**4,048,564,763**
Value per share ($)		**$0.0176**

For value of Aspire share following the Proposed Transaction on a minority basis we have used the diluted high value throughout our analysis since under the undiluted high value case, the options having an exercise price of $0.018 are 'in the money' and are more likely than not to be exercised.

Minority discount

As outlined in section 3.3 of our Report, in assessing fairness we have compared the value of a share of Aspire prior to the Proposed Transaction on a control basis to the value of a share of Aspire following the Proposed Transaction on a minority interest basis.

A minority interest discount is the inverse of a premium for control and is calculated using the formula 1-(1÷ (1 + control premium)). As discussed in section 10.2, we consider an appropriate control premium for Aspire to be in the range of 30% to 40%, giving a minority interest discount in the range of 23.1% to 28.6%.

12. Is the Proposed Transaction fair?

The value of Aspire share prior to the Proposed Transaction on a control basis compares to the value of a share of Aspire following the Proposed Transaction on a minority interest basis, as detailed below:

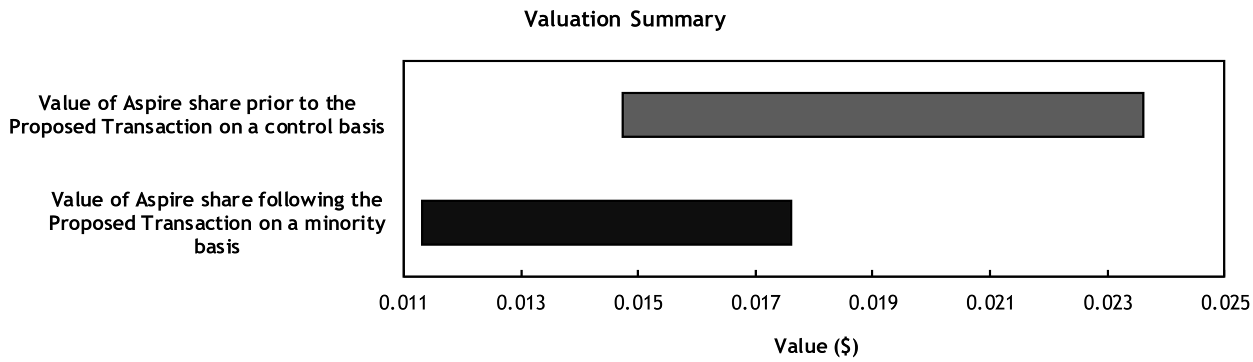
	Ref	Low $	Preferred $	High $
Value of Aspire share prior to the Proposed Transaction on a control basis	10	0.0147	0.0185*	0.0236*
Value of Aspire share following the Proposed Transaction on a minority basis	11	0.0113	0.0140	0.0176**

**For the value of an Aspire share prior to the Proposed Transaction on a control basis we have used the diluted preferred and high values throughout our analysis since under the undiluted preferred and high value scenarios, the options having an exercise price of $0.018 are 'in the money' and are more likely than not, to be exercised.*

***For the value of an Aspire share following the Proposed Transaction on a minority basis we have used the diluted high value throughout our analysis since under the undiluted high value case, the options having an exercise price of $0.018 are 'in the money' and are more likely than not to be exercised.*

We note from the table above that the value prior to the Proposed Transaction on a control basis is greater than the value following the Proposed Transaction on a minority basis. Therefore, we consider that the Proposed Transaction is not fair.

The above value ranges are graphically presented below:



13. Is the Proposed Transaction reasonable?

13.1 Alternative Proposal

We are unaware of any alternative proposal that might offer the Shareholders of Aspire a premium over the value resulting from the Proposed Transaction.

13.2 Practical Level of Control

If the Proposed Transaction is approved, then Mr. Tserenpuntsag will hold an interest of approximately 27.0% in Aspire on an undiluted basis.

According to clause 4 of the Subscription Agreement, Mr. Tserenpuntsag has the right, but not the obligation, at any time after he first acquires Voting Power of more than 25.0% (‘**Significant Interest**’) of Aspire and for so long as he continues to hold at all times at least a Significant Interest, to require the Company to appoint:

- One nominee as a non-executive director of the Company; and
- One nominee as an executive director of the Company, subject always to the Company agreeing to the terms of the employment agreement with such nominee.

For this purpose, Aspire acknowledged and agreed (in the Subscription Agreement) that the following are reasonably acceptable, without limiting Mr. Tserenpuntsag’s discretion to nominate another person as a nominee:

- Mr. Achit-Erdene Darambazar (as a non-executive director), and
- Mr. Bat-Amgalan Boldbaatar (as an executive director).

When shareholders are required to approve an issue that relates to a company there are two types of approval levels. These are ordinary resolutions and special resolutions. An ordinary resolution requires 50% of shares to be voted in favour to approve a matter and a special resolution required 75% of shares on issue to be voted in favour to approve a matter. If the Proposed Transaction is approved, then the remaining shareholders will not have sufficient shares to block special resolutions.

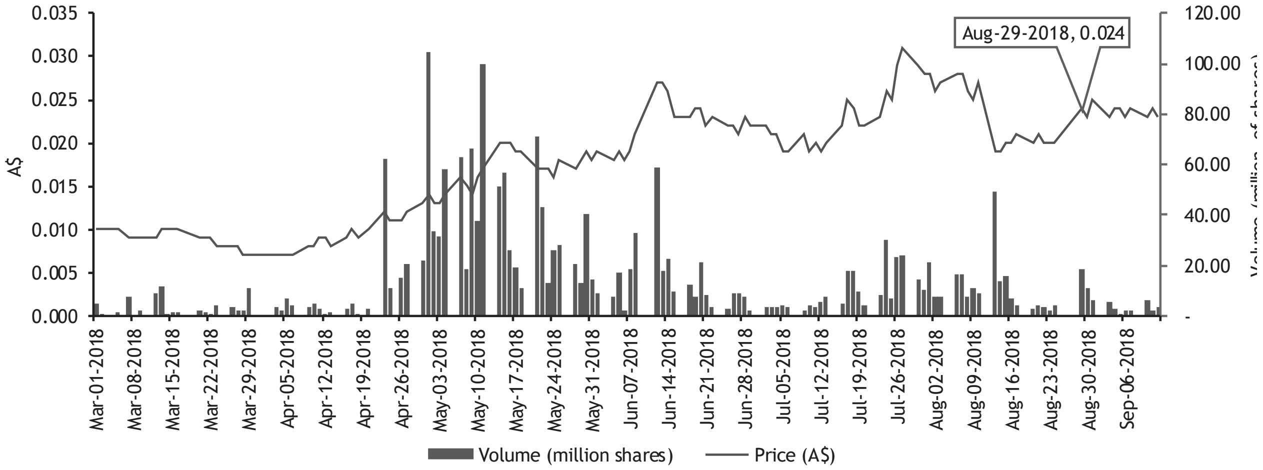
However, according to clause 5 of the Subscription Agreement, Mr. Tserenpuntsag must, and must ensure that his Associates, for the period ending 24 months after acquiring the Placement shares resulting in him having 27.0% of the total issued Aspire shares, vote in favour of any resolutions put to Shareholders that are recommended by a majority of the board of directors of the Company (other than a resolution relating to a transaction in respect of the Company that is required to be approved by Shareholders under Part 5.1 or Chapter 6 of the Corporations Act). Furthermore, the Subscription Agreement, also restricts Mr. Tserenpuntsag from increasing his interest in the Company greater than 28.0% (including soliciting any proxies) for the period ending 24 months after acquiring the shares resulting in him having 27.0% of shareholding in Aspire without the prior written consent of the Company or otherwise seek to influence or control the composition of the board of directors of the Company or the management policies of the Company (including calling, requisitioning or seeking support for call or requisitioning of a general meeting of Shareholders to appoint or remove a director of the Company).

Mr. Tserenpuntsag (and associates)’s control of Aspire following the Proposed Transaction will be significant as he will have the highest shareholding, however, the next most significant shareholder will hold approximately 19.7% following the Proposed Transaction.

Although there are short term restrictions on Mr. Tserenpuntsag, however, in the long term he may have a significant influence on the Company.

13.3 Consequences of not Approving the Proposed Transaction

We have analysed movements in Aspire's share price since the Proposed Transaction was announced on 29 August 2018. A graph of the Company's share price and trade volume leading up to and following the announcement of the Proposed Transaction is set out below:



Source: Capital IQ

The daily closing price of Aspire's shares from the period 1 March 2018 to 12 September 2018 ranged from a low of $0.007 which prevailed from 28 March 2018 to 6 April 2018 to a high of $0.031 on 27 July 2018. On the day of the announcement, the share price closed higher from the previous trading day i.e. 24 August 2018, at $0.024. A total of 18,122,090 shares were traded on the day of the announcement, which represents approximately 0.7% of the Company's total issued capital. On 30 August 2018, the first full day of trading following the announcement the share price closed down from the previous day, at $0.023 with a traded volume of 10,408,040 shares.

The table below details the Volume Weighted Average Price (**'VWAP')** of Aspire shares for the 5-day period subsequent to the announcement of the Proposed Transaction on 29 August 2018.

Share Price per unit	29-Aug-18	10 days pre announcement	5 days post announcement
Closing price	$0.0240		
Volume weighted average price (VWAP)		$0.0204	$0.0234

Source: Bloomberg

Following the announcement of the Proposed Transaction, Aspire's share price has increased from a VWAP of $0.0204 over the ten days prior to the announcement to $0.0234 over the five days subsequent to the announcement. Given the above analysis, if the Proposed Transaction is not approved then Aspire's share price may decline back to pre-announcement levels.

13.4 Minority interest value prior to the transaction compared to the value post transaction

We have analysed the position of the non-associated shareholders of Aspire prior to the Proposed Transaction on a minority basis, compared to their position post the Proposed Transaction.

The table below summarises our analysis:

Aspire Mining Ltd	Low	Preferred value	High
	$	$	$
Value of a share of Aspire prior to the Transaction on a control basis	0.0147	0.0185	0.0236
Minority discount	28.6%	25.9%	23.1%
Value of an share of Aspire prior to the Transaction on a minority basis	0.0105	0.0137	0.0181
Value of an share of Aspire post Transaction on a minority basis	0.0113	0.0140	0.0176
Premium/(discount)	**7.5%**	**2.2%**	**-2.9%**

This indicates that whilst the pre and post-Transaction values are equivalent over a range of values, that Shareholders are not receiving an adequate premium for control.

13.5 Advantages of Approving the Proposed Transaction

We have considered the following advantages when assessing whether the Proposed Transaction is reasonable

Advantage	Description
Access to funds for conducting feasibility studies and to obtain permits and approvals in relation to the OEDP, including mining and road related developments.	According to management's initial estimate the funds raised can be utilised for hydrology and drilling report, working capital and the remaining cash (estimated to be in the range of $6.8 million to $5.6 million) can be used for further studies, approvals, road and/or plant construction.
Possibility of early cash flows	Ovoot is the Company's prime asset. The OEDP provides a path to materialise cash flows from Ovoot earlier and paves the way for the full development of Ovoot with a future rail connection.
Prepayment of any remaining debt to Noble.	Post conversion of Noble's debt to equity amounting to US$2,403,481, any remaining debt of Noble is planned to be prepaid. This will reduce the interest expense of the Company going forward till the Company seeks further debt.
Possibility of getting better access to Mongolian Government, regulatory authorities and financial institutions.	We understand from management that Mr. Tserenpuntsag and his board nominees are currently operating businesses in Mongolia and as a result may be able to guide Aspire's management to give them better access to relevant regulatory authorities and sources of future funding in Mongolia which may prove to be important in further progressing Aspire's projects in Mongolia.
Possibility of having improved capability to manage local communities and of public relations.	The scale of projects undertaken by Aspire in exploration sector on rail requires support of local communities. Mr. Tserenpuntsag through his Mongolian business experience and presence may prove as a facilitator and improve Aspire's ability to management local communities and public relations.

13.6 Disadvantages of Approving the Proposed Transaction

If the Proposed Transaction is approved, in our opinion, the potential disadvantages to Shareholders include those listed in the table below:

Disadvantage	Description
Restriction on special resolutions.	Since Mr. Tserenpuntsag will hold more than 25.0% shareholding of the Company (on an undiluted basis), this may restrict the remaining shareholders' ability to take decisions requiring Special Resolutions without the approval of Mr. Tserenpuntsag.
Dilution of existing Shareholders' interests.	Whilst the new issue of Aspire shares as part of the Proposed Transaction is dilutive to the current Shareholders, this provides necessary financing to realise the cash flows from the Ovoot Project earlier and move a step closer to actual production.

14. Opinion

We have considered the terms of the Proposed Transaction as outlined in the body of this Report and have concluded that in the absence of an alternative offer, the Proposed Transaction is not fair but reasonable to Shareholders.

In our opinion, the Proposed Transaction is not fair because the value of a share of Aspire following the Proposed Transaction on a minority basis is lower than the value of a share of Aspire prior to the Proposed Transaction on a control basis. However, we consider the Proposed Transaction to be reasonable because the advantages of the Proposed Transaction to Shareholders are greater than the disadvantages. In particular, according to clause 6 of the Subscription Agreement signed between Aspire and Mr. Tserenpuntsag, Mr. Tserenpuntsag undertakes that he and his nominees will use best endeavours to:

a) provide and/or assist in arranging future finance for the advancement of the OEDP, including the sourcing of low cost debt funding from the Mongolian Government and/or other in-country and international sources as required; and

b) support Aspire in all Mongolian Governmental and regulatory matters and with all community and public relations matters in connection with OEDP.

15. Sources of information

This report has been based on the following information:

- draft Notice of General Meeting on or about the date of this report;
- audited financial statements of Aspire for the years ended 30 June 2016, 2017, 2018;
- management information
- independent Valuation Report on Aspire's mineral assets dated 8 October 2018 performed by Agricola;
- ASX releases by the Company;
- subscription Agreement;
- prepayment deed;
- information in the public domain; and
- discussions with Directors and Management of Aspire.

16. Independence

BDO Corporate Finance (WA) Pty Ltd is entitled to receive a fee of $30,000 (excluding GST and reimbursement of out of pocket expenses). The fee is not contingent on the conclusion, content or future use of this Report. Except for this fee, BDO Corporate Finance (WA) Pty Ltd has not received and will not receive any pecuniary or other benefit whether direct or indirect in connection with the preparation of this report.

BDO Corporate Finance (WA) Pty Ltd has been indemnified by Aspire in respect of any claim arising from BDO Corporate Finance (WA) Pty Ltd's reliance on information provided by the Aspire, including the non-provision of material information, in relation to the preparation of this report.

Prior to accepting this engagement BDO Corporate Finance (WA) Pty Ltd has considered its independence with respect to Aspire and Mr. Tserenpuntsag and any of their respective associates with reference to ASIC Regulatory Guide 112 'Independence of Experts'. In BDO Corporate Finance (WA) Pty Ltd's opinion it is independent of Aspire and Mr. Tserenpuntsag and their respective associates.

Neither the two signatories to this report nor BDO Corporate Finance (WA) Pty Ltd have, within the past two years, had any professional relationship with Aspire, or their associates, other than in connection with the preparation of this report.

A draft of this report was provided to Aspire and its advisors for confirmation of the factual accuracy of its contents. No significant changes were made to this report as a result of this review.

BDO is the brand name for the BDO International network and for each of the BDO Member firms.

BDO (Australia) Ltd, an Australian company limited by guarantee, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of Independent Member Firms. BDO in Australia, is a national association of separate entities (each of which has appointed BDO (Australia) Limited ACN 050 110 275 to represent it in BDO International).

17. Qualifications

BDO Corporate Finance (WA) Pty Ltd has extensive experience in the provision of corporate finance advice, particularly in respect of takeovers, mergers and acquisitions.

BDO Corporate Finance (WA) Pty Ltd holds an Australian Financial Services Licence issued by the Australian Securities and Investment Commission for giving expert reports pursuant to the Listing rules of the ASX and the Corporations Act.

The persons specifically involved in preparing and reviewing this report were Sherif Andrawes and Adam Myers of BDO Corporate Finance (WA) Pty Ltd. They have significant experience in the preparation of independent expert reports, valuations and mergers and acquisitions advice across a wide range of industries in Australia and were supported by other BDO staff.

Sherif Andrawes is a Fellow of the Institute of Chartered Accountants in England & Wales and a Fellow of Chartered Accountants Australia & New Zealand. He has over 30 years' experience working in the audit and corporate finance fields with BDO and its predecessor firms in London and Perth. He has been responsible for over 300 public company independent expert's reports under the Corporations Act or ASX Listing Rules and is a CA BV Specialist. These experts' reports cover a wide range of industries in Australia with a focus on companies in the natural resources sector. Sherif Andrawes is the Chairman of BDO in Western Australia, Corporate Finance Practice Group Leader of BDO in Western Australia and the Natural Resources Leader for BDO in Australia.

Adam Myers is a member of Chartered Accountants Australia & New Zealand. Adam's career spans over 20 years in the Audit and Assurance and Corporate Finance areas. Adam is a CA BV Specialist and has considerable experience in the preparation of independent expert reports and valuations in general for companies in a wide number of industry sectors.

18. Disclaimers and consents

This report has been prepared at the request of the directors of Aspire for inclusion in the Notice of Meeting which will be sent to all Aspire's Shareholders. Aspire engaged BDO Corporate Finance (WA) Pty Ltd to prepare an independent expert's report to consider the Proposed Transaction to issue new shares to Mr. Tserenpuntsag as a result increasing his undiluted shareholding in Aspire from c. 16.3% to c. 27.0%.

BDO Corporate Finance (WA) Pty Ltd hereby consents to this report accompanying the above Explanatory Memorandum and Notice of Meeting. Apart from such use, neither the whole nor any part of this report, nor any reference thereto may be included in or with, or attached to any document, circular resolution, statement or letter without the prior written consent of BDO Corporate Finance (WA) Pty Ltd.

BDO Corporate Finance (WA) Pty Ltd takes no responsibility for the contents of the Explanatory Memorandum and Notice of Meeting other than this report.

We have no reason to believe that any of the information or explanations supplied to us are false or that material information has been withheld. It is not the role of BDO Corporate Finance (WA) Pty Ltd acting as an independent expert to perform any due diligence procedures on behalf of the Company. The Directors of the Company are responsible for conducting appropriate due diligence in relation to Mr. Tserenpuntsag. BDO Corporate Finance (WA) Pty Ltd provides no warranty as to the adequacy, effectiveness or completeness of the due diligence process.

The opinion of BDO Corporate Finance (WA) Pty Ltd is based on the market, economic and other conditions prevailing at the date of this report. Such conditions can change significantly over short periods of time.

With respect to taxation implications it is recommended that individual Shareholders obtain their own taxation advice, in respect of the Proposed Transaction, tailored to their own particular circumstances. Furthermore, the advice provided in this report does not constitute legal or taxation advice to the Shareholders of Aspire, or any other party.

BDO Corporate Finance (WA) Pty Ltd has also considered and relied upon independent valuations for mineral assets held by Aspire.

The valuer engaged for the mineral asset valuation, Agricola, possess the appropriate qualifications and experience in the industry to make such assessments. The approaches adopted and assumptions made in arriving at their valuation is appropriate for this report. We have received consent from the valuer for the use of their valuation report in the preparation of this report and to append a copy of their report to this report.

The statements and opinions included in this report are given in good faith and in the belief that they are not false, misleading or incomplete.

The terms of this engagement are such that BDO Corporate Finance (WA) Pty Ltd is required to provide a supplementary report if we become aware of a significant change affecting the information in this report arising between the date of this report and prior to the date of the meeting or during the offer period.

Yours faithfully

BDO CORPORATE FINANCE (WA) PTY LTD

Sherif Andrawes	**Adam Myers**
Director	Director

Appendix 1 – Glossary of Terms

Reference	Definition
A$ or $	Australian Dollar
ADB	Asian Development Bank
Additional Subscription Amount	A condition precedent of the Agreement, requiring Legally binding commitments from investors to subscribe for such number of new shares to raise $1.7 million
AFCA	Australian Financial Complaints Authority
Agreement	The definitive, binding conditional subscription agreement entered into by Aspire Mining Limited and Mr. Tserenpuntsag
Agricola	Agricola Mining Consultants Pty
APES 225	Accounting Professional & Ethical Standards Board professional standard APES 225 'Valuation Services'
ASIC	Australian Securities and Investments Commission
Aspire	Aspire Mining Limited
ASX	Australian Securities Exchange
BDO	BDO Corporate Finance (WA) Pty Ltd
BVI	British Virgin Islands
CAGR	Compounded Annual Growth Rate
CGGC	China Gezhouba Group Corporation
the Company	Aspire Mining Limited
Concession Agreement	The Concession Agreement entered between Government of Mongolia and Northern Railways LLC signed on 20 August 2015
Consortium	The consortium comprising Aspire, China Railways 20 Bureau Group Corporation and China Railway First Survey and Design Institute
Corporations Act or the Act	The Corporations Act 2001 Cth
CP	Conditions Precedent
CPI	Consumer Price Index
CR20G	China Railways 20 Bureau Group Corporation
DCF	Discounted Future Cash Flows
Debt Conversion	The proposal to convert $2.60 million of debt and other obligation into equity, approved by shareholders at its General Meeting held on 26 July 2017
DBOT	Design, built, operate and transfer

Reference	Definition
DFS	Definitive Feasibility Study
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
ECJV	Ekhgoviin Chuluu Joint Venture
Erdenet-Ovoot Project	the Erdenet-Ovoot Rail Project
FDI	Foreign Direct Investment
Ferrostaal	Ferrostaal Mining Services
FME	Future Maintainable Earnings
FOS	Financial Ombudsman Service
FSG	Financial Services Guide
FSDI	China Railway First Survey and Design Institute
GDP	Gross domestic product
ICBC	Industrial and Commercial Bank of China
IMF	International Monetary Fund
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition)
Listing Rules	The listing rules of the ASX
M&A	Merger and Acquisition
Mr. Tserenpuntsag	Mr. Tserenpuntsag Tserendamba
MoU	Memorandum of Understanding
MRAM	Mineral Resource Authority of Mongolia
NAV	Net Asset Value
Noble	Noble Resources International Pte Limited
Noble Debt	Debt and accrued interest owed to Noble by Aspire
Noble Debt Conversion	A US$2.4 million conversion of Noble Debt and related accrued interest into equity.
Noble Facility	Aspire’s debt facility with Noble
Northern Railways	Northern Railways LLC
Northern Rail Line	The Erdenet to Ovoot Railway located within the ‘Northern Rail Corridor’, between the Chinese port of Tianjin and the Trans-Siberian Railway

Reference	Definition
Nuurstei Project	The Nuurstei Coking Coal Project, located 10.0 kilometres from the Khuvsgul provincial capital of Moron in northern Mongolia (Aspire hold a 90% interest in the project)
OBOR	The 'One Belt, One Road' initiative
OECD	Organisation for Economic Co-operation and Development
OEDP	Ovoot Early Development Plan
our Report	This Independent Expert's Report prepared by BDO
Ovoot Project	Ovoot Coking Coal Project, located in the Khuvsgul province in North West Mongolia
Patersons	Patersons Securities Limited
PFS	Pre-Feasibility Study
PFS Revision	During December 2012, the Company released a PFS revision, incorporating the Company's updated reserves and resources, which were announced subsequent to the release of the initial PFS findings
Placement Shares	476,190,476 new ordinary Aspire shares at $0.021 per share, that Mr. Tserenpuntsag has agreed to subscribe for
Proposed Transaction	The issue of the Placement Shares to Mr. Tserenpuntsag for an investment of $10.0 million.
PSST	Mongolian mining contractor, PSST LLC
QMP	Quoted market price
RBA	Reserve Bank of Australia
Regulations	Corporations Act Regulations 2001 (Cth)
RG 111	Content of Expert's Reports (March 2011)
RG 112	Independence of Experts (March 2011)
Rights Issue	A fully underwritten, six for five renounceable rights issue, undertaken by Aspire, to raise $16.5 million
RPM	RPM Global
Section 611	Section 611 of the Corporations Act
Shareholders	Shareholders of Aspire not associated with Mr. Tserenpuntsag Tserendamba
Significant Interest	Voting Power of more than 25.0%
the Study	An independent conceptual mining study prepared by Bluefield Advisory
USD or US$	United States Dollar
Valmin Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015 Edition)

Reference	Definition
Valuation Engagement	An Engagement or Assignment to perform a Valuation and provide a Valuation Report where the Valuer is free to employ the Valuation Approaches, Valuation Methods, and Valuation Procedures that a reasonable and informed third party would perform taking into consideration all the specific facts and circumstances of the Engagement or Assignment available to the Valuer at that time.
VWAP	Volume Weighted Average Price
WACC	Weighted Average Cost of Capital
Xstract	Xstract Mining Consultants Pty Limited

Copyright © 2018 BDO Corporate Finance (WA) Pty Ltd

All rights reserved. No part of this publication may be reproduced, published, distributed, displayed, copied or stored for public or private use in any information retrieval system, or transmitted in any form by any mechanical, photographic or electronic process, including electronically or digitally on the Internet or World Wide Web, or over any network, or local area network, without written permission of the author. No part of this publication may be modified, changed or exploited in any way used for derivative work or offered for sale without the express written permission of the author.

For permission requests, write to BDO Corporate Finance (WA) Pty Ltd, at the address below:
The Directors
BDO Corporate Finance (WA) Pty Ltd
38 Station Street
SUBIACO, WA 6008
Australia

Appendix 2 – Valuation Methodologies

Methodologies commonly used for valuing assets and businesses are as follows:

1 *Net asset value ('NAV')*

Asset based methods estimate the market value of an entity's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- Orderly realisation of assets method
- Liquidation of assets method
- Net assets on a going concern method

The orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to entity holders, after payment of all liabilities including realisation costs and taxation charges that arise, assuming the entity is wound up in an orderly manner.

The liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter time frame. Since wind up or liquidation of the entity may not be contemplated, these methods in their strictest form may not be appropriate. The net assets on a going concern method estimates the market values of the net assets of an entity but does not take into account any realisation costs.

Net assets on a going concern basis are usually appropriate where the majority of assets consist of cash, passive investments or projects with a limited life. All assets and liabilities of the entity are valued at market value under this alternative and this combined market value forms the basis for the entity's valuation.

Often the FME and DCF methodologies are used in valuing assets forming part of the overall Net assets on a going concern basis. This is particularly so for exploration and mining companies where investments are in finite life producing assets or prospective exploration areas.

These asset based methods ignore the possibility that the entity's value could exceed the realisable value of its assets as they do not recognise the value of intangible assets such as management, intellectual property and goodwill. Asset based methods are appropriate when an entity is not making an adequate return on its assets, a significant proportion of the entity's assets are liquid or for asset holding companies.

2 *Quoted Market Price Basis ('QMP')*

A valuation approach that can be used in conjunction with (or as a replacement for) other valuation methods is the quoted market price of listed securities. Where there is a ready market for securities such as the ASX, through which shares are traded, recent prices at which shares are bought and sold can be taken as the market value per share. Such market value includes all factors and influences that impact upon the ASX. The use of ASX pricing is more relevant where a security displays regular high volume trading, creating a liquid and active market in that security.

3 *Capitalisation of future maintainable earnings ('FME')*

This method places a value on the business by estimating the likely FME, capitalised at an appropriate rate which reflects business outlook, business risk, investor expectations, future growth prospects and other entity specific factors. This approach relies on the availability and analysis of comparable market data.

The FME approach is the most commonly applied valuation technique and is particularly applicable to profitable businesses with relatively steady growth histories and forecasts, regular capital expenditure requirements and non-finite lives.

The FME used in the valuation can be based on net profit after tax or alternatives to this such as earnings before interest and tax (‘**EBIT**’) or earnings before interest, tax, depreciation and amortisation (‘**EBITDA**’). The capitalisation rate or ‘earnings multiple’ is adjusted to reflect which base is being used for FME.

4 *Discounted future cash flows (‘DCF’)*

The DCF methodology is based on the generally accepted theory that the value of an asset or business depends on its future net cash flows, discounted to their present value at an appropriate discount rate (often called the weighted average cost of capital). This discount rate represents an opportunity cost of capital reflecting the expected rate of return which investors can obtain from investments having equivalent risks.

Considerable judgement is required to estimate the future cash flows which must be able to be reliably estimated for a sufficiently long period to make this valuation methodology appropriate.

A terminal value for the asset or business is calculated at the end of the future cash flow period and this is also discounted to its present value using the appropriate discount rate.

DCF valuations are particularly applicable to businesses with limited lives, experiencing growth, that are in a start-up phase, or experience irregular cash flows.

5 *Market Based Assessment*

The market based approach seeks to arrive at a value for a business by reference to comparable transactions involving the sale of similar businesses. This is based on the premise that companies with similar characteristics, such as operating in similar industries, command similar values. In performing this analysis it is important to acknowledge the differences between the comparable companies being analysed and the company that is being valued and then to reflect these differences in the valuation.

Appendix 3 – Independent Technical Specialist Valuation Report prepared by Agricola

AGRICOLA MINING CONSULTANTS PTY LTD

INDEPENDENT VALUATION of the COAL ASSETS

held by

ASPIRE MINING LTD in MONGOLIA

8 October 2018

Georgius Agricola: De Re Metallica, 1556

Malcolm Castle
Agricola Mining Consultants Pty Ltd
P.O. Box 473, South Perth, WA 6951
Mobile: 61 (4) 1234 7511
Email: mcastle@castleconsulting.com.au
ABN: 84 274 218 871

8 October 2018

The Directors

BDO Corporate Finance (WA) Pty Ltd

38 Station Street

Subiaco, WA, 6008

Dear Sirs,

Re: INDEPENDENT VALUATION of the COAL ASSETS held by ASPIRE MINING LTD in MONGOLIA

BDO Corporate Finance (WA) Pty Ltd has been engaged by the Directors of Aspire Mining Limited ("Aspire" or the "Company") to prepare an Independent Expert's Report ("IER") to accompanying the Notice of Meeting to assist the shareholders of Aspire.

Agricola Mining Consultants Pty Ltd ("Agricola" or the "Specialist") has been commissioned by the Directors of BDO Corporate Finance (WA) Pty Ltd ('BDO' or the "Expert") to provide a Mineral Asset Valuation Report (the "Report") on Aspire's coal assets in Mongolia. This report serves to comment on the geological setting and exploration results on the properties and presents a technical and market valuation for the assets based on the information in this Report.

Agricola is independent of, and is perceived to be independent of, interested parties and has a clear written agreement with the Expert concerning the purpose and scope of the Specialist's work. Agricola prepared an Independent Valuation Report on the Nuurstei Project for Aspire in October 2015 and has had no professional engagement with Aspire, and/or their subsidiaries and associates since that time.

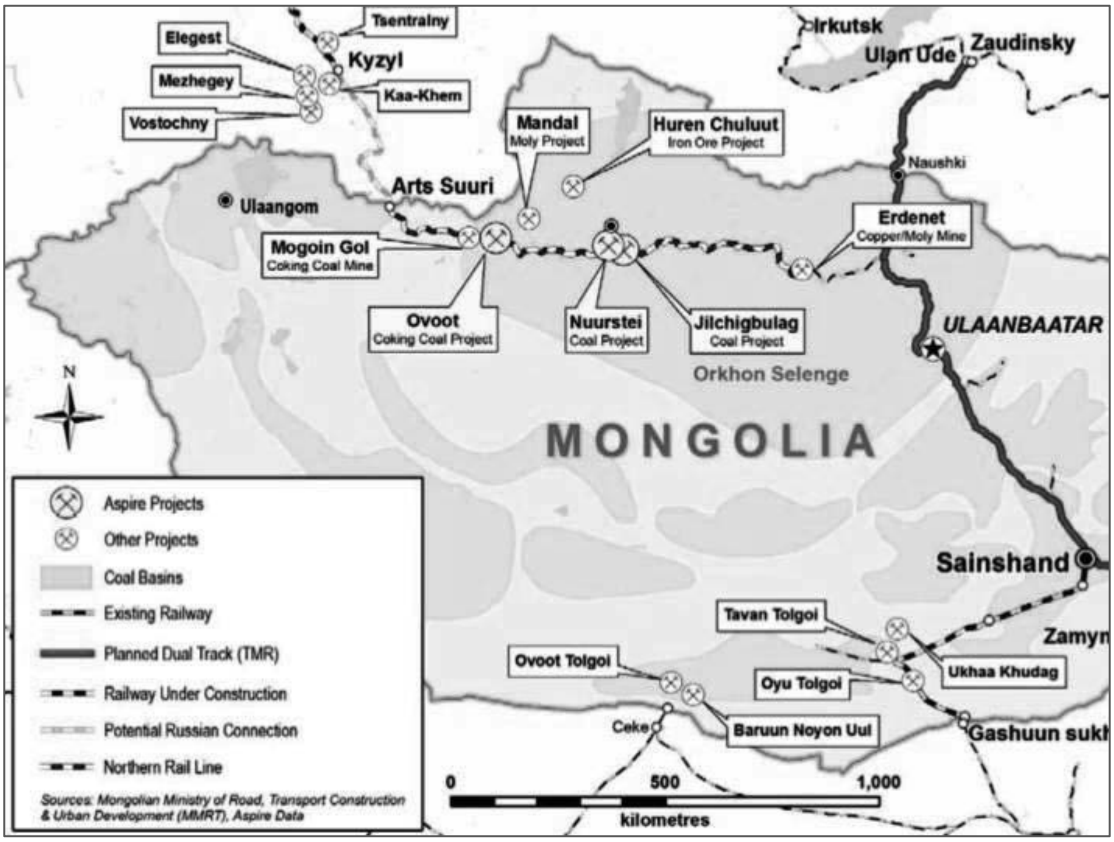
The present status of the tenements is based on information made available by the Company and independently verified by Agricola. The Report has been prepared on the assumption that the tenements are lawfully accessible for evaluation.

The Mineral Assets

Aspire's primary asset is the 100% owned Ovoot coking coal project ("Ovoot") in northern Mongolia. Ovoot contains high-quality hard coking coal, featuring very high energy and vitrinite content and low ash. Aspire have announced a total coal resource of 281 million tonnes for Ovoot with the majority amenable to open cut mining operations.

Aspire also holds 90% of the Nuurstei coal project further to the east with a total coal resource of 12.8 million tonnes. The Company also holds a number of early stage coal projects in Mongolia.

The key selling routes available to Aspire are Russia's Far East ports via the Trans-Siberian Railway or into China via the Trans-Mongolian Railway. Aspire is currently undertaking feasibility studies to connect Ovoot to the main line at Erdenet.



Erdenet to Ovoot railway forming part of the Mongolian rail policy forming part of the trilateral Economic Corridor between Russia, Mongolia and China

Valuation Opinion

- ***Based on an assessment of the factors involved, the estimate of the market value for the Company's equity in the Mongolian Coal Projects, is in the range of:***

A$34.4 million to A$61.5 million with a preferred value of A$44.7 million.

This valuation is effective on 8 October 2018.

ASPIRE MINING LTD		*Summary Market Value, A$M*		
	Equity	**Low**	**High**	**Preferred**
Mineral Resources				
OVOOT	100%	33.03	59.45	42.94
NUURSTEI	90%	1.08	1.49	1.29
TOTAL		**34.11**	**60.94**	**44.22**
Exploration Areas				
Ovoot: XV-017003	100%	0.12	0.21	0.17
Hurimt: XV-014510	100%	0.18	0.37	0.27
Myngan: XV-017922	100%	0.01	0.01	0.01
TOTAL		**0.30**	**0.59**	**0.45**
GRAND TOTAL		**34.41**	**61.54**	**44.67**
MARKET Values based on Equity held by the Company				

Summary of the Valuation Elements:

Table of Contents

TENEMENT SCHEDULE

The Company holds the following tenement interests in Mongolia.

Current tenement Schedule – 8 October 2018

Project	Company name	Licence number	Area name	Area size (ha)	Date issued	Expiration date
Ovoot	Khurgatai Khairkhan	MV-017098	Ovoot	5,758.70	2012.08.10	2042.08.10
Ovoot	Oboot koal mining	XV-017003	Ovoot	1,808.18	2008.05.01	2017.05.01
Nuurstei	Ekhgoviin Chuluu Joint Venture	MV-020941	Tumurtiin am	806.91	2017/10/06	2047.10.06
Hurimt	Khurgatai Khairkhan	XV-014510	Khurimt-1	13,714.67	2008.12.04	2017.12.04
Myngan	Chilchig gol	XV-017922	Myangan	399.87	2015.04.27	2018.04.27

The Company holds 100% Equity in all tenements except Nuurstei in which it holds 90%

Ovoot and Nuurstei Projects

Through its wholly owned Mongolian subsidiary, Khurgatai Khairkhan LLC ("Khurgatai"), Aspire has been granted a Mining License – MV 017098, covering 5,758.7 ha at the Ovoot coal project. This license extends over both the proposed surface and underground resource areas. MV017098 expires in 2042. Aspire also holds an adjacent exploration Licence XV-017003.

Aspire holds 90% equity in the Ekhgoviin Chuluu Joint Venture (ECJV) covering the Nuurstei Project

Tenement Status

The status of the tenements has been independently verified by Agricola, pursuant to section 7.2 of the Valmin Code, 2015. This is based on an inquiry of the most recently available on-line databases for Mongolia available from 'Mongolia Extractive Industries Transparency Initiative, Mongolia, EITI Reconcilation and report 2016', *http://www.eitimongolia.mn/en/reconciliation-report*. Information is available on-line up to 31 December 2016.

The tenements are believed to be in good standing subject to successful renewal based on this inquiry. The Company has reported in appropriate JORC Table 1 statements that tenement renewal process is underway for XV-017003, XV-014510 and XV-17922. Applications have been made by Aspire to renew all expired licences and Agricola is satisfied that there is no cause to doubt eventual granting.

All tenement reporting obligations such as annual reports, expenditure commitments, rents and renewals have been lodged and are progressing in accordance with the relevant Mining Act.

MONGOLIAN COKING COAL PROJECTS

Location, and Access

Location of Ovoot and Nuurstei Projects on Erdenet- Arts Suuri Rail Line

The Company's Mining Licences and Exploration Licences are located in the central region of Khuvsgul, Uvs and Umnugobi Aimag, northern Mongolia. Ovoot is approximately 550km northwest of Ulaanbaatar and 15km southwest of the Aimag capital Murun, which is the nearest local settlement with a population of approximately 36,000.

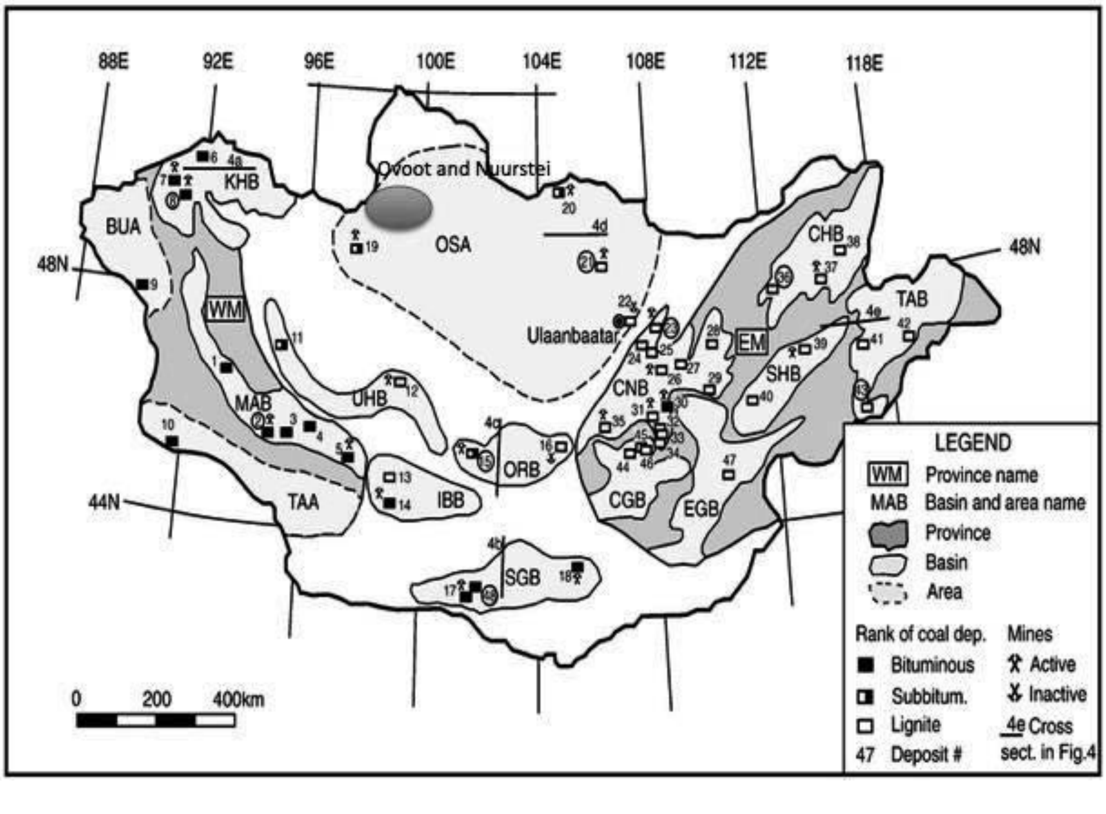
The nearest commercial airport is at Murun with daily commercial flights connecting from Ulaanbaatar during summer months. During winter months there are three to four flights a week connecting from Ulaanbaatar. Access to the licence area by vehicle from Murun is via unpaved tracks and takes around 40 minutes.

The Licences are located approximately 40km north of the planned north western Mongolia rail line between Erdenet and the Arts Suuri border and 300km west of the Trans-Mongolian Railway at Erdenet.

Regional Geology

The Khuvsgul region of Mongolia has a complex geologic history. Regimes of continental accretion and Basin-and-Range style crustal extension followed by compressional folding and faulting were the main structural influences. Elongate, east-west trending mountain ranges and intervening basins dominate the region. The basins are mainly comprised of sedimentary rocks of Early to Middle Jurassic age, overlain in parts by relatively thin Recent-Quaternary gravel layers.

The coal deposits of Mongolia tend to become younger from west to east and can be subdivided into two provinces, twelve basins, and three areas. Main controlling factor of coal rank is the age of the coal bearing sequences. Western Mongolian coal-bearing province contains mostly high rank bituminous coal in strata from Late Carboniferous. The basins in southern Mongolia and the western part of central Mongolia have low rank bituminous coal in strata from the Permian. The northern and central Mongolian basins contain mainly Jurassic subbituminous coal, whereas the Eastern Mongolian province has Lower Cretaceous lignite.



The Carboniferous, Permian and Jurassic coal-bearing sequences were mainly deposited in foreland basins by compressional tectonic event, whereas Cretaceous coal measures were deposited in rift valleys caused by extensional tectonic event. Petrographically, Mongolian coals are classified as humic type. Vitrinite/huminite groups of Carboniferous, Permian, and Cretaceous coal range from 44.9% to 82.9%. Inertinite group varies between 15.0% and 53.3%, but liptinite group does not exceed more than 7%. Jurassic coals are characterized by high percentages of vitrinite (87.3% to 96.6%) and liptinite groups (up to 11.7%). This might be explained by paleoclimatic conditions. Mongolian coal reserves have been estimated to be 10.2 billion tonnes, of which a predominant portion is lignite in the Eastern Mongolian province and coking coal in the South Gobi basin.

The Company's coking coal projects lie within the Orkhon-Selenge (OSA) coal-bearing basin. The basement geology consists of Precambrian metamorphic complexes overlain by Palaeozoic turbidites containing marine fossils and volcanic-plutonic rocks. Mesozoic and Cenozoic non-marine clastic rocks are preserved in a few fault-bound structures, which are scattered throughout northern Mongolia in small, isolated grabens and half-grabens.

Early-Middle Jurassic non-marine clastics host primary coal targets in northern Mongolia, including Nuurstei and Ovoot coal deposits. Other smaller deposits occur at Uilgan Gol and Egiin Gol. The coal-bearing sediments overlie Lower Permian Khanui Formation, which are of volcanic and volcaniclastic rocks origin.

The sedimentary basin stratigraphy and structure that hosts Ovoot and Nuurstei still remains largely unknown. Much of this stratigraphy is based on Mongolian-Russian Government mapping and is not well defined locally.

Mongolia's Coal Resources and Reserves

Mongolia has over 300 known coal deposits with an estimated 152 billion tonnes of coal resources. Of these, detailed geological studies have been completed at about 80 sites. Companies with coking coal deposits attract the most attention, as their products are exported at considerable profits.

Mongolian coal mines gradually shifted toward the modern industrial production methods between 1940 and 1970. However, formal resource estimations, tests for coking qualities and modern geological studies were not conducted until the late sixties. However, even at the turn of the twentieth century, Russian geologists had published their observation of some of the most famous deposits today, such as Tavan Tolgoi, EgiinGol and Choir. During the twentieth century, open-pit coal mines were created in almost every state so that Mongolia's domestic demand for thermal coal was completely met.

Since 1993 many private companies have entered the country, and many have completed the Australian JORC or Canadian NI 43-101 compliant resource and/or reserve estimations. The total coal resource estimation is expected to rise according to most experts, as more detailed geological surveys are completed.

Mongolia's coal production has been on the rise since the troubled 90's, when nearly all enterprises, including coal mines, suffered due to the instability of the transitional economy. The total amount of coal mined in Mongolia began to grow rapidly after 2004, which is about the time the current resource boom and the export rush started.

Railroad Grand Plan and Current Progress

The Mongolian government has announced a grand plan to extend the railroad system in a massive project that will connect the eastern and western provinces via the Gobi region. This proposed railroad would run through the major mines in the southern Gobi region, spanning about 1,800 kilometres.

The railroad between the largest coking coal mine (and deposit) in Tavan Tolgoi and the sole buyer in China is very likely to be constructed by the private sector. The Mongolian Mining Corporation has been mining a part of the Tavan Tolgoi deposit named UkhaaKhudag since 2009.

China Gezhouba Group International Ltd (CGGC) has delivered a draft feasibility study for the 549 km Erdenet to Ovoot Railway Project to mine development company Aspire Mining Ltd.

The 30-year railway concession agreement awarded by the government in 2015 has been amended with the approval of all participants, including the government, to include CGGC as a nominated joint EPC contractor for the rail project. Apire said the combination of CGGC with China Railway Construction Corp subsidiaries China First Survey & Design Institute Group Co Ltd and China Railway 20 Group Bureau Corp would create a 'very strong technical, operational and financially powerful alliance'.

CGGC is holding ongoing discussions with a range of debt and equity providers interested in funding the project, including China Development Bank and the Silk Road Fund.

There are also several companies with deposits in the Khuvsgul province pushing to construct a 682 kilometres railroad extension from Erdenet to Ovoot, through Moron. This group is called the Northern Mongolian Railroad Association, and includes companies such as Aspire Mining and Xanadu Mines as well as the local government. In July 2012, the government of Mongolia announced that the concession to build this extension will be in the "build-operate-transfer" form.

OVOOT COKING COAL PROJECT (100%)

The Ovoot Project area is located in north-western Mongolia and is a new discovery made by the Company in 2010 to 2013. Aspire was granted a Mining Licence in August 2012 and received approval for its Mongolian Feasibility Study by the Coal Resource Authority of Mongolia (MRAM) in 2013. The Company will need to negotiate land use agreements and water licenses before mining can commence. Aspire aims to commence a Bankable Feasibility Study once rail development has progressed.

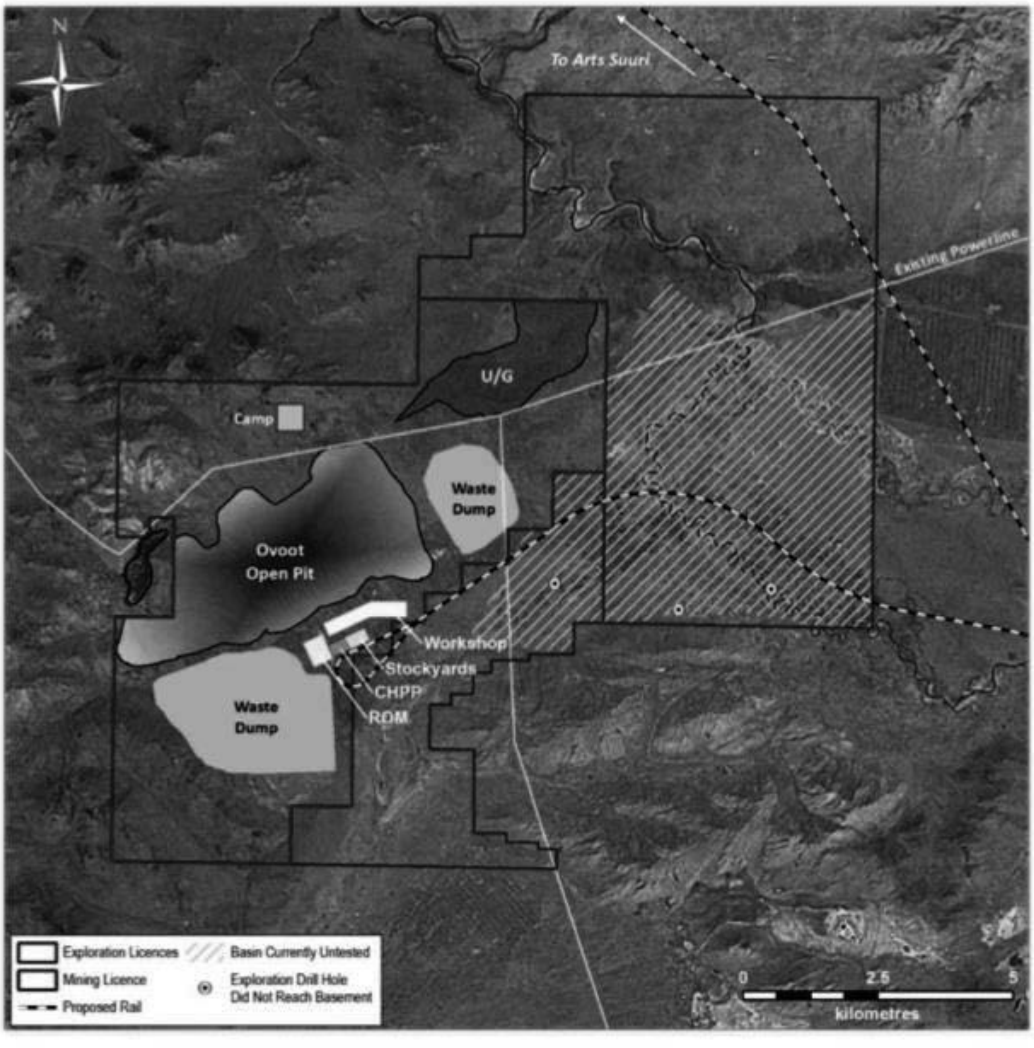


Figure 2: Mining License and Exploration license: Ovoot Coking Coal Project

Planned Ovoot Coking Coal Project layout

The Ovoot Coking Coal Project is the second largest coking coal project by coal inventory in Mongolia containing 'fat" coking coal. Fat coking coal is highly desirable in the Chinese market due to its blend carrying characteristics and the ability to improve coke quality when blended with lower quality coking coals.

The area around the existing mining license and the potential extensions to the underground resources hold the highest probability of adding mineable tonnes to existing Resources. The total land holding covered by Ovoot Coking Coal Project mining license and exploration licenses is 75.67 square kilometres.

Aspire is planning to develop the Ovoot Project during construction of the Erdenet – Ovoot railway with first production to coincide with commissioning expected in 2019 (subject to necessary approvals, funding, licences and permits).

Ovoot Coal Resource Estimate in accordance with the JORC Code 2012

Ovoot Project JORC Coal Resources at 31 July 2013 (JORC 2012 Compliant)[1, 2, 3]				
Seam	Resource Category	Total (Mt)	Ash (adb) (%)	Raw CSN
Main Area				
Upper	Measured	77.4	19.0	6.9
Lower	Measured	102.1	26.5	6.2
OVB	Measured	17.5	35.1	6.4
		197.0		
Upper	Indicated	9.8	19.0	7.4
Lower	Indicated	28.1	30.7	6.0
OVB	Indicated	9.0	31.1	6.7
		46.9		
Upper	Inferred	1.1	20.4	7.4
Lower	Inferred	3.0	32.0	6.0
Coal above BOW (Thermal)	Inferred	5.1	28.7	-
		9.2		
Total Main Area		253.1		
NE UG Area				
Upper	Indicated	18.2	26.9	8.0
Lower	Indicated	7.2	23.2	8.0
		25.4		
Upper	Inferred	1.1	34.7	7.5
Lower	Inferred	1.5	23.4	8.0
		2.6		
Total NE UG Area		**27.9**		
GRAND TOTAL		**281.0**		

For full JORC 2012 disclosure in relation to the Ovoot project JORC 2012 Coal Resources and Reserves, refer tothe Company's Quarterly Report for the period ended 31 December 2013. The Company is not aware of any new information or data that materially affects the information included in this December 2013 Quarterly Report. All material assumptions and technical parameters *underpinning the estimates in the December 2013 Quarterly Report continue to apply and have not materially changed. There have been no changes to the JORC 2012 Coal Resources and Reserves reported in the December 2013 Quarterly Report.*

Ovoot's Resource and Reserve estimates have been compiled by independent third parties (Xstract Mining Consultants Pty Ltd) and are reported in accordance to the JORC 2012 Code. Various visual and statistical checks were made by the Company to validate the results.

Competent Persons Statement – Ovoot Coking Coal Project

The Coal Resources at Ovoot Project documented in the December 2013 release are stated in accordance to the JORC Code, 2012. They are based on information compiled and reviewed by Mr. Ian de Klerk who is a Member of the Australasian Institute of Mining and Metallurgy (Member #301019) and is a full time employee of Xstract Mining Consultants Pty Ltd. He has more than 20 years' experience in the evaluation of coal deposits and the estimation of coal resources. Mr. de Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify him as a Competent Person as defined in the JORC Code, 2012. Neither Mr. de Klerk nor Xstract have any material interest or entitlement, direct or indirect, in the securities of Aspire Mining Limited or any companies associated with Aspire Mining Limited. Fees for work undertaken are on a time and materials basis. Mr. de Klerk consents to the inclusion of the Coal Resources based on his information in the form and context in which it appears in the Company's December 2013 Quarterly Report.

Ovoot Coking Coal Indicative Washed Coal Quality (Air Dried Basis)	
Moisture %	9
Ash %	9
Volatile Matter %	25-28
Total Sulphur %	1.2
CSN	9
Max Fluidity Log	3.60
Max Dilation %	+300
Gray King	G11
G Caking Index	+95
RoMax %	1.2
Y Index (mm)	+26

Coal Quality of the Ovoot coal resource

Quality and Reasonableness – VALMIN 7.3(b)

Agricola has reviewed the Coal Resource Estimates for the Ovoot Project which was carried out by Xstract Mining Consultants Pty Ltd. The information provided in JORC Table 1 clearly sets out the steps taken to ensure an high quality outcome for the coal resource estimate.

Summary drillhole seam/ply intersection information including average seam thickness intersected, minimum and maximum thicknesses and corresponding Hole ID, as well as the standard deviation of the thickness for each seam intersect is provided in Appendix A. Appendix B summarises composited raw coal quality by seam/ply (air dried basis). All drillholes have been vertically drilled.

Xstract examined all lithological logging data supplied in conjunction with the seam pick information and geophysical logs in order to confirm that seam picks were appropriate. The geological modelling software checks that sampled intervals correspond to seam intervals during compositing of model intervals and reports on any mismatches. Samples that extend outside of modelled intervals by more than 20% were excluded from the raw coal quality database, as they were not considered representative of the interval being sampled. Postings and contours of seam/ply coal quality values were examined to ensure that the values were spatially consistent

Consideration of all mining, metallurgical, social environmental and financial aspects of the project was reported in a satisfactory way. Points of observation for resource classification purposes were defined as cored drillhole intersections of seams with 85% or better core recovery and coal quality composites (at least raw coal proximate analysis, specific energy and total sulphur) that pass all QA/QC checks. Interval elevations and thicknesses must also be supported by down-hole geophysics.

The resource was classified as Measured if the distance between valid points of observation is less than 500m (effective maximum 250m radius around points of observation). The resource was classified as Indicated if the distance between valid points of observation is greater than 500m and less than 1,000m (effective maximum 500m radius around points of observation). The resource was classified as Inferred if the distance between valid points of observation is greater than 1,000m and less than 2,000m (effective maximum 1,000m radius around points of observation).

The resource classification appropriately and reasonably reflects the varying levels of confidence of the resource model to predict coal quality and tonnages for the resource if it were to be mined. It does not take into account any modifying factors for mining and processing. As such, it is useful for long term and life_of_mine planning, but does not have the degree of accuracy for short term mine planning and detailed mine scheduling.

Agricola is satisfied that the coal resource estimate is of high quality and reasonable and carried out to a high professional standard as required by the JORC Code, 2012.

Ovoot Development Plan

Aspire is planning to develop the Ovoot Project during construction of the Erdenet – Ovoot railway with first production to coincide with commissioning expected in 2019 (subject to necessary approvals, funding, licences and permits).

The 547km Erdenet – Ovoot railway development, being progressed by Aspire's infrastructure subsidiary Northern Railways, represents Phase 1 of a priority rail project for the Mongolian Government's "Steppe Railway" extending from Erdenet – Ovoot – Arts Suuri (Russian border).

Initial production from the Ovoot Project is planned to commence at 5 Mtpa, mining a high proportion of low ash bypass coal, and as markets develop for Ovoot coking coal, the mine is planned to be capable of producing up to 10 Mtpa of high quality coking coal from both the Open Pit and Underground operations.

Logistics and Offtake Interest

In 2014 Mongolian, Chinese and Russian Government Officials agreed to a staged upgrade of the Trans- Mongolian Railway from 20 to 34 Mtpa capacity, and feasibility studies are underway to assess increasing capacity to 100 Mtpa by 2020. The agreements also cover other key export infrastructure including improved border crossing cooperation and access to rail and seaports in China. Aspire has signed up to 7.4 Mtpa of non-binding offtake interest from potential Chinese and Russian customers.

NUURSTEI COKING COAL PROJECT (90%)

In June 2017 the Company exercised an option to acquire a further 45% beneficial interest in the Nuurstei Coking Coal Project. The acquisition was finalised in August 2017 giving the Company a 90% interest in the Nuurstei Project.

The Mining License covering the majority of the Nuurstei Project was granted on 6 October 2017 and provides tenure over the property for 30 years over an area of 8.61 square kilometres.

Nuurstei Coal Resource Estimate in accordance with the JORC Code 2012

In early 2016 the Company reported JORC Compliant Resources of 4.8 Mt of Indicated and 8.0 Mt of Inferred down to 180 metres depth in a large number of steeply dipping coal seams. There is potential to convert Inferred Resources to Indicated with additional seam sampling and washability test work.

Nuurstei Project JORC Total Coal Resources at 31 December 2015 (JORC 2012 Compliant) [1,2,3]

Potential Mining Method	Depth Interval (m)	Measured (A)			Indicated (B)			(A+B)	Inferred		
		Tonnes (mt)	Quality		Tonnes (mt)	Quality		Tonnes (mt)	Tonnes (mt)	Quality	
			CV (kcal/kg)	Ash (%)		CV (kcal/kg)	Ash (%)			CV (kcal/kg)	Ash (%)
OC	BOC – BOW[5]	-			0.41			0.41	0.5		
OC	BOW – 50	-			1.18			1.18	1.5		
OC	50 – 100	-			1.72			1.72	2.3		
-	100 – 150	-			1.10			1.10	2.1		
-	150 – 200	-			0.34			0.34	1.7		
Total		-	-	-	4.75	-	36%	4.75	8.1	-	-
Total Resources (Rounded)		-	-	-	4.8	-	36%	4.8	8	-	-

1. *For full JORC 2012 disclosure in relation to the Nuurstei project JORC 2012 Coal Resources, refer to the Company's ASX Announcement dated 13 April 2016. The Company is not aware of any new information or data that materially affects the information included in this ASX Announcement. All material assumptions and technical parameters underpinning the estimates in the ASX Announcement continue to apply and have not materially changed.*
2. *There have been no changes to the JORC 2012 Coal Resources and Reserves reported in the 13 April 2016 ASX Announcement.*
3. *Nuurstei's Resource estimates have been compiled by independent third parties (McElroy Bryan Geological Services) and are reported in accordance to the JORC 2012 Code. Various visual and statistical checks were made to validate the results.*

Competent Persons Statement – Nuurstei Coking Coal Project

The information in this report that relates to Reporting of Coal Resources at Nuurstei Project, is based on information compiled under the supervision of, and *reviewed by, the Competent Person, Mr Parbury, who is a full time employee of McElroy Bryan Geological Services, is a Member of the Australasian Institute of Mining and Metallurgy and who has no conflict of interest with Aspire Mining Limited.*

The reporting of Coal Resources presented in this report has been carried out in accordance with the 'Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves', The JORC Code 2012 Edition prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC).

Mr Parbury has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Parbury consents to the inclusion in the report of the matters based on his information in the form and context in which it appears in the ASX Release of 13 April 2016.

Nuurstei Hard Coking Coal Indicative Washed Coal Quality (Air Dried Basis)	
Moisture %	0.4
Ash %	9.9
Volatile Matter %	23.8
Fixed Carbon %	65.9
Total Sulphur %	0.84
Phosphorus %	0.055
Free Swelling Index (FSI)	8.5
Caking Index ("G")	94
Max Fluidity DDPM	1,874
Max Dilation %	188
RoMax %	1.27
Y Index	23

Coal Quality of the Nuurstei coal resource

Quality and Reasonableness – VALMIN 7.3(b)

Agricola has reviewed the Coal Resource Estimates for the Nuurstei Project which was carried out by Xstract Mining Consultants Pty Ltd. The information provided in JORC Table 1 clearly sets out the steps taken to ensure an high quality outcome for the coal resource estimate.

The Nuurstei resource estimate was compile using similar parameters to the Ovoot coal resource estimate described above.

Resources have been classified as either Indicated or Inferred based mainly on the spacing of drill hole data to allow confidence in seam continuity seam variability and structure. Prior to the 2015 exploration drilling program drill hole predictions were generated from the 2014 geological model and compared to results from 2015 drilling. The differences between the 2014 and 2015 drilling determined that various levels of confidence in the continuity of the coal seam characteristics (e.g. seam thickness depth and coal quality) could not justify the classification of any Measured Resources at this stage.

The resource classification appropriately and reasonably reflects the varying levels of confidence of the resource model to predict coal quality and tonnages for the resource if it were to be mined. It does not take into account any modifying factors for mining and processing. As such, it is useful for long term and life_of_mine planning, but does not have the degree of accuracy for short term mine planning and detailed mine scheduling.

Agricola is satisfied that the coal resource estimate is of high quality and reasonable and carried out to a high professional standard as required by the JORC Code, 2012.

Nuurstei Development Proposals

In March 2017, the Company announced the results of a Conceptual Mining Study over a near surface mining area focused around the Indicated Resources. The study concluded that there was the potential for the Nuurstei Coking Coal Project to become a competitive cost near term producer of coking coal based on trucking coal 420 kilometres to the nearest rail head at Erdenet. Costs would reduce significantly once the Nuurstei Coking Coal Project can gain access to the Erdenet to Ovoot Railway.

The Company has identified a suitable rail siding for stockpiles and wagon loading at Erdenet and has confirmed with the rail operator UBTZ that there is sufficient rail and wagon capacity to carry Nuurstei Project coal to the Chinese border at Erlian. It was recently confirmed that China has approved Erlian as a coal border crossing.

Development of the Nuurstei Project will be subject to raising development capital, the results of a drilling and sampling programme and the integration of these results into an updated geological model, new mine plan, feasibility study and Board approval. Should sufficient funding be available, a commencement of mining operations at Nuurstei could be possible within 12 to 15 months of a decision to proceed.

A washplant will be required to reduce the contained ash to an international benchmark specification. Capital cost estimates for the development of the mine, including the wash plant and associated site infrastructure, is in the range of US$15 to US$20 million.

The Company has entered into an offtake agreement for the first 6 months of Nuurstei Project production with the Noble Group. Nuurstei Project coking coal bulk samples have been tested by Chinese customers and when washed, is a premium hard coking coal. The marketing strategy is to sell Nuurstei Project coking coal into the high volume Tangshan area of Northern China.

OTHER COAL PROJECTS (100%)

One exploration license is held in the Hurimt project, XV-014510 granted in 2008 covering 137 square kilometres in the Khuvsgul area. The Myangan exploration license XV-017922 was granted in 2015 through an on line application process and covers 4 square kilometres. It is located in Mongolia's north western province of Uvs.

The exploration licences are located in areas of known coal bearing strata though little specific exploration work has been carried out at this stage.

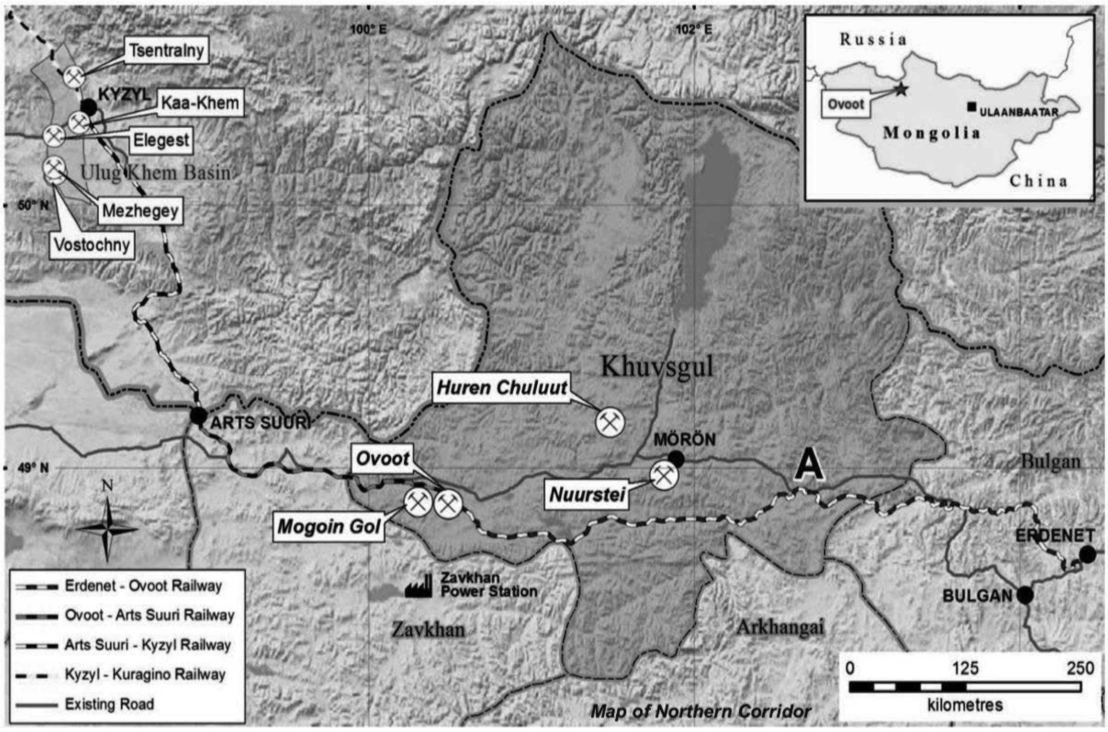
The expiration dates for these tenements has passed and the Company has applied for extensions. Any resource identified in these project area would benefit significantly from the proposed Northern Rail Corridor. Exploration will require a deep sampling program using trenching across the seam packages will be needed to get fresher samples.

Rail Infrastructure Investment

Aspire owns 90% of Northern Railways LLC, the Mongolian registered company established to house the rail assets. Northern Railways is charged with building the rail connectivity from Erdenet to Ovoot to access export markets for the Ovoot Coking Coal Project.

In August 2015 Northern Railways was granted the Concession to build, operate and transfer 100% of the Erdenet to Ovoot Railway to the Government of Mongolia after 30 years of operation. In September 2016 Northern Railways committed to the first stage of the Rail Feasibility Study with China Railways Construction Corp's First Survey and Design Institute. This was completed at the end of December 2016 with the conclusion that the Erdenet to Ovoot Railway Project is both technically and financially feasible. A five year construction time frame was outlined with a capital estimate of US$1.25 billion before contingencies. The financial modelling did not include freight from a completed Northern Rail Corridor. On the 13 August Aspire announced that a further extension to February 2020 was granted.

Northern Railways requires funding of US$5.5 million to complete the final stage of the Feasibility Study and has continued discussions with a number of parties to provide this funding. There is an additional US$4.5 million budgeted to fund owner's costs to complete the conditions precedent in the Rail Concession Agreement.



In June 2016 the Erdenet to Ovoot Railway was included in a new Russian, Chinese and Mongolian agreed "Northern Rail Corridor" between the Chinese port of Tianjin and the Trans-Siberian Railway which connects to Europe.

One Belt One Road is a Chinese Government initiative to expand trade and is based on investment in the supporting infrastructure and streamlining transit cargo processes. The initiative extends to rail, roads and ocean freight connectivity. This initiative is consistent with Mongolia's "Steppe Road" Policy where it seeks to leverage its strategic position between China and Russia to become an important transit corridor for trade.

Being part of China's One Belt One Road Policy is important in being able to access funding from Chinese financial institutions. In October 2016 Northern Railways received a Letter of Intent from China Development Bank to fund up to

75% of the total EPC contract cost to build the Erdenet to Ovoot Railway. In June 2017 Northern Railways signed a non-binding MOU with China Gezhouba Group Corporation, a large Chinese state owned construction company to work together to identify funding sources for the Erdenet – Ovoot Railway.

SPECIFIC PROJECT RISKS

Agricola has identified a range of risk elements or risk factors, which may affect the future operations, and financial performance of the Company's Projects. Some of the risk factors are completely external, which is beyond the control of management. However, advance planning can mitigate the project specific risks.

Resources & Reserve Risk

Coal Resources have been estimated for the Projects in accordance with the JORC Code 2012. 70% of the Ovoot resource is in the Measured category with 26% in the Indicated category. 40% of the coal resource at Nuurstei is in the Jndicated category. While confidence in the Ovoot resource estimation is relatively high it is possible that unforeseen geological conditions may be present that will affect the estimates.

Extraction and Processing Route Risk

It may be possible that unfavourable results from the future samples may jeopardise project viability. This may include problems with the future production of saleable coal. Pre feasibility studies carried out in 2012 – 2013 provided some encouragement but full scale testing is yet to be done.

Commodity Price Risk

Coal price, supply and demand are cyclical in nature and subject to significant fluctuations, and any significant decline in the gold price or demand could materially and adversely affect the Company's business and financial condition results of operations and prospects. Commodity markets are highly competitive and are affected by factors beyond the Company's control, which include but not limited to:

- Global Economic Condition;
- Government and Central Banks actions; and
- Fluctuations in industries with high demand.

Coking coal prices are historically high and consensus forecasts indicate a possible fall in coking coal of 20% over the next five years. If there is a fall in long term coal prices, there would be a substantial reduction in the viability of the project.

Project Infrastructure Associated Risk

Although, accessibility of the project is good with existing and planned rail infrastructure, a significant infrastructure facility including access tracks for drill rigs and equipment may need to be upgraded before commencement of mining and further exploration activity.

Exploration Approvals and Permits

Prior to commencement of mining, government permits and approvals may be required to commence development or earth moving activities and the associated access roads. Any delays in obtaining the required approvals may affect the future timing of cash inflows.

Associated interruptions or delays may occur in the future and that this may have a material impact on the value of the concession.

Environmental and Social Risks

While environmental and social risks and management plans have been considered, it is possible that failure to comply with the environment criteria or failure to maintain good relationships with the local community in Australia or Argentina will have an impact on the project. These risks are not considered to be greater for these Projects than any other mineral project.

Country Risk

Mongolia is rated as ‘C’ for Country Risk and ‘C’ for Business Climate Risk.

Strengths - Exploitation of colossal mining resources (coal, copper, gold); Strategic geographic location between China and Europe (New Silk Road development project); Potential to diversify production, specifically agri-business (dairy products, meat, cashmere) and tourism.

Weaknesses - Economy vulnerable to commodity price variations; Highly exposed to Chinese economy; Internal political disputes; Alarming level of corruption and risks associated with rising inequalities due to non-inclusive mining development.

Growth stimulated by mining investment - Recovery is expected to continue in 2018, stimulated by greater investment in the mining sector and higher mineral prices. The second phase of expansion at the Oyu Tolgoi mine (one of the largest gold and copper reserves in the world, operated by the Rio Tinto corporation via its Turquoise Hill subsidiary) is set to attract substantial foreign direct investments. This project should have a beneficial effect on investor confidence, and stimulate investments overall. Mining development is expected to boost the construction sector, not only regarding mining infrastructure, but in terms of accommodation construction – a consequence of the country’s growing urbanisation, with an influx of labour attracted by the mining boom.

References

Aspire Mining Ltd, 2012, Ovoot Coking Coal Project Confirmed as one of the Lowest Cost Potential Exporters of Coking Coal into China, ASX Release, 6 December 2012.

Aspire Mining Ltd, 2014, Quarterly Report, Quarter Ending 31 December 2013, ASX Release, 31 January 2014.

Aspire Mining Limited, 2015, Annual Report to Shareholders 2015

Aspire Mining Ltd, 2016, Nuurstei Coking Coal Project Release of Initial Resource Report, ASX Release, 13 April 2016.

Aspire Mining Limited, 2017, Annual Report to Shareholders 2017

Aspire Mining Ltd, 2018, Quarterly Report, Quarter Ending 31 March 2018, ASX Release, 30 April 2018.

Aspire Mining Ltd, 2018, Quarterly Report, Quarter Ending 30 June 2018, ASX Release, 31 July 2018.

Mongolian Mining Journal, 2012, Mongolia's Coal Industry

Mongolian Mining Projects Report 2015, Consul General and Trade Commissioner Australian Consulate-General, Mongolia

VALUATION CONSIDERATIONS

The author of this report (the Technical Specialist) is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM") and therefore, is obliged to prepare mineral asset valuations in accordance with the Australian reporting requirements as set out in the VALMIN Code (2015 Edition).

The opinions expressed and conclusions drawn with respect to this valuation are appropriate at the date stated in the Report. The valuation is valid for this date and may change with time in response to variations in economic, market, legal or political conditions in addition to on-going exploration results.

The objective of a mineral asset valuation is to establish a "fair market" value for an asset in the context of the factors outlined in the body of this report and in line with the *Spencer Test*.

Fair Market Value of Mineral Assets

Mineral assets are defined in the VALMIN Code as all property including, but not limited to real property, mining and exploration tenements held or acquired in connection with the exploration, the development of and the production from those tenements together with all plant, equipment and infrastructure owned or acquired for the development, extraction and processing of minerals in connection with those tenements.

The VALMIN Code defines fair market value of a mineral asset as the estimated amount of money or the cash equivalent of some other consideration for which, in the opinion of the Specialist reached in accordance with the provisions of the VALMIN Code, the mineral asset should change hands on the valuation date between a willing buyer and a willing seller in an arm's length transaction, wherein each party has acted knowledgeably, prudently and without compulsion.

In effect therefore, the valuation Specialist is assumed to have the knowledge and experience necessary to establish a realistic value for a mineral asset. The real value of a tenement or other mineral right can only be established in an open market situation where an informed public is able to bid for an asset. The most open and public valuation of mineral assets occur when they are sold to the public through a public share offering by a company wishing to become a public listed resource company, or by a company raising additional finance. In this instance, the public is given a free hand to make the decision, whether to buy or not buy shares at the issue price, and once the shares of the company are listed, the market sets a price.

It is well known to most valuation Specialists that where mineral tenement or other mineral right valuation is concerned there are two quite distinct markets operating. Almost without exception, the values achieved for mineral assets sold through public flotation are higher than where values are established through, say, the cash sale by a liquidator, or the sale by a small prospector to a large company neighbour, or through joint venture arrangements.

The VALMIN Code notes that the value of a mineral asset usually consists of two components; the underlying or Technical Value, and the Market component which is a premium relating to market, strategic or other considerations which, depending on circumstances at the time, can be either positive, negative or neutral. When the Technical and Market components of value are added together the resulting value is referred to as the Market Value.

The value of mineral assets is time and circumstance specific. The asset value and the market premium (or discount) changes, sometimes significantly, as overall market conditions, commodity prices, exchange rates, political and country risk change. Other factors that can influence the valuation of a specific asset include the size of the company's interest, whether it has sound management and the professional competence of the asset's management. All these issues can influence the market's perception of a mineral asset over and above its technical value.

Methods of Valuing Mineral Assets

Estimated Coal Resources in accordance with the JORC Code 2012

Where Coal Resources have been defined, Agricola's approach is to excise them from the mineral property and to value them separately on a value per ounce/resource tonne/metal unit basis. The value of the exploration potential of the remainder of the property can then be assessed. Where appropriate, the quality of the Coal Resource is assessed on the basis of available information and discounts are applied to represent uncertainty in the information.

In Agricola's opinion, a Specialist charged with the preparation of a development or production project valuation must give consideration to a range of technical issues as well as make a judgement about the 'market'.

Comparable market value

When the economic viability of a resource has not been determined by scoping or higher-level studies, then a 'rule of thumb' or comparable market value approach is typically applied. The comparable market value approach for resources is a similar process to that for exploration property however a dollar value per resource tonne is determined.

As no two mineral assets are the same, the Specialist must be cognisant of the quality of the assets in the comparable transactions. Key technical issues that need to be taken into account include:

Coal Resources - Technical Value

- JORC Category – overall confidence in the Coal Resource estimate;

- The grade of the resource; by products and co products
- Mining factors - difficulty and cost of extraction; economies of scale; the amount of pre-strip or development necessary; the likely ore to waste ratio;
- Metallurgical factors - processing characteristics; the metallurgical qualities of the resource; waste disposal;
- Environmental factors Chemical safeguards (cyanidation)
- Infrastructure -; the proximity to infrastructure such as an existing mill, roads, rail, power, water, skilled work force, equipment, .
- Likely operating and capital costs; Profitability

Exploration Stage Projects with no Estimated Coal Resources

When valuing an exploration or mining property without resources, the Specialist is attempting to arrive at a value that reflects the potential of the property to yield a mineable Ore Reserve and which is, at the same time, in line with what the property will be judged to be worth when assessed by the market.

It is obvious that on such a matter, opinions are based entirely on professional judgement, where the judgement reflects the Specialist's previous geological experience, local knowledge of the area, knowledge of the market and so on, that no two Specialists are likely to have identical opinions on the merits of a particular property and therefore, their assessments of value are likely to differ.

The most commonly employed methods of exploration asset valuation are:

- *Geo Rating (Geoscience) methods* such as the Kilburn method (potential based); - assessing various aspects relating to future prospectivity;
- *Multiple of exploration expenditure method* (exploration based) also known as the premium or discount on costs method or the appraised value method - assessing the value outcome of previous exploration expenditure, and
- *Comparable market value method* - Comparing other mineral asset sales with the current mineral asset;

It is possible to identify positive and negative aspects of each of these methods. It is notable that most specialists have a single favoured method of valuation for which they are prepared to provide a spirited defence and, at the same time present arguments for why other methods should be disregarded. The Specialist must be cognisant of actual transactions taking place in the industry in general to ensure that the value estimates are transparent, reasonable and realistic.

Transparency requires that the reader of a Public Report is provided with sufficient information, the presentation of which is clear and unambiguous, to understand the report and not be misled by this information or by omission of material information. (VALMIN Code 2015, clauses 3.3)

Reasonableness requires that an assessment that is impartial, rational, realistic and logical in its treatment of the inputs to a Valuation or Technical Assessment has been used, to the extent that another Practitioner with the same information would make a similar Technical Assessment or Valuation. (VALMIN Code 2015, clauses 4.1)

In Agricola's opinion, a Specialist charged with the preparation of a tenement valuation must give consideration to a range of technical issues as well as make a judgement about the 'market'. Key technical issues that need to be taken into account include:

Exploration Ground - Technical Value

- Evidence of mineralization and mines on adjacent properties;
- Proximity to existing production facilities of the property;
- Geological setting of the property;
- Existing mineralised deposits within tenement boundaries;
- The relative size of the landholding;
- Proportion of prospective ground within tenement boundaries
- Results of exploration activities on the tenement;
- Implications for future successful exploration outcomes;

Market Value

In addition to these technical issues the Specialist has to take particular note of the market's demand for the type of property being valued. Obviously this depends upon professional judgement. As a rule, adjustment of the technical value by a market factor must be applied most judiciously. It is Agricola's view that an adjustment of the technical value of a mineral tenement should only be made if the technical and market values are materially different.

Market Value

- Legal issues; Native Title; State and National reserves and restrictions
- Commercial issues; royalties; Joint Venture/Farm In; Administration
- Market Conditions; supply and demand
- Commodity Price outlook
- Country Risk
- Community resistance
- Competing projects

It is Agricola's opinion that the market may pay a premium over the technical value for high quality mineral assets (i.e. assets that hold defined resources that are likely to be mined profitably in the short-term or projects that are believed to have the potential to develop into mining operations in the short term even though no resources have been defined). On the other hand exploration tenements that have no defined attributes apart from interesting geology or a 'good address' may well trade at a discount to technical value. Deciding upon the level of discount or premium is entirely a matter of the Specialist's professional judgement. This judgement must of course take account of the commodity potential of the tenement, the proximity of an asset to an established processing facility and the size of the land holding.

Agricola's Preferred Valuation methodology

It is Agricola's opinion that no single valuation approach should be used in isolation as each approach has its own strengths and weaknesses. Where practicable, Agricola undertakes its valuations using a combination of valuation techniques in order to help form its opinion.

Coal Resource Estimates

For the valuation of Coal Resource and Exploration Target estimates, Agricola's approach is to value these assets by assigning a dollar value to the estimated quantity of the commodity. To establish a benchmark market value for the commodity, where possible, Agricola has completed a search of the publicly available information on recent market transactions over the preceding three-year period. Agricola's search is not intended to be a definitive listing of all market transactions, but rather a list of transactions that offer comparability to the projects in terms of reported tonnes, grade or the state of the project as a whole. The level of disclosure and complexity of some of the transactions reviewed limited Agricola's ability to assign meaningful cash equivalent values and these were therefore disregarded for the purpose of this analysis.

The quality of the mineral asset under consideration is assessed based on a number of aspects outlined in the JORC Code (and discussed above) and the overall assessment compared to the range of comparable sales.

Exploration potential – Geo Rating Method

Having considered the various methods used in the valuation of exploration properties, Agricola is of the opinion that the Kilburn method provides the most appropriate approach to utilise in the technical valuation of the exploration potential of mineral properties on which there are no defined resources. Kilburn, a Canadian mining engineer was concerned about the haphazard way in which exploration tenements were valued. He proposed an approach, which essentially requires the specialist to justify the key aspects of the valuation process.

The specialist must specify the key aspects of the valuation process and must specify and rank aspects, which enhance or downgrade the intrinsic value of each property. The intrinsic value is the base acquisition cost (“BAC”) which is the average cost incurred to acquire a base unit area of mineral tenement and to meet all statutory expenditure commitments for a period of 12 months. Different practitioners use slightly differing approaches to calculate the BAC.

Geoscientific Ranking Factors				
Ranking	**Off Property Factors**	**On Property Factors**	**Anomaly Factors**	**Geological Factors**
	A	B	C	D
0.5			Extensive previous exploration with poor results to date. Further exploration may be warranted.	Generally unfavourable geological setting/Poor geological setting.
0.9				Generally favourable setting, under cover.
1.0	No Known Mineralisation in the district	No known mineralisation within the tenement	No targets defined. Exploration has been extensive.	Generally favourable geological setting exposed over part of the tenement.
1.5	Mineralisation identified	Mineralisation identified	Targets identified with initial positive indications.Scattered soil/geophysics/RAB results. Drilling recommended.	
2.0	Resource Targets Identified with good potential	Exploration targets identified. Historic resources may be present.		Favourable geological setting. Prospective host rocks over most of the tenement.
2.5			Significant intersections from drilling with no evidence of extent.	
3.0	Along Strike or adjacent to known significant mineralisation	Mine or abundant workings with significant previous production		Mineralised zones exposed in prospective host rocks.
3.5			Several Significant Ore grade intersections that can be correlated between sections. Extent could be significant.	
4.0	Along Strike from a major mine	Major mine with significant historical production		
5.0	Along strike from a world class mine			
*Prospectivity Index = A*B*C*D*				

The Geo Rating method systematically assesses and grades four key technical attributes of a tenement to arrive at a series of multiplier factors, usually as a range of values. The multipliers are then applied to the BAC of each tenement with the values being multiplied together to establish the overall technical value of each mineral property. A fifth factor, the market factor, is then multiplied by the technical value to arrive at the fair market value. An overview of the factors influencing the current market is outlined in more detail in the section entitled: Market and commodity overview.

The successful application of this method depends on the selection of appropriate multipliers that reflect the tenement prospectivity. Furthermore, there is the expectation that the outcome reflects the market's perception of value, hence the application of the market factor.

Agricola is philosophically attracted to the Geo Rating type of approach because it endeavours to implement a system that is systematic and defendable. It also takes account of the key factors that can be reasonably considered to impact on the exploration potential.

It has also been argued that the Geo Rating method is a valuation-by-numbers approach. In Agricola's opinion, the strength of the method is that it reveals to the public, in the most open way possible, just how a tenement's value was systematically determined. It is an approach that lays out the subjective judgements made by the Specialist.

In arriving at a technical value for the projects, Agricola has taken into consideration the company's equity position if the tenements are subject to a farm-in, joint venture or option to purchase arrangement. Agricola has reviewed the status of the tenure and elected to only value tenement applications where it is satisfied that there is no cause to doubt their eventual granting and where there is no pre-existing or related title. A discount is usually applied to tenements that have not been granted. The Mongolian tenements have been granted and are in the renewal phase. Agricola has no reason to indicate the renewals will not be granted.

Base Acquisition Cost (BAC)

The keystone of the method is the Basic Acquisition Cost (BAC also known as the base holding cost), which provides a standard base from which to commence a valuation. The acquisition and holding costs of a tenement for one year provides a reasonable, and importantly, consistent starting point. Presumably when a tenement is pegged for the first time by an explorer the tenement has been judged to be worth at least the acquisition and holding cost.

- *Australian Holding Costs*

It may be argued that on occasions an Exploration Licence may be converted to a mining lease expediently for strategic reasons rather than based on exploration success, and hence it is unreasonable to value such a mining lease starting at a relatively high BAC compared to that of an exploration licence. In Agricola's opinion, exploration ground should be valued on the basis of an Exploration

Licence without regard to the actual tenement type. Agricola has researched and reviewed information on application fees, annual rent and exploration commitments for the states of Australia and compiled the following table.

Conceptual Minimum Year 1 Exploration Program

Range of values for each State, A$/km2

State	Application Fee		Rent		Exploration	
	Low	High	Low	High	Low	High
WA	15.00	17.00	30.00	35.00	325	375
NSW	14.00	16.00	22.00	25.00	350	400
QLD	10.00	12.00	35.00	40.00	375	425
TAS	16.00	17.00	25.00	30.00	250	300
NT	10.00	12.00	35.00	40.00	350	400
SA	13.00	15.00	10.00	15.00	275	325
VIC	13.00	15.00	35.00	40.00	350	400

Source: State Government publications and websites; Agricola estimates

Conceptual Minimum Year 1 Exploration Program

Average BAC values for each State, A$/km2

	WA	NSW	QLD	TAS	NT	SA	VIC	Ave.
Application Fee	16.00	15.00	11.00	16.50	11.00	14.00	14.00	14.00
Annual Rent	32.50	23.50	37.50	27.50	37.50	12.50	37.50	30.00
Exploration Commitment	350.00	375.00	400.00	275.00	375.00	300.00	375.00	350.00
Administration	35.00	37.50	40.00	27.50	37.50	30.00	37.50	35.00
Total	433.50	451.00	488.50	346.50	461.00	356.50	464.00	429.00
Agricola's Preferred BAC	**430.00**	**450.00**	**490.00**	**350.00**	**460.00**	**360.00**	**460.00**	**430.00**

The valuation metrics for the Australian States and Agricola's preferred BAC are shown above. Values have been rounded in accordance with the JORC Code.

- *Overseas Jurisdictions Holding Costs*

Many overseas jurisdictions do not specify a minimum expenditure commitment but require that sufficient work be completed in the first year to allow granting of the tenement into the second year. This usually requires preparation of a report with results of exploration carried out. For example with a grass roots portfolio 500 square kilometres in the first year the expenditure would be approximately US$200,000 which is appropriate for early work of desktop studies, field visits rock chip sampling, soil surveys and general research. Agricola believes an Australian company would consider this reasonable for the first phase of work in any country based on its experience with exploration budgets.

A company may well choose to spend more than that and budgets of US$0.5 to $1.0 million are not uncommon but these budgets are usually based on significant previous encouragement such as scout drilling, aeromagnetic targets etc. The BAC is designed for grass roots projects where no earlier work is available and only regional selection information is available.

Conceptual Minimum Year 1 Exploration Program, A$/km^2 Overseas Tenements			
	Low	High	Preferred
Application Fee, A$/km^2	15.00	18.00	16.50
Rent, A$/km^2	30.00	40.00	35.00
Surface Exploration, A$/km^2	375.00	500.00	437.50
Administration, 10%	37.50	50.00	43.75
Establishment & Legal, A$/km^2	15.00	20.00	17.50
Total	472.50	628.00	550.25

Source: Valuation Reports, publications and websites; Agricola estimates

The BAC for overseas tenements is higher than for those in Australia because of the difficulties in getting established and additional legal costs. Agricola has researched and BAC estimates from other specialists and considered its own experience in overseas jurisdictions. A conceptual minimum exploration budget was compiled to assess the expected minimum level of expenditure and the table compiled. The preferred base acquisition cost for overseas exploration projects is selected at **A$550 per square kilometre.**

Advanced projects where Coal Resources have been estimated in accordance with the JORC Code

The Geo Rating method is considered to be the most appropriate for valuing exploration projects where Coal resources have not yet been estimated. The method may also be used as a cross check or second valuation method for areas with estimates of coal resource based on an increased exploration cost commensurate with the scale of exploration activity required to advance the project to scoping and pre feasibility level.

In Agricola's experience and opinion, an exploration budget may escalate to $2000 to $2500 per square kilometre. This activity would include RC and Diamond drilling and metallurgical testwork.

Conceptual Advanced Exploration Program, A$/km^2 Australian and Overseas Tenements			
	Low	High	Preferred
Rent, A$/km^2	30	40	35
Surface Exploration, A$/km^2	1500	2000	1750
Administration, A$/km^2	150	175	160
Legal, A$/km^2	50	60	55
Total	470	625	2000

The preferred Exploration cost for overseas advanced projects is selected at **A$2,000 per square kilometre.**

Multiple of Exploration Expenditure Valuation Method

The cost approach to exploration property valuation is sometimes used, as a secondary method to valuation of exploration properties not yet advanced enough to estimate Coal Resources. Various valuation methods exist which make reference to historical exploration expenditure. One such method is based on a 'multiple of historical exploration expenditure'. Successful application of this method relies on the specialist assessing the extent to which past exploration expenditure is likely to lead to a target resource being discovered, as well as working out the appropriate multiple to apply to such expenditure.

Prospectivity Enhancement Multiplier (PEM) Factors	
Range	**Criteria**
0.2 – 0.5	Exploration downgrades the potential. Relinquish recommended on technical grounds.
0.5 – 1	Exploration has maintained the potential. Scattered surface indications including regional mapping and rock chip results.
1.0 - 1.3	Exploration has slightly increased the potential with some encouraging surface results. Further exploration recommended on sound technical grounds.
1.3 – 1.5	Exploration has considerably increased the potential. Anomalous zones defined from geochemistry and/or geophysics.
1.5 – 2.0	Limited Preliminary Drilling intersected interesting mineralised intersections, not on adjacent sections.
2.0 – 2.5	Detailed Drilling has defined targets with potential economic interest. Results can be linked between sections. Exploration Targets could be estimated.
2.5 – 3.0	A Mineral Resource has been estimated at an Inferred category in accordance with the JORC Code. Further detailed drilling recommended to define or expand the resource
PEM Factors are applied to recend valid exploration expenditure	

The direct use of historical costs raises several issues:

- The exploration must be relevant
- The exploration must be effective
- Exploration companies accounting methods are different and

administration can be excessive

- Old expenditure must be adjusted for time
- Duplication of work might have taken place
- Recommended PEMs do not have meaningful derivation

Aspire Valuation Assessment

Mineral Assets Classification	
Pre-development projects	*Mineral assets with Feasibility Studies* - Tenure holdings where Coal Resources have been identified and their extent estimated (possibly incompletely), but where a decision to proceed with development has not been made. Properties at the early assessment stage, properties for which a decision has been made not to proceed with development, properties on care and maintenance and properties held on retention titles are included in this category if Coal Resources have been identified, even if no further work is being undertaken; • **Projects:** none *Valuation Methods: Comparable Transactions, **Discounted Cash Flow** (if Ore Reserves have been estimated)*
Advanced exploration projects	*Mineral assets with Coal Resources* - Tenure holdings where considerable exploration has been undertaken and specific targets identified that warrant further detailed evaluation, usually by drill testing, trenching or some other form of detailed geological sampling. A Coal Resource estimate may or may not have been made, but sufficient work will have been undertaken on at least one prospect to provide both a good understanding of the type of mineralization present and encouragement that further work will elevate one or more of the prospects to the Coal Resources category; • **Projects:** Coal Resources at Ovoot and Nuurstei, Mongolia *Valuation Methods: **Unit Value - \$/t, Comparable Transactions**.*
Early stage exploration projects	*Mineral assets in the exploration stage* - Tenure holdings where mineralization may or may not have been identified, but where Coal Resources have not been identified; • **Projects:** Exploration Areas – Ovoot, Hurimt, Myngan, Erdenbulal *Valuation Methods: **Geo Rating, Comparable Transactions, \$/km²***

Agricola's preferred valuation method is in bold print

Choice Of Valuation Method

Coal Resource Estimates – Comparable Transactions Method

For the valuation of coal resource estimates, Agricola's approach is to value these assets by assigning a dollar value per tonne to the estimated quantity of the commodity based on publicly available information on recent market transactions (often expressed as EV/resource tonne).

Agricola has selected comparable market transactions for projects at a similar state of development, usually with coal resource estimates in accordance with JORC Code 2012 but not yet with a valid scoping study or pre feasibility study. The review is not intended to be a definitive listing of all market transactions, but rather a list of transactions that offer comparability to the projects in terms of reported tonnes, grade or the state of the project as a whole.

Agricola has chosen to value the **coal resource** on the basis of comparable transactions as the primary method and to use the Geo Rating method as a cross check by estimating an appropriate expenditure per annum for advanced projects and applying prospectivity factors to arrive at the technical value.

The two methods are compared for reasonableness and transparency. Agricola considers that the comparable transactions method for coal resources is more meaningful in the current circumstances and has been used in this valuation Report.

Exploration potential – Geo Rating Method

Agricola is of the opinion that the Geo Rating method provides the most appropriate approach to the exploration potential of mineral properties on which there are no defined resources. The method may also be used as a cross check against the comparable transactions valuation.

An estimate of technical value has been compiled for the tenements based on an assessment of off sit, on site, anomaly and geology factors applied to the base acquisition or holding cost.

The **exploration ground** has been valued on the basis of the geo rating as the primary method. The outcome is compared to a review of exploration projects based on the A$/km^2 range of values to demonstrate confidence in the valuation.

The two methods are compared for reasonableness and transparency. Agricola considers that the comparable transactions method for coal resources is more meaningful in the current circumstances and has been used in this valuation Report.

The Company's exploration ground accounts for about 1% of the total value and the metrics discussed here are presented as a crosscheck to support the main valuation. Agricola considers that the Geo Rating method for exploration ground is more meaningful in the current circumstances and has been used in this valuation Report.

VALUATION OF COAL RESOURCES

ASPIRE		**OVOOT**		**NUURSTEI**
Hard Coking Coal	**Main Area**	**NE UG Area**	**Total**	**Total**
Measured				
Mtonnes	197.00		197.00	
Indicated				
Mtonnes	46.90	25.40	72.30	4.800
Inferred				
Mtonnes	9.20	2.60	11.80	8.000
Total Mtonnes	**253.10**	**28.00**	**281.10**	**12.80**
Equity	100%	100%	100%	90%
Attributable	**253.10**	**28.00**	**281.10**	**11.52**

Coal Resource Estimates in accordance with the JORC Code 2012

Project Quality Assessment – Coal Resources Assumptions

The term *'reasonable prospects for eventual economic extraction'* implies an assessment (albeit preliminary) by the Competent Person when preparing a Coal Resource Estimation in respect of all matters likely to influence the prospect of economic extraction including the approximate mining parameters.

- *JORC Coal Resource Category*

Coal Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. Exploration Targets are recognized as a category with lower confidence. Mineral inventories that have not been estimated in accordance with the JORC Code, historical and foreign estimated may not be considered in the assessment.

The coking coal resources at the Ovoot Project include Measured Resources (70%) and Indicated Resource (26%) as well as Inferred Resource. The coal resources at the Nuurstei Project include material in the Indicated (40%) and Inferred (60%) categories only.

- *Mining factors or assumptions*

Potential mining methods are considered. The assumptions made regarding mining methods and parameters when estimating Coal Resources may not always be rigorous.

Ovoot: Mining is proposed to be primarily through open cut mining methods involving mechanised truck and shovel equipment. The geometry of the deposit makes it amenable to open cut mining methods employed in many similar coal mining operations around the world. A minimum interval thickness of 0.1 m was applied. The Ovoot deposit are considered to be amenable to normal open pit operations for 90% of the Resource and underground mining methods for the remainder.

Nuustrei: Resources are reported in depth intervals to facilitate understanding of the distribution of resources at depth in this steeply dipping deposit. It is assumed due to the steeply dipping variable nature of the deposit that the seams will be extracted by open cut methods. No mining dilution has been assumed. The Nuurstei deposit are considered to be amenable to normal open pit operations.

- *Metallurgical factors or assumptions*

Potential metallurgical methods are considered. The assumptions regarding metallurgical treatment processes and parameters made when reporting Coal Resources may not always be rigorous.

Ovoot: In some areas, mainly along the northwestern sub-crop of the upper coal sequence, seams occurring above the base of weathering have coal qualities suitable for use as either a domestic thermal coal product or as a blend with higher quality coking coal. "Coal Above BHWE" Inferred Resources have been reported for coal intersected above the base of weathering. This coal was not considered as part of the coking coal resource, but could be considered as a suitable thermal coal raw product.

Nuurstei: Core analysis has provided sufficient evidence to confirm a coking coal potential at Nuurstei. Seams sampled have low to high ash of between 6 to 78% (average 38%) low to high sulphur between 0.04 to 1.74% (average 0.55%) volatile matter between 7 to 32% (average 18%) and gross calorific value between 1490 and 7375 kcal/g (average 5020 kcal/g). It is assumed all seams will generally require washing to reduce ash in order to provide coking coal potential.

The deposits are considered to be amenable to normal processing methods including washing with reasonable recovery rates, The deposits have not been mined in the past and exact parameters of the processing are yet to be tested. Pre feasibility studies have been carried out several years ago.

- *Environmental factors or assumptions*

Assumptions made regarding possible waste and process residue disposal options are considered including the potential environmental impacts of the mining and processing operation. While the determination of potential environmental impacts, particularly for a project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reviewed.

Ovoot: No environmental factors are considered to have a material impact on the reported Coal Resource estimate. The removal and placement of topsoil has been included in the PFS economic ranking

Nuurstei: Local herders live in semi-permanent dwellings on the lease and negotiations will be required if any mine development is to take place. Designated archaeological sites are located in the lease 1 km west of the resource area and will have to be maganed in any future mining operation.

The Project areas have a significant history of exploration activity and no additional environmental impacts are known to be present.

- *Infrastructure factors or assumptions*

For remote projects road and rail infrastructure need to be considered. Access agreements may not be in place and negotiations can be difficult.

A trafficable road is required between the Ovoot project and Murun, approximately 191 km in length. The saleable product will be transported to international markets via rail. Approximately 628 km of rail is required between the project site and Erdenet, where the existing rail network reaches.

Mongolian producers are not able to reach the seaborne market except via long land transport routes across either Russia or China. The most likely route to be utilised is rail access along the Trans- Mongolian Railway to the north, linking in with the Trans-Siberian Railway in Russia and exporting through the Russian ports of Vostochny and Vanino. However this route is unlikely to carry any significant volumes of coal for some time as the quality of coal transportation infrastructure within Mongolia is quite poor.

- .Operating Costs, Capital Costs assumptions

Implications of open cut operating costs and capital expenditure can be significant for a remote project. This may include availability of labour and housing as well as major capital works.

Capital and operating costs have been derived from known costs already encountered onsite, and supplier quotes and consultant estimates for other site infrastructure and mobile equipment. Local knowledge and experience was drawn upon from Sedgman Limited for the processing fixed and variable costs, Xstract Mining Consultants for the site layout and equipment costs, and rail and road consultants for off-site infrastructure.

Transport and logistics costs for rail to port and road to China and Russia have been sourced from quotes and information provided by Noble Resources Limited, South Gobi Sands, SUEK Logistic and Optimal Projects.

The Project areas have not been mined in the past though cost parameters are understood to be within acceptable limits based on scoping and studies. Based on pre feasibility studies announced in 2013, the Company estimate Capital Costs at US$140 – US$150 million and Operating Costs at US$80 to $95 per tonne.

- *Profitability, Product Marketing and Sales assumptions*

The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.

Coal sales are based on 100% of the coal exported out of Mongolia via the Russian port of Vanino to the international seaborne market and to the Chinese city of Baotou near the Mongolian border.

The coking coal market is volatile and current price is historically high. Price forcasts suggest a weakening in coking coal and thermal coal prices in the next few fears but still above the long term average *(see below)*. Off take agreements discussions have progressed with prospective purchasers.

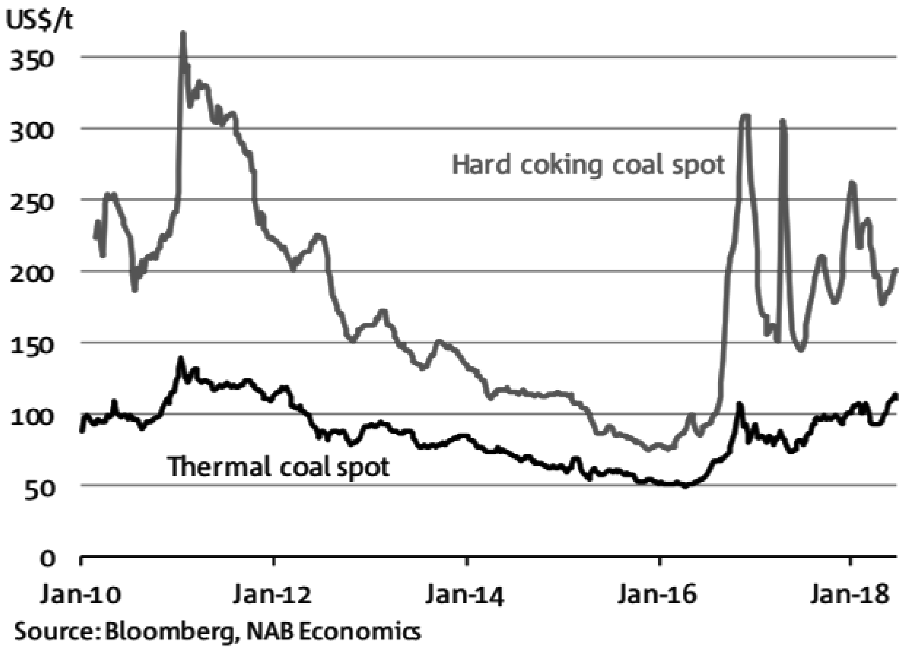
- *Legal and Commercial issues*

Local, State and Commonwealth support for mining ventures must be considered. Community attitudes can have an impact on the project. The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.

There are no known naturally occurring risks. The legal agreements and marketing arrangements required to carry out mining activities are in progress.

Mongolia has a relatively short democratic history, located between Russia and China, the landlocked country is the sole democracy in an autocratic region. Since the country gained independence from the Soviet Union in 1990, Mongolians have embraced democratic governance that has now seen seven legislative polls. However, allegations of corruption have dogged the system. Two parties emerged to dominate the political scene: the former Soviet-style Mongolian People's Revolutionary Party (which renamed itself the Mongolian People's Party in 2010) and the Democratic Party.

- *Coking Coal Price*



Coal Spot Price History 2010 - 2018

The China's coal industry is reportedly restructuring and small unsafe coal mines are being closed. The focus is increasingly on quality, reducing over production and targeting improved prices.

China's recent ban on coal from North Korea has buoyed Mongolia's thriving coal industry with coal exports doubling in the first half of 2017 to US$1.3b, making up more than half of Mongolia's total export trade for the period. Mongolian coking coal is an attractive product for delivery into northern China due to its favourable ash and volatile matter content and low sulphur component.

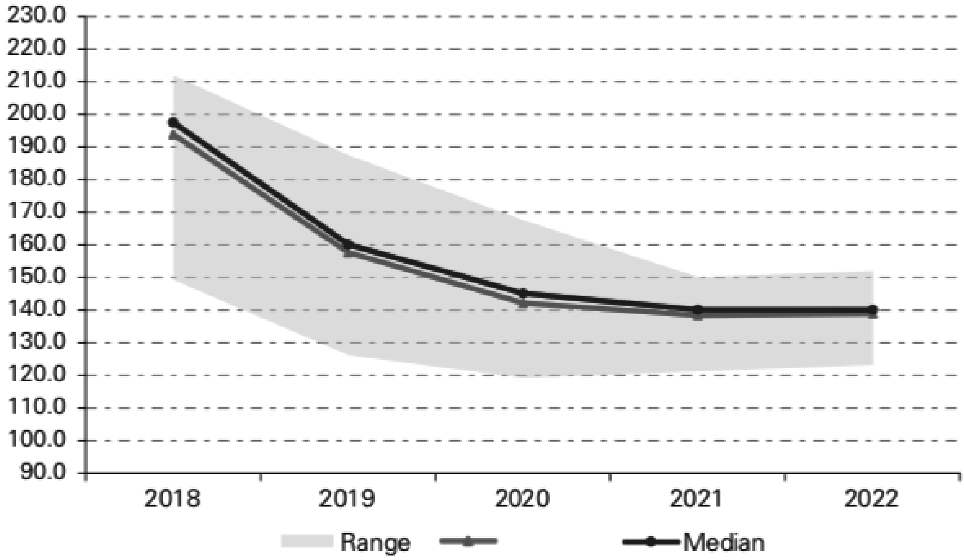
Aspire's assets include some of the highest quality coking coal available – Ovoot's product is an excellent candidate for blending with lower quality Mongolian coals.

The average price per tonne for hard coking coal has varied considerably over the last decade from over US$350/tonne to US$75/tonne. The hard coking coal price forecasts and exchange rate forecasts are summarised below:

	2018	2019	2020	2021	2022
Hard Coking Coal Price Forecasts					
Low	149.2	126.0	119.0	121.0	123.0
High	212.0	187.5	167.5	150.0	151.8
Average	193.9	157.6	142.0	138.2	138.8
Median	197.5	160.0	145.0	140.0	140.0
AUD:USD exchange Rates					
Median	0.76	0.76	0.76	0.77	0.76

Consensus forecasts for the Period 2018 to 2022 in the table above are sourced from 'KPMG: Coal Price and FX market forecasts, June/July 2018.' Available on the Internet at *https://home.kpmg.com/content/dam/kpmg/au/pdf/2018/coal-price-fx-consensus-forecast-june-july-2018.pdf*

The median KPMG consensus forecast price for 2018 is US$197.50 and US$160.00 for 2019**.** It is noted that the consensus forecast suggests a significant fall in coking coal price over the coming years, which may be taken into account by a prospective purchaser. Agricola has chosen to use the average of the median forecasts for 2018 and 2019 in this valuation report at US$178.75 per tonne. The AUD:USD exchange rate forecast is approximately 0.76 and the Australian dollar coking coal price used is **A$235.00** rounded to the nearest whole dollar.



Comparable Transactions for Coal Resources - $/tonne

To determine the fair market value for the Company's Project, Agricola has reviewed recent market transactions for exploration assets involving sale and purchase of tenements with estimated Coal Resources reported in accordance with the JORC Code.

Agricola has analysed the range of transaction metrics and recent trends. The average thermal coal price over the last decade from A$50/t to A$180/t with an approximate average of A$120/tonne over the past two years (refer to page 76 for details). The range of comparable market transactions selected by Agricola range for EV/tonne from less than A$0.10/tonne to A$0.20/tonne for projects at a similar stage of early development to Ovoot and Nuurstei. The details of the review are included in the Appendix to this report and summary outcomes included in the following table.

Percentile	% of Spot
10%	0.008%
20%	0.008%
30%	0.017%
40%	0.028%
50%	0.033%
60%	0.050%
70%	0.067%
80%	0.090%
90%	0.116%
100%	0.167%
Count	42

Percentile range of the EV/tonne values (% of median coal price

Project Quality Assessment

To determine the reasonable value of the Company's Projects based on the existing coal resource estimated in accordance with the JORC Code (2012), Agricola analysed the quality of the coal resources based on a number of factors consistent with Table 1 of the JORC Code.

This has been compiled on a qualitative basis and ratings allocated as *low, average, and high* with an assessment of JORC Category, Mining factors, Metallurgical factors, Environmental factors, Infrastructure, Costs and Market sentiment specific to the Project.

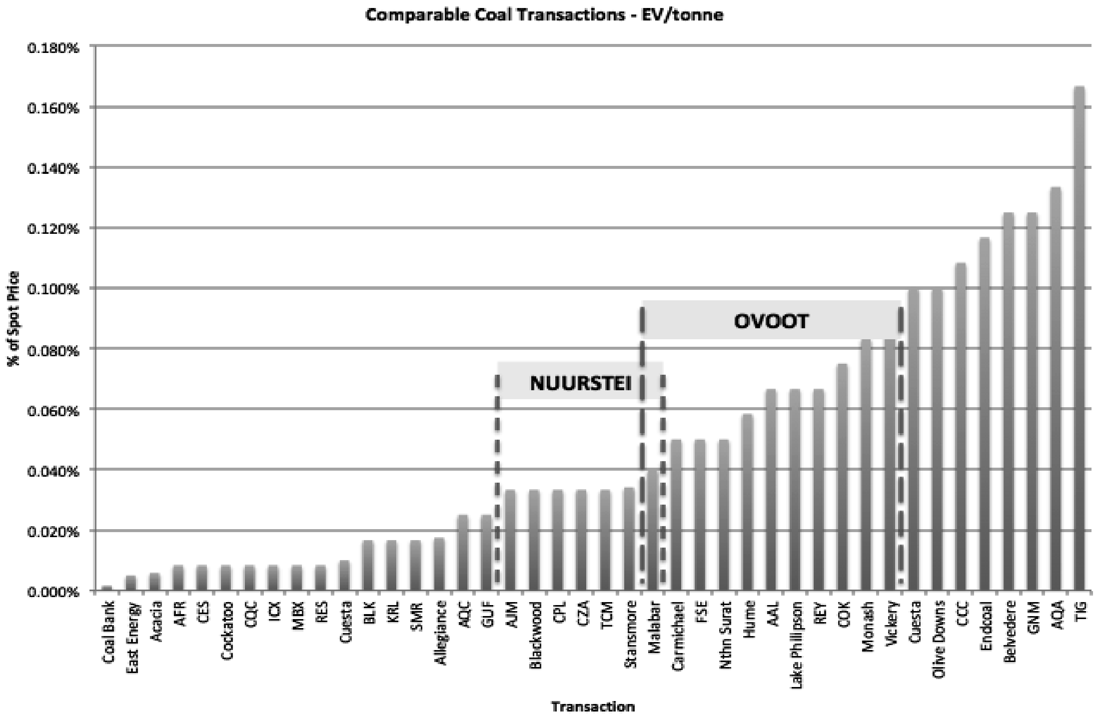
ASPIRE	**Project Quality Assessment**	
	OVOOT	**NUURSTEI**
Technical Value		
JORC Category	High	Low
Mining factors	Average	Average
Metallurgical factors	High	Average
Environmental factors	High	Average
Infrastructure	High	Average
Opex, Capex	Average	Average
Profitability	Average	Average
Legal	Average	Average
Commercial	Average	Average
Market Value		
Market Conditions	Average	Average
Overall Assessment	**High**	**Average**

Agricola has estimated an indicative value for advanced coal exploration projects similar to the Ovoot Project at the Definitive Feasibility Stage and Nuurstei Projects with a JORC coal resource based on an assessment of the quality of the coal projects compared to the "average" projects included in the comparable transactions database.

Ovoot is more advanced at the Definitive Feasibility Stage and is assessed to be at the 60th to 75th percentile range of the comparable transactions.[1]. Nuurstei is smaller and less advanced and is assessed to be at the 55th to 65th percentile range of the comparable transactions. The preferred value is selected as the average of the low and high values.

	Percentile	% of Spot
OVOOT Coal Project		
Low	60.0%	0.050%
High	80.0%	0.090%
NUURSTEI Coal Project		
Low	55.0%	0.040%
High	65.0%	0.055%

These project transactions include Altura Mining Ltd, Blackwood Coal Pty Ltd, Coalspur Mines Ltd, Coal of Africa Ltd, Tiaro Coal Ltd, Stansmore Coal Ltd, Malabar Coal ltd, Carmichael Coal Mine, Firestone Energy Ltd, North Surat Coal Pty Ltd, Hume Coal Project, APAC Coal Ltd, Lake Phillipson Coal and Rey Resources Ltd, Cockatoo Coal Ltd, Monash Coal Project and Vickery Coal project.



[1] *A percentile is a measure used in statistics indicating the value below which a given percentage of observations in a group of observations fall.*

This translates to a range between A$0.118/tonne to A$0.200/tonne for Ovoot and a range between A$0.0.94/tonne to A$0.129/tonne for Nuurstei. The preferred value is accepted as the average of the range. Visual inspection of the range of values on the chart confirms the viability of the selected percentile interval. These values have been used in the current valuation of the Ovoot and Nuurstei coal resources.

Coal Resources Unit Value Estimate - A$/tonne

Coal Price (KPMG)			2018
Hard Coking Coal, US$/t		178.75	
Exchange rate AUD:USD		0.760	
Hard Coking Coal, A$/t (rounded)		235.00	
Comparable transactions	**Low**	**High**	**Preferred**
OVOOT Coal Project			
% of Spot	0.050%	0.090%	0.065%
Rate A$/tonne	0.118	0.212	0.153
NUURSTEI Coal Project			
% of Spot	0.040%	0.055%	0.048%
Rate A$/tonne	0.094	0.129	0.112
Source: Project Quality Assessment, Comparable Transactions (rounded)			

Comparable Transactions Implied Value - Coal Resources

Considering the location, geological factors, and other technical parameters (including market sentiment and prices), which could affect the Project economics, in Agricola's opinion the implied value of delineated coal resources within the Company's Projects should be in the range in the following table.

This value shown is considered appropriate for the Project at this stage of development reflecting the uncertainty of eventual extraction of a Coal Reserve.

ASPIRE	**Comparable Transactions Implied Value, A$M**		
Coal Resources	**OVOOT**		
Mtonnes Coking Coal	*281.10*		
	Low	**High**	**Preferred**
A$/tonne	0.118	0.212	0.153
Technical Value, A$M	33.03	59.45	42.94
Coal Resources	**NUURSTEI**		
Mtonnes Coking Coal	*12.80*		
	Low	**High**	**Preferred**
A$/tonne	0.094	0.129	0.112
Technical Value, A$M	1.20	1.65	1.43
Technical Values based on 100% Equity			

Discussion of Comparable Transactions vs Technical value

The database of comparable transactions included at the end of the report and displayed graphically above is based on published information of the final transaction metrics, These will necessarily include elements of market value to varying degrees. The application of percentiles to the data tends to smooth out variations in transactions and generally have the effect of reducing the highs and lows in the data that may include aspect of the sale beyond the strictly technical value such as goodwill, special advantage, debt and cash holdings.

A market premium may be considered in the case of the current 'comparable transactions' valuation to reflect the special features of the project and to differentiate it from the "average" project included and summarized in the data.

At this stage the terminology of 'comparable Transaction implied value' is used as a proxy for the technical value and it is recognized that this may be equivalent to the market value discussed later.

Value of Aspire's Equity position

The Company holds 100% equity in the Ovoot Project and 90% equity in the Nuurstei Project.

ASPIRE		**Equity Value, A$M**		
Mineral Resources	**Equity**	**Low**	**High**	**Preferred**
OVOOT	100%	33.03	59.45	42.94
NUURSTEI	90%	1.08	1.49	1.29
TOTAL		**34.11**	**60.94**	**44.22**

Coal Resources Valuation using Geo Rating Method

The Geo Rating method is applied to the mining licences that host the coal resources at Ovoot and Nuurstei as a cross check of the comparable transactions valuation method. The coal resources account for 99% of the assessed value of the Company's mineral assets. The Geo Rating methodology is discussed in some detail on pages 24 to 34 of the Report and in the following section.

ASPIRE MINING LTD		**Tenement Details**	
Project	Status	Equity	Area (km2)
Resource Areas			
Ovoot: MV-017098	Granted	100%	57.59
Nuurstei: MV-020941	Granted	90%	8.61
Total Area			**66.20**

Please refer to the discussion earlier in the report and in the next section for details of the Prospectivity factors. The coal resource areas are assessed on the basis of *advanced projects* in an area with known significant coal seams where coal resources have been estimated in accordance with the JORC Code 2012.

Rating	Off Property Factors	On Property Factors	Anomaly Factors	Geological Factors
1	No known minerlisation in the district	No known minerlisation in the tenement	No targets defined	Generally favourable geological setting
1.5	Mineralisation identified	Mineralisation identified	Targets identified, initial indications positive	
2	Resource Targets Identified	Exploration Targets Identified		Strongly favourable geological setting
2.5			Significant intersections - not correlated on section	
3	Strike or adjacent to known mineralisation	Mine or abundant workings with significant previous productoion		Extensive coal measures exposed in prospective host rocks
3.5			Further evidence of extensions of coal measures beyond existing resource	
4	Along Strike from a major mine	Advanced status project with Coal Resource estimates in place		
5	World Class coal province			
Rating	4.0 to 4.25	4.5 to 4.75	4.5 to 4.75	3.0 to 3.25
Index	243.00 to 311.64			

Ovoot Project - Geo Rating Matrix

ASPIRE MINING LTD	Prospectivity Factors				
Resource Areas	**Off Site**	**On Site**	**Anomaly**	**Geology**	**Index**
Ovoot: MV-017098					
Low	4.00	4.50	4.50	3.00	243.00
High	4.25	4.75	4.75	3.25	311.64
Nuurstei: MV-020941					
Low	4.00	4.00	4.00	3.00	192.00
High	4.25	4.25	4.25	3.25	249.49

Prospectivity Index = [Off Site][On Site]*[Anomaly]*[Geology]*

The exploration cost is the important input to the Geo Rating Method and is assessed by estimating the expected expenditure for the stage of development.

*The Mongolian coal resource projects are valued on the basis of **A$2,000** per square kilometre (refer to discussion of assumptions).*

ASPIRE MINING LTD				
Resource Areas		**Low**	**High**	**Preferred**
Ovoot: MV-017098				
Base Value, A$/km2	2,000			
Prospectivity Index		243.0	311.6	
Technical Value Rate, A$/km2		486,000	623,300	554,650
Area, km2	57.59			
Value. A$M		27.99	35.89	31.94
Nurstei: MV-020941				
Base Value, A$/km2	2,000			
Prospectivity Index		192.0	249.5	
Technical Value Rate, A$/km2		384,000	499,000	441,500
Area, km2	8.61			
Value. A$M		3.31	4.30	3.80
All values are rounded to appropriate accuracy				
Base Value = [Grant Factor][Equity Factor]*[BAC]*				
Prospectivity Index = [Off Site Factor][On Site Factor]*[Anomaly Factor]*[Geology Factor]*				
Technical Value Rate/km2 = [Base Value][Prospectivity Index]*				
Preferred Value = average of Low to High				

Estimation of Technical Value – Geo Rating Method

ASPIRE MINING LTD	*Summary Technical Value, A$M*		
Resource Areas	**Low**	**High**	**Preferred**
Ovoot: MV-017098	27.99	35.89	31.94
Nuurstei: MV-020941	3.31	4.30	3.80
TOTAL	**31.29**	**40.19**	**35.74**
Technical Values based on 100% Equity			

Summary of the Technical Value

Thr Company holds 100% equity in the Ovoot Coal Project and 90% equity in the Nuursteri Coal Project.

ASPIRE MINING LTD		*Equity Value, A$M*		
Resource Areas	**Equity**	**Low**	**High**	**Preferred**
Ovoot: MV-017098	100%	27.99	35.89	31.94
Nuurstei: MV-020941	90%	2.98	3.87	3.42
TOTAL		**30.96**	**39.76**	**35.36**

Technical Value Rate/km2 =[Equity] [Base Value]*[Prospectivity Index]*

It is Agricola's opinion that no single valuation approach should be used in isolation as each approach has its own strengths and weaknesses. Where practicable, Agricola undertakes its valuations using a combination of valuation techniques in order to help form its opinion. Two approaches have been assessed for the Coal Resources including comparable transactions and Geo raing methods

Comparable Transactions - For the valuation of Coal Resource estimates, Agricola's approach is to value these assets by assigning a dollar value to the estimated quantity of the commodity based on publicly available information on recent market transactions.

Geo Rating Method - Agricola is of the opinion that the Geo Rating method provides the most appropriate approach to the exploration potential of mineral properties on which there are no defined resources. The method may also be used as a cross check against the comparable transactions valuation.

Comparison of Outcomes – Equity Value

ASPIRE MINING LTD		*Equity Value, A$M*		
	Equity	Low	High	Preferred
Comparable Transactions				
OVOOT	100%	33.03	59.45	42.94
NUURSTEI	90%	1.08	1.49	1.29
TOTAL		**34.11**	**60.94**	**44.22**
Geo Rating				
Ovoot: MV-017098	100%	27.99	35.89	31.94
Nuurstei: MV-020941	90%	2.98	3.87	3.42
TOTAL		**30.96**	**39.76**	**35.36**

Comparison of Comparable Transactions and Geo Rating Methods

While there is some expected natural variation in the assessed value of the coal resource areas by the two methods, the results are broadly similar with a ~14% drop for the Geo Rating method. The comparable transaction approach is based on negotiation and sales that include elements of the Market value and not just the technical value.

Agricola considers that the comparable transactions method for coal resources is more meaningful in the current circumstances and has been used in this valuation Report.

ASPIRE MINING LTD	Unit Rate Estimates		
Mineral Resources	Low	High	Preferred
Coal Resources, Mtonnes			292.62
Market Value, A$M	34.11	60.94	44.22
Weighted Ave. Unit Rate A$/tonne	0.12	0.21	0.15
Exploration Ground	Low	High	Preferred
Coal Projects, km2			201.93
Market Value, A$M	30.96	39.76	35.36
Weighted Ave. Unit Rate A$/km2	153,335	196,903	175,119

GEO-FACTOR RATING – Exploration Ground

- The Geo Rating Method (also known as the Kilburn Method) converts a series of experience and scientific opinions about a property into a numeric evaluation system. The success of this method relies on the selection of multiplying factors that reflect the tenement's prospectivity.

ASPIRE MINING LTD		**Tenement Details**	
Project	Status	Equity	Area (km2)
Resource Areas			
Ovoot: MV-017098	Granted	100%	57.59
Nuurstei: MV-020941	Granted	90%	8.61
Total Area			**66.20**
Exploration Areas			
Ovoot: XV-017003	Granted	100%	18.08
Hurimt: XV-014510	Granted	100%	137.15
Myngan: XV-017922	Granted	100%	4.00
Total Area			**159.23**

Project	Company name	Licence number	Area name	Area (ha)	Area (km2)
Ovoot*	Khurgatai Khairkhan	MV-017098	Ovoot	5,758.70	57.59
Ovoot	Oboot koal mining	XV-017003	Ovoot	1,808.18	18.08
Nuurstei*	Ekhgoviin Chuluu JV	MV-020941	Tumurtiin am	860.91	8.61
Hurimt	Khurgatai Khairkhan	XV-014510	Khurimt-1	13,714.67	137.15
Myngan	Chilchig gol	XV-017922	Myangan	399.87	4.00

**The coal resource valuations discussed earlier include all the ascribed value for the Mining Leases MV-017098 and MV-02941.*

The issues that need to be addressed for exploration properties include:

- Possible extensions of mineralization from adjacent areas
- Exploration potential for other mineralization within the tenements

Base Acquisition Cost (BAC)

The Basic Acquisition Cost is the important input to the Geo Rating Method and it is assessed by estimating the statutory expenditure for a period of 12 months for a first stage exploration tenement such as an Exploration Licence (the first year holding cost). Advanced tenements such as Mining Leases may attract a higher expenditure than early stage exploration Licences.

- *The Mongolian Projects are valued on the basis of a **BAC of A$550.***

These values will be adjusted for grant status and equity. Please refer to the discussion of BAC in the Valuation Considerations *Base Acquisition Cost (BAC*) section of this report.

Tenement Status

Uncertainty may exist where a tenement is in the application stage. Competing applications may be present where a ballot is required to determine the successful applicant or Native Title issues and negotiations may add to the risk of timely grant. Other issues may also be present such as state parks or forestry and wildlife reserves, competing land use and compensation agreements. There is an inherent risk that the tenement may not be granted and this needs to be recognized in the base value assessment. A 'grant factor' of zero may be applied where there is no realistic chance of approval (e.g. sacred sites) and where no significant impediments are known the factor may be set at about 60% to reflect delays and compliance with regulations. The Mongolian tenements have been granted and are in the renewal phase. Agricola has no reason to indicate the renewals will not be granted.

- *The Mongolian tenements are all considered to be granted and attract a 'grant factor' of 100%*

Equity

The equity a Company may hold in a tenement through joint venture arrangements or royalty commitments may be addressed in assessing base value but it is often considered separately at the end of a valuations report.

- *The Projects are valued initially on the basis of 100% equity. An adjustment for the equity held by the Company is included as a separate table. The Company holds 100% of Ovoot and 90% of Nuurstei.*

Prospectivity Assessment Factors

Geo Ratings

In Agricola's opinion the Geo Rating (Kilburn) method provides the most appropriate approach in the technical valuation of the exploration potential of mineral properties on which there are no defined resources.

The method systematically assesses and grades four key technical attributes of a tenement to arrive at a series of multiplier factors. The multipliers are then applied to the holding cost (BAC) of each tenement with the values being multiplied together to establish the overall technical value of each mineral property. The four technical attributes are:

- Location with respect to any off-property mineral occurrence of value, or favourable geological, geochemical or geophysical anomalies (off-site);

- Location and nature of any mineralization, geochemical, geological or geophysical anomaly within the property and the tenor (grade) of any mineralization known to exist on the property being valued (on-site);
- Geophysical and/or geochemical targets and the number and relative position of anomalies on the property being valued (anomalies);
- Geological patterns and models appropriate to the property being valued (geology).

The geo fratings were arrived at after careful consideration of the results so far obtained and the potential for future discoveries based on a pre determined scale.

Geo Rating Assessment

- *Off-Site*

Physical indications of favourable evidence for mineralization, such as workings and mining on the nearby properties. Such indications are mineralized outcrops, old workings through to world-class mines;

Mongolia has over 300 known coal deposits with an estimated 152 billion tonnes of coal resources. Of these, detailed geological studies have been completed at about 80. Companies with coking coal deposits attract the most attention, as their products are exported at considerable profits.

Mongolian coal mines gradually shifted toward the modern industrial production methods between 1940 and 1970. However, formal resource estimations, tests for coking qualities and modern geological studies were not conducted until the late sixties. However, even at the turn of the twentieth century, Russian geologists had published their observation of some of the most famous deposits today, such as Tavan Tolgoi, EgiinGol and Choir. During the twentieth century, open-pit coal mines were created in almost every state so that Mongolia's domestic demand for thermal coal was completely met.

- *On-Site*

Local mineralization within the tenements and the application of conceptual models within the tenements. Location and nature of any mineralization, geochemical, geological or geophysical anomaly within the property;

The Ovoot exploration Licence XV-017003 is adjacent to the coal resources and it is anticipated that coal seams will continue into the tenement.

The Hurimt, Myngan and Erdenbulag tenements are located in coal bearing areas but no coal seams have yet been assessed on the exploration licences.

➢ *Anomalies*

Identified anomalies warranting follow up within the tenements. Geophysical and/or geochemical targets and the number and relative position of anomalies on the property being valued;

Earlier drilling on the Ovoot exploration licence indicates the presence of coal which represent targets for further work. No anomalous areas are known on the other exploration projects at this stage.

➢ *Geology*

The proportion of structural and lithological settings within the tenements and difficulty encountered by cover rocks and other factors.;

The Company's coking coal projects lie within the Orkhon-Selenge (OSA) coal-bearing basin that includes wide spread coal seams.

ASPIRE MINING LTD			**Prospectivity Factors**		
Exploration Areas	**Off Site**	**On Site**	**Anomaly**	**Geology**	**Index**
Ovoot: XV-017003					
Low	3.00	1.50	1.50	1.75	**11.8**
High	3.50	1.75	1.75	2.00	**21.4**
Hurimt: XV-014510					
Low	1.50	1.25	1.25	1.00	**2.3**
High	1.75	1.50	1.50	1.25	**4.9**
Myngan: XV-017922					
Low	1.50	1.25	1.25	1.00	**2.3**
High	1.75	1.50	1.50	1.25	**4.9**
Prospectivity Index = [Off Site Factor][On Site Factor]*[Anomaly Factor]*[Geology Factor]*					

Base Value

The base value represents the exploration cost for a set period of the tenement adjusted for the grant status of the Tenement and the equity held. The current BAC for exploration projects or tenements at an early stage is the average expenditure for the first year of the licence tenure. This is considered to be a BAC of **A$550 per square kilometre** for Mongolia. Equity and Grant fators are set at 100% at this stage of the valuation. *(Refer to earlier discussion of BAC).*

ASPIRE MINING LTD				
Exploration Areas		**Low**	**High**	**Preferred**
Ovoot: XV-017003				
Base Value, A$/km2	550			
Prospectivity Index		11.8	21.4	
Technical Value Rate, A$/km2		6,500	11,790	9,150
Area, km2	18.08			
Value. A$M		0.12	0.21	0.17
Hurimt: XV-014510				
Base Value, A$/km2	550			
Prospectivity Index		2.3	4.9	
Technical Value Rate, A$/km2		1,290	2,710	2,000
Area, km2	137.15			
Value. A$M		0.18	0.37	0.27
Hurimt: XV-014510				
Base Value, A$/km2	550			
Prospectivity Index		2.3	4.9	
Technical Value Rate, A$/km2		1,290	2,710	2,000
Area, km2	4.00			
Value. A$M		0.01	0.01	0.01
All values are rounded to appropriate accuracy				
Base Value = [Grant Factor][Equity Factor]*[BAC]*				
Prospectivity Index = [Off Site Factor][On Site Factor]*[Anomaly Factor]*[Geology Factor]*				
Technical Value Rate/km2 = [Base Value][Prospectivity Index]*				
Preferred Value = average of Low to High				

Estimation of Technical Value – Geo Rating Method

Summary Technical Value

ASPIRE MINING LTD	***Summary Technical Value, A$M***		
Exploration Areas	**Low**	**High**	**Preferred**
Ovoot: XV-017003	0.12	0.21	0.17
Hurimt: XV-014510	0.18	0.37	0.27
Myngan: XV-017922	0.01	0.01	0.01
TOTAL	**0.30**	**0.59**	**0.45**
Technical Values based on 100% Equity			

The Company holds 100% equity in the exploration Licences.

ASPIRE MINING LTD		*Equity/Technical Value, A$M*		
Exploration Areas	**Equity**	**Low**	**High**	**Preferred**
Ovoot: XV-017003	100%	0.12	0.21	0.17
Hurimt: XV-014510	100%	0.18	0.37	0.27
Myngan: XV-017922	100%	0.01	0.01	0.01
TOTAL		**0.30**	**0.59**	**0.45**

Exploration Ground Valuation using Comparable Transactions Method

An estimate of technical value has been compiled for the tenements based on the Geo Rating Method which is considered more appropriate for the exploration ground in close proximity to the known coal resources. This includes the base value, and ratings for prospectivity discussed above.

The Comparable Transaction method is applied to the exploration ground as a cross check of the Geo Rating valuation method. The exploration ground accounts for 1% of the assessed value of the Company.

The area and project quality estimates are compared with a range of values derived from a review on comparable transactions for exploration ground without resource estimates. The data is included in the appendix and the summarised results set out in the following table. The comparable transaction review is based on Australian transactions and it is recognised that coal exploration projects in Mongolia may command higher rates per square kilometre.

Exploration Areas, A$/km^2			
Quality	*Low*	*Average*	*High*
Low	1,100	$2,500	$5,200
High	$2,000	$5,000	$9,400
Preferred	$1,550	$3,750	$7,300

The Ovoot exploration ground (XV-017003) is placed in the *High quality category* because of its proximity to the Ovoot coal resource and indications of coal seams on the exploration licence. The range of values for this tenement is $5,200 to $9,400 with a preferred value of $7,300 per square kilometre.

The remaining exploration ground is placed in the *Low quality category* based on the early stage of current knowledge. The range of values for this tenement is $1,100 to $2,000 with a preferred value of $1,550 per square kilometre.

Comparable Transactions Method			
Ovoot: XV-017003			
Rate, A$/km2	$5,200	$9,400	$7,300
Area	18.08		
Value, A$M	0.09	0.17	0.13
Hurimt: XV-014510			
Rate, A$/km2	$1,100	$2,000	$1,550
Area	137.15		
Value, A$M	0.15	0.27	0.21
Myngan: XV-017922			
Rate, A$/km2	$1,100	$2,000	$1,550
Area	4.00		
Value, A$M	0.00	0.01	0.01

Estimate of exploration Areas by Comparable Transactions

Comparison of Outcomes – Equity/technical Value

The Company's exploration ground accounts for about 1% of the total value and the metrics discussed here are presented as a crosscheck to support the main valuation. The outcomes of the two methods is included in the following table.

	Geo Rating Method		
Ovoot: XV-017003	0.12	0.21	0.17
Hurimt: XV-014510	0.18	0.37	0.27
Myngan: XV-017922	0.01	0.01	0.01
Total	**0.30**	**0.59**	**0.45**
	Comparable Transactions Method		
Ovoot: XV-017003	0.09	0.17	0.13
Hurimt: XV-014510	0.15	0.27	0.21
Myngan: XV-017922	0.00	0.01	0.01
Total	**0.25**	**0.45**	**0.35**

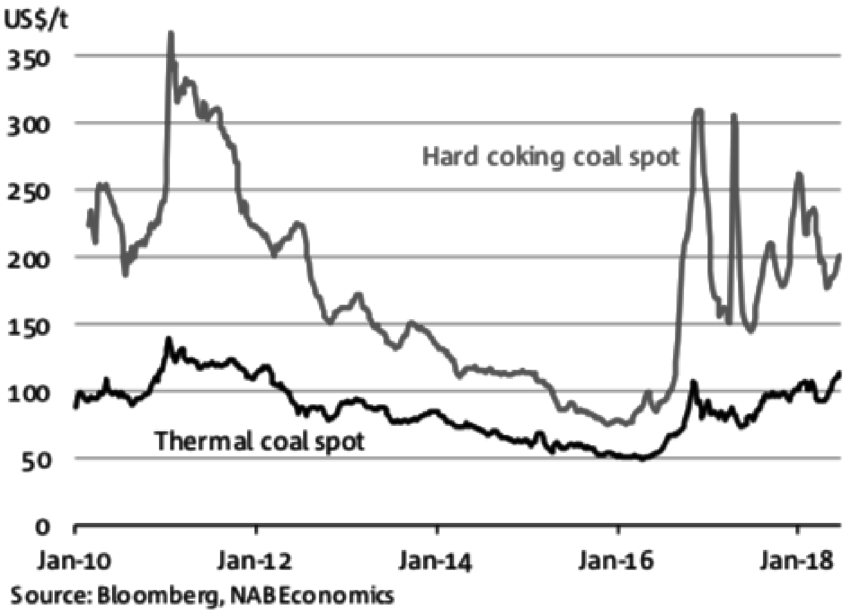
The value estimate for exploration ground assessed by the comparable transactions method is 22% below the Geo Rating method. This is in broad agreement with the Australian transaction and implies a premium for Mongolian coal exploration assets that Agricola considers to be appropriate.

Agricola considers that the Geo Rating method for exploration ground is more meaningful in the current circumstances and has been used in this valuation Report.

MARKET VALUE

Market Premium or Discount

Mineral Assets are volatile in nature and show marked cyclicality. In boom times the market in Australia may pay a premium over the technical value for high quality Assets (i.e. assets that hold defined resources that are likely to be mined profitably in the short-term or projects that are believed to have the potential to develop into mining operations in the short term even though no resources have been defined). On the other hand in times of bust conditions exploration tenements that have no defined attributes apart from interesting geology or a good address may well trade at a discount to technical value.



Coal Price variations 2010 to 2018

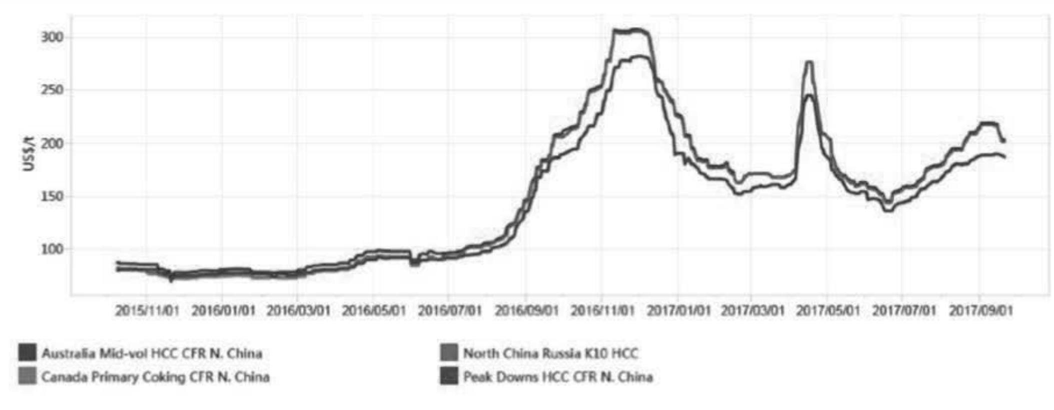


Figure 1: Coking Coal Price Chart

Coking Coal Prices relating to China 2015 to 2018

A review of the *coal Price* over the last 10 years suggests that market premiums/discounts are near the top the estimated range of technical value. Other considerations may play a part in ascribing a premium or discount. Deciding on the level of discount or premium is entirely a matter of the technical expert's professional judgment. This judgment must of course take account of the commodity potential of the tenement, the proximity of an asset to an established processing facility and the size of the land holding.

Development of the Ovoot Coking Coal Project

It is noted that Aspire has announced an Ore Reserve in the Probable category for the Ovoot Project in accordance with the JORC Code 2012. This is estimated at 251 million tonnes with 243 million tonnes in the open cut zone. The background assumptions relate to an earlier pre feasibility studies (2012) and Agricola has elected to value the Ovoot project on the basis of the Coal Resource estimate. However, the earlier studies and projected outcomes will have a positive effect on the perception of prospective purchasers.

Following the completion of Pre-Feasibility Studies completed in 2012, the Company has adopted a plan to develop the Ovoot Project in line with the commissioning of the Erdenet to Ovoot Project Railway. This project is now a key link in the Northern Rail Corridor connecting China, Russia and Mongolia, which forms a significant part of China's One Belt Road Policy.

It is proposed that the Ovoot Project will initially produce 5 Mtpa of saleable high quality coking coal (according to the Ovoot Development Plan "ODP"), which will be loaded directly onto rail for delivery to markets including China, Russia, Eastern Europe, and north Asian countries. As demand increases for Ovoot Project coking coal, Aspire would look to increase production at the Ovoot Project up to 10 Mtpa.

Aspire's development timeline for its Ovoot Project relies primarily on the provision of a rail concession and other approvals from the Government of Mongolia for Northern Railways to build, and operate the Erdenet – Ovoot railway, connecting the Ovoot Project to the Trans-Mongolian Railway at Erdenet; and financing of the Erdenet – Ovoot railway. The timing with respect to the grant of a rail concession is outside of the control of Aspire. Certain activities to further progress the Ovoot Project and Erdenet – Ovoot railway development, and which will follow the grant of the rail concession licences, include the completion of detailed engineering work to support definitive financing negotiations. The Company's development timeline to achieve first production in 2019 is indicative and assumes the grant of necessary Government licences, agreements and approvals.

The earlier positive pre feasibility studies by Aspire for the Ovoot project suggest a market premium for that project. Market transactions for developing and producing coal companies often indicate transactions at strong multiples to coal resource assessments. While the Ovoot project is well advanced there are still some elements to be addressed (including the rail line from Erdenet to Ovoot).

The 'Comparable Transaction review and assessment discussed earlier includes elements of market influence. This is reinforced by the assessment of Project Quality and the choice of the 45th, 55th and 65th percentiles in the database review.

Accordingly, Agricola considers that **no premium or discount** should be applied to the Ovoot and Nuurstei Projects.

Based on the assessment of the coal projects in Mongolia and the comparable transactions reviewed, Agricola is not aware of any reason why the market value of the exploration areas would be different from the technical value as determined by the Kilburn approach. Agricola considers that no premium or discount should be applied to the Nuurstei Project or to the other exploration licences. This is supported by the results of the secondary approach for exploration ground, being the comparable transactions methodology.

Market value Summary

Market Value – Coal Resources – Comparable Transactions Method

ASPIRE		**Market Value, A$M**		
Mineral Resources	**Factor**	**Low**	**High**	**Preferred**
OVOOT	100%	33.03	59.45	42.94
NUURSTEI	100%	1.08	1.49	1.29
TOTAL		**34.11**	**60.94**	**44.22**
Market Value = [Market Factor][Equity Technical Value]*				
MARKET Values based on Equity held by the Company				

Market Value - Exploration Ground – Geo Rating Method

ASPIRE MINING LTD		***Market Value, A$M***		
Exploration Areas	**Factor**	**Low**	**High**	**Preferred**
Ovoot: XV-017003	100%	0.12	0.21	0.17
Hurimt: XV-014510	100%	0.18	0.37	0.27
Myngan: XV-017922	100%	0.01	0.01	0.01
TOTAL		**0.30**	**0.59**	**0.45**
Market Value = [Market Factor][Summary Technical Value]*				
MARKET Values based on Equity held by the Company				

Information on market capitalisation, debt and cash has provided an estimate of Enterprise Value per tonne of Reserve for producing coal mines. An estimate of Aspires value was included based on production expectations. This was assessed based on market capitalisation at A$0.12 per reserve tonne. This may be restated as A$0.11 per resource tonne that is consistent with the market value assessed in this report. A similar estimate for Bathurst Resources with 193.9 million tonnes in resource indicates MCap/resource tonne of A$1.01 and Stansmore Coal with 1,740 tonnes in resource indicates A$0.07 per resources tonne. Universal coal as attributable coal resources of 1,027 million tonnes indicating A$0.11 market Cap per resource tonne. *(refer to page 75-76)*

VALUATION OPINION

Summary of the Valuation Elements:

ASPIRE MINING LTD		*Summary Market Value, A$M*		
	Equity	**Low**	**High**	**Preferred**
Mineral Resources				
OVOOT	100%	33.03	59.45	42.94
NUURSTEI	90%	1.08	1.49	1.29
TOTAL		**34.11**	**60.94**	**44.22**
Exploration Areas				
Ovoot: XV-017003	100%	0.12	0.21	0.17
Hurimt: XV-014510	100%	0.18	0.37	0.27
Myngan: XV-017922	100%	0.01	0.01	0.01
TOTAL		**0.30**	**0.59**	**0.45**
GRAND TOTAL		**34.41**	**61.54**	**44.67**
MARKET Values based on Equity held by the Company				

Valuation Opinion

- ***Based on an assessment of the factors involved, the estimate of the market value for the Company's equity in the Mongolian Coal Projects, is in the range of:***

A$34.4 million to A$61.5 million with a preferred value of A$44.6 million.

This valuation is effective on 8 October 2018.

ASPIRE MINING LTD		Unit Rate Estimates	
Mineral Resources	Low	High	Preferred
Coal Resources, Mtonnes			292.62
Market Value, A$M	34.11	60.94	44.22
Weighted Ave. A$/tonne	0.12	0.21	0.15
Exploration Ground	Low	High	Preferred
Coal Projects, km2			159.23
Market Value, A$M	0.30	0.59	0.45
Weighted Ave. Unit Rate A$/km2	1,891	3,733	2,812

This Mineral Asset valuation endeavours to ascertain the unencumbered price which a willing but not anxious vendor could reasonably expect to obtain and a hypothetical willing but not too anxious purchaser could reasonably expect to have to pay for the property if the vendor and the purchaser had got together and agreed on a price in friendly negotiation (the Spencer Test). *It applies to the direct sale of existing equity in the Projects at the date of this Report.*

DECLARATIONS, RISK AND INDEPENDENCE

Scope of the Valuation Report

A valuation report expresses an opinion as to monetary value of a mineral asset but specifically excludes commentary on the value of any related corporate securities. Agricola prepared this Report utilizing information relating to exploration methods and expectations provided to it by various sources. Where possible, Agricola has verified this information from independent sources. This Report has been prepared for the purpose of providing information to the Expert.

This mineral asset valuation endeavours to ascertain the unencumbered price which a willing but not anxious vendor could reasonably expect to obtain and a hypothetical willing but not too anxious purchaser could reasonably expect to have to pay for the property if the vendor and the purchaser had got together and agreed on a price in friendly negotiation.

This is commonly known as the *Spencer Test* after the Australian High Court decision upon which these principles are based and to which the Courts have used in their determinations of market value of a property[2]. In attributing the price that would be paid to the hypothetical vendor by the hypothetical purchaser it is assumed that the property will be put to its "highest and best use".

Applying the *Spencer Test* may not be confined to a technical valuation exercise but may involve a consideration of market factors. In a highly speculative market during 'boom' conditions or a depressed market during 'bust' conditions the hypothetical purchaser may expect to pay a premium or receive a discount commensurate with the current market for mineral properties.

The findings of the valuation Report include an assessment of the technical value (i.e. the value implied by a consideration of the technical attributes of the asset) and a market value (which considers the influences of external market forces and risk). A range of values (high, low and preferred) has been determined and stated in the Report to reflect any uncertainties in the data and the interaction of the various assumptions made.

The main requirements of the Valuation Report are:

- Prepared in accordance with the 'Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets' ('VALMIN Code

---

[2] Spencer v. Commonwealth 5 CLR 418, 1907. https://www.ato.gov.au/law/view/document?Docid=JUD/5CLR418/00002&PiT=99991231235958

2015') and the 'Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves' ('JORC Code 2012');

- Contain all the information that investors and their professional advisors would reasonably require and expect to find to make an informed decision on the subject of the report;
- Experience and qualifications of key personnel to be set out;
- Details of valuation methodologies to be described;
- Reasoning for the selection of the valuation approach adopted explained;
- Details of the valuation calculations included; and
- Conclusion on value as a range with a preferred value.

The report includes the following:

- A competent person's statement, that demonstrates the requirements of a practitioner under section 2.2 of the VALMIN Code 2015;
- The basis of the consideration and approximate fee for the report to comply with section 6.3 of the VALMIN Code 2015; and
- Compliance with section 7.2 of the VALMIN Code 2015, relating to Status of Tenure.

Declarations

Relevant codes and guidelines

This Report has been prepared as a Valuation Report in accordance with the Australasian Code for Public Reporting of Technical Assessment of Mineral Assets (the "VALMIN Code", 2015 Edition), which is binding upon Members of the Australasian Institute of Mining and Metallurgy ("AusIMM") and the Australian Institute of Geoscientists ("AIG"), as well as the rules and guidelines issued by the ASIC which pertain to Independent Expert Reports (Regulatory Guides RG111 and RG112, March 2011). Agricola regards RG112.31 to be in compliance whereby there are no business or professional relationships or interests, which would affect the expert's ability to present an unbiased opinion within this report.

Where exploration results and Coal Resources have been referred to in this report, the information was prepared and first disclosed under the *Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves* ("JORC Code" 2012), prepared by the Joint Ore Reserves Committee of the AusIMM, the AIG and the Minerals Council of Australia. [3]

[3] ASIC, 2011, Content of Expert Reports, Regulatory Guideline 111, March 2011. Available from: https://asic.gov.au/regulatory-resources/find-a-document /regulatory-guides/rg-111-content-of-expert-reports/

Rounding to Significant Figures

Estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the mineral occurrence and on the available sampling results. Reporting of figures should reflect the relative uncertainty of the estimate by rounding off to appropriately significant figures and to emphasize the imprecise nature of a Mineral Asset Valuation. (*Adapted from JORC Code 2012, Clause 25)*

Status of Tenure

The present status of the tenements is based on information made available by the Company and independently verified by Agricola. The Report has been prepared on the assumption that the tenements are lawfully accessible for evaluation (refer to Tenement Schedule section of the report).

A determination of the Status of Tenure is necessary and must be based on a sufficiently recent inquiry to ensure that the information is accurate for the purposes of the Report. Tenure that is Material must be or recently have been verified independently of the Commissioning Entity. (*Adapted from VALMIN Code 2015, Clause 7.2)*

Sources of Information

The statements and opinion contained in this report are given in good faith and this review is based on information provided by the title holders, along with technical reports by consultants, previous tenements holders and other relevant published and unpublished data for the area. Agricola has endeavoured, by making all reasonable enquiries, to confirm the authenticity, accuracy and completeness of the technical data upon which this report is based. A final draft of this report was provided to the Company, along with a written request to identify any material errors or omissions in the technical information prior to lodgement.

In compiling this report, Agricola did not carry out a site visit to the Project areas. Based on its professional knowledge, experience and the availability of

---

ASIC, 2011, Independence of Experts, Regulatory Guideline 111, March 2011. Available from: https://asic.gov.au/regulatory-resources/find-a-document /regulatory-guides/ rg-112-independence-of-experts/

JORC, 2012. Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves (The JORC Code) [online]. Available from: http://www.jorc.org (The Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia).

VALMIN, 2015, Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (The VALMIN Code) [online]. Available from: http://www.valmin.org (The VALMIN Committee of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists).

extensive databases and technical reports made available by various Government Agencies and the early stage of exploration, Agricola considers that sufficient current information was available to allow an informed appraisal to be made without such a visit.

This Report may contain statements that are made in, or based on statements made in previous geological reports that are publicly available from either a government department or the ASX. These statements are included in accordance with ASIC Corporations (Consents to Statements) Instrument 2016/72 (clauses 6 and 7). [4]

The independent valuation report has been compiled based on information available up to and including the date of this report. The information has been evaluated through analysis, enquiry and review for the purposes of forming an opinion as to value. However, Agricola does not warrant that its enquiries have identified or verified all of the matters that an audit, extensive examination or "due diligence" investigation might disclose.

Risks for Exploration Companies

Agricola has identified a range of risk elements or risk factors, which may affect the exploration outcomes of the Company's Projects. Some of the risk factors are completely external, which is beyond the control of management. However, advance planning can mitigate the project specific risks.

- Risks inherent in exploration and mining include, among other things, successful exploration and identification of Coal Resources; satisfactory performance of mining operations if a mineable deposit is discovered; and competent management;

Mongolian Minerals Law

On 1 July 2014, the Mongolian Parliament passed the Law on the Amendments to the Minerals Law. Set out below is an overview of the changes to the Minerals Law (2006).

Exploration licences

The moratorium on the issuance of new exploration licences has been repealed and the maximum period for an exploration licence has been extended from nine to 12 years. Newly issued exploration licences will be immediately transferable, opening the door to a reactivated secondary market and, importantly for junior exploration companies, there is no restriction on the use of these licences as security for capital raising.

[4] ASIC Corporations (Consents to Statements) Instrument 2016/72, 11 March 2016. Available online from: https://www.legislation.gov.au/Details/F2016L00326

Mining licences

Mining licence holders are now obliged to supply products that have been mined, processed or semi- processed in preference to processing facilities operating in Mongolia at market price. Employ an employee to act as a liaison with the Mineral Resources Authority of Mongolia regarding environmental rehabilitation and mine closure.

The amendments specifically address the overlapping obligations of licence holders with obligations under the Petroleum Law with regard to coal bed methane. They are obliged to notify the Petroleum Authority of Mongolia if methane is discovered during coal mining and are permitted to produce coal bed methane in accordance with the Petroleum Law.

Revocation of licences

Where a licence is revoked it must be reissued by tender except where the revocation is because the licence holder has failed to pay licence fees on time (or spend the minimum expenditure).

Security of Tenure

- Risks are associated with obtaining the grant of any or all of the mining tenements or permits which are applications, or renewal of tenements upon expiry of their current term, including the grant of subsequent titles where applied for over the same ground;
- The grant or refusal of tenements is subject to ministerial discretion and there is no certainty that the tenements applied for will be granted;
- Applications are also subject to additional processes and requirements under the Native Title Act in Australia. The right to negotiate process under Native Title matters can result in significant delays to the implementation of any project or stall it. Negotiated native title agreements may adversely impact on the economics of projects depending on the nature of any commercial terms agreed;

Land Access

- Risks arising because of the rights of indigenous groups in domestic and overseas jurisdictions which may affect the ability to gain access to prospective exploration areas and to obtain exploration titles and access, and to obtain production titles for mining if exploration is successful. If negotiations for such access are successful, compensation may be necessary in settling indigenous title claims lodged over any of the tenements held or acquired by the Company. The level of impact of these matters will depend, in part, on the location and status of the tenements;
- The risks associated with being able to negotiate access to land,

including by conducting heritage and environmental surveys, to allow for prospecting, exploration and mining, is time and capital consuming and may be over budget and is not guaranteed of success;

Government Policy and Environment

- The risk of material adverse changes in the government policies or legislation of the host country affect the level and practicality of mining and exploration activities;
- Environmental management issues with which the holder may be required to comply from time to time. There are very substantive legislative and regulatory regimes with which the holder needs to comply for land access, exploration and mining that can lead to significant delays;

Access and Equipment and Management

- Poor access to exploration areas as a result of remoteness or difficult terrain;
- Poor weather conditions over a prolonged period which might adversely affect mining and exploration activities and the timing of earning revenues;
- Unforeseen major failures, breakdowns or repairs required to key items of exploration equipment and vehicles, mining plant and equipment or mine structure resulting in significant delays, notwithstanding regular programs of repair, maintenance and upkeep;
- The availability and high cost of quality management, contractors and equipment for exploration, mining, and the corporate and administration functions in the current economic climate and the cost of identifying, negotiating with and engaging the right people.

Qualifications, Experience and Competence

The person responsible for the preparation of this report is:

Malcolm Castle, B.Sc.(Hons), GCertAppFin (Sec Inst), MAusIMM

Malcolm Castle has over 50 years' experience in exploration geology and property evaluation, working for major companies for 20 years as an exploration geologist. He established a consulting company over 30 years ago and specializes in exploration management, technical audit, due diligence and property valuation at all stages of development. He has wide experience in a number of commodities including uranium, gold, base metals, iron ore and mineral sands. He has been responsible for project discovery through to feasibility study in Australia, Fiji, Southern Africa and Indonesia and technical audits in many countries. He has completed numerous Independent Geologist's Reports and Mineral Asset Valuations over the last decade as part of his consulting business.

Malcolm Castle has served as a Non Executive Director on the Board of East Energy Resources Ltd, A public Australian company with coal deposits in the Adavale Basin I Queensland from December 2007 to 24 November 2011. He has recently carried out valuations for Stanton Partners on coal deposits held by East Energy Resources Ltd and the Kontrarian Resources Fund on coal deposits in the Bundaberg Area.

Mr Castle has been involved in the Coal industry as a non executive director and specialist in coal deposit valuation for over 10 years and is familiar with important aspects of the industry and the projects held by Aspire Resources in Mongolia.

Agricola and Mr Castle carried out a valuation on the Nuurstei Coal Deposit in Mongolia held by Aspire Resources Ltd in October 2015. That project is included in the current portfolio and will form part of the current valuation.

Mr Castle completed studies in Applied Geology with the University of New South Wales in 1965 and has been awarded a B.Sc.(Hons) degree. He has completed postgraduate studies with the Securities Institute of Australia in 2001 and has been awarded a Graduate Certificate in Applied Finance and Investment in 2004.

Mr Castle is the Principal Consultant for Agricola Mining Consultants Pty Ltd, an independent geological consultancy established 30 years ago. He is a Member of the Australasian Institute of Mining and Metallurgy ("MAusIMM").

- Mr Castle is appropriately qualified geologist and is a member of a relevant recognized professional association;
- He has the necessary technical and securities qualifications, expertise, competence and experience appropriate to the subject matter of the report; and
- He has at least five years of suitable and recent experience in the particular technical or commercial field in which he is to report.

Declaration – VALMIN Code: The information in this report that relates to Technical Assessment and Valuation of Mineral Assets reflects information compiled and conclusions derived by Malcolm Castle, who is a Member of The Australasian Institute of Mining and Metallurgy. Malcolm Castle is not a permanent employee of the Company. Malcolm Castle has sufficient experience relevant to the Technical Assessment and Valuation of the Mineral Assets under consideration and to the activity, which he is undertaking to qualify as a Practitioner as defined in the 2015 edition of the 'Australasian Code for the

Public Reporting of Technical Assessments and Valuations of Mineral Assets'. Malcolm Castle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Persons Statement – JORC Code: The information in this report that relates to Exploration Results and Coal Resources of the Company is based on, and fairly represents, information and supporting documentation reviewed by Malcolm Castle, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Castle has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity, which they are undertaking to qualify as an Expert and Competent Person as defined under the VALMIN Code and in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Coal Resources and Ore Reserves'. Mr Castle consents to the inclusion in this report of the matters based on the information and supporting documentation in the form and context in which they appear.

Agricola or Malcolm Castle is not aware of any new information or data, other than that disclosed in this Report, that materially affects the assessments included in this Report and that all material assumptions and parameters underpinning Exploration Results and Coal Resource Estimates continue to apply and have not materially changed.

Independence

Agricola or its employees and associates are not, nor intend to be a director, officer or other direct employee of the Company and have no material interest in the projects. The relationship with the Company is solely one of professional association between client and independent consultant. The review work and this report are prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

- Agricola has had no material association during the previous two years with the owners/promoters of the mineral assets, the company acquiring the assets or any of the assets to be acquired and has no material interest in the projects;
- There are no business relationships between Agricola and the Company. Agricola or its employees and associates are not, nor intend to be a director, officer or other direct employee of the Company. The relationship with the Company is solely one of professional association between client and independent consultant;
- Agricola does not hold and has no interest in the securities of the company under review; Agricola has no relevant pecuniary interest, association or employment relationship with the Company and its subsidiaries; Agricola has no interest in the material tenements, the subject of the Report;

- Agricola is not a substantial creditor of an interested party, or has a financial interest in the outcome of the proposal. The review work and this report are prepared in return for professional fees of $10,000 plus GST based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

Consent

For the purposes of section 716(2) of the Corporations Act 2001 (Cth), Agricola Mining Consultants Pty Ltd consents to the inclusion of the Independent Valuation Report in the Independent Expert's Report to be lodged with the Australian Securities and Investments Commission.

Agricola provides its consent on the understanding that the assessment expressed in the individual sections of this report will be considered with, and not independently of, the information set out in full in this report. Agricola consents to the use and reliance upon this specialist valuation report on the Mineral Assets in preparation of the IER. Agricola has no reason to doubt the authenticity or substance of the information provided.

Agricola Mining Consultants Pty Ltd has not withdrawn this consent prior to the lodgement of the Notice of Meeting with ASIC.

Yours faithfully

Malcolm Castle

B.Sc.(Hons) MAusIMM, GCertAppFin (Sec Inst)

Agricola Mining Consultants Pty Ltd

This mineral asset valuation endeavours to ascertain the unencumbered price which a willing but not anxious vendor could reasonably expect to obtain and a hypothetical willing but not too anxious purchaser could reasonably expect to have to pay for the property if the vendor and the purchaser had got together and agreed on a price in friendly negotiation (the *Spencer Test).*

Agricola's opinion should be considered as a whole as the various elements of its analysis are often interdependent. Agricola cautions against examination of individual elements of its analysis as this may create a misleading impression of the overall opinion.

Valuation Assignments completed by Agricola, 2017 and 2018

Independent Valuation Reports

Aspire Mining Limited, 27 Aug 18 (Coal in Mongolia)
Peel Mining Limited, 16 Oct 17 (Gold in WA)
Apollo Minerals Limited, 7 Nov 17 (Gold in WA)
Blaze International Limited, 6 Nov 17 (Base Metals in NT)
Castle Resources Limited, 26 Mar 18 (Gold in Ghana)
Domingo Lithium Limited, 27 Apr 18 (Lithium in Argentina)
Draig Resources Limited, 20 Dec 17 (Gold in WA)
East Energy Resources Limited, 19 Feb 18 (Coal in Qld)
Emmerson Resources Limited, 26 Mar 18 (Gold in NT)
Fox Resources Limited, 6 May 18 (Coal in Queensland)
Gondwana Resources Limited, 10 Oct 17 (Gold in WA)
Kalia Limited, 12 Mar 18 (Gold in Bougainville)
Kontrarian Resource Fund No 1, July 2017 (Coal in Qld)
MRG Metals Limited, 22 May 18 (Mineral Sands in Mozambique)
Orminex Limited, 11 Feb 18 (Gold in WA)
Polymetallica Minerals Limited, 13 Mar 18 (Uranium in WA)
Resource and Energy Limited, 4 May 18 (Gold in WA)
Summit Resources Limited, 14 Aug 18 (Uranium in Qld)
Tanami Gold NL, 5 Apr 18 (Gold and Base Metals in NT)
Tungsten Mining Limited, 4 Oct 18 (Tungsten in NT)

APPENDIX – COMPARABLE TRANSACTIONS

It is common practice in some areas to quote project (and company) values in terms of 'EV per resource unit of the commodity' or 'EV per reserve unit'.

Alternative methods such as Market Capitalisation (MCap) and Enterprise Value (EV) are not prohibited by RG111 to form the basis of comparable transaction analysis. Takeovers and asset sales may include many commercial aspects, which may not have the same importance for alternate independent purchasers.

Both MCap and EV include elements relating to corporate valuation such as cash and debt levels, management skills and reputation and many others that are independent of mineral asset values. The Enterprise Value methodology involves valuing the company according to the MCap plus net cash and the valuation is affected by equity financings.

It is established that on average, premiums of between 20% and 50% are paid for the benefit of the controlling shares in an operating entity. Rudenno (2012, p 304) estimated the premium paid for takeovers in the resources sector is generally in the range of 20% to 35% and calculated an average resources adjusted takeover premium as the difference between the closing price the day before the bid announcement and the initial offer price for a value of 33.1 %. The premium over the independent valuation of the company indicated an adjusted average of 30% and an adjusted median of 27.8%.

RSM Bird Cameron (2017) calculated a premium for 134 resource companies of 29.9%, 32.4% and 35.8% for 2, 5 and 20 days prior to the bid or scheme of arrangement announcement respectively, a significant increase over previous years.

This emphasises the concept that the value of mineral assets only form a part of the value of a company (MCap and EV) and should be treated separately in a 'bottom-up' approach to the valuation report.

Enterprise Value versus Mineral Asset Value

Agricola considers that the expectation of future gain is the main driver for mineral asset valuation of exploration projects as it endeavours to ascertain the unencumbered price which a willing but not anxious vendor could reasonably expect to obtain and a hypothetical willing but not too anxious purchaser could reasonably expect to have to pay for the property if the vendor and the purchaser had got together and agreed on a price in friendly negotiation (the Spencer Test). The bottom-up approach is preferred where the values of those mineral assets is assessed on a direct, stand-alone basis.

The courts have favoured the 'top-down' approach, which requires that all of the assets (and liabilities) of the controlling entity are expressly considered and reconciled with the purchase price paid for the entity. The top down approach is not a direct valuation of the mineral assets as defined by the Spencer Test.

Market Capitalization is the total value of a company's equity. It is calculated by multiplying the number of equity shares outstanding by the price of the stock. It completely ignores debt capital.

Enterprise Value (EV) best represents the total value of a company because it includes equity and debt capital, and is calculated using current market valuations. Enterprise Value (EV) = Market Capitalization + Total Debt – Cash

Using the top–down approach, the market value of a mining company's project is estimated as follows:

Mineral Asset value = Enterprise Value – total debt + cash – goodwill – control premium

The basic principle here is that in addition to giving value to the projects held by a mining company, the market also takes account of corporate items such as working capital, debt, hedge book value, other investments, etc in deciding what to pay for the company as a whole. The company's market value must therefore be adjusted by the value of these other items to estimate the value attributed by the market to the mining projects themselves.

The recent Court of Appeal (WA) decision in Placer Dome Inc v Commissioner of State Revenue [2017] WASCA 165 largely reaffirms the previously generally accepted valuation methodology of land and chattels (including mining tenements) for landholder duty purposes – the 'bottom-up' approach.

The Court ruled that the 'top-down' approach, was not appropriate in the circumstances. The 'top-down' approach involves assessing the total value of the property, then discounting or subtracting from that figure all of the 'non-land assets' which can be identified to derive a residual 'land' value.

The bottom-up approach involves valuing the mineral assets based on their fundamental technical attributes and excluding other aspects such as goodwill and financial assets.

Corporate considerations – control premiums and goodwill

If the projects are held in a corporate entity, various corporate level issues can have a significant impact on a company's market value, and thus on the estimated market value of the company's projects. Using the EV/resources unit method.

Management strength - Investors may pay a significant premium for companies with strong management, capable in strategic operational, technical, financial management, and corporate communication. Conversely, a significant discount may apply where management is viewed negatively.

Balance sheet - Companies with a strong balance sheet, including adequate working capital and reasonable leverage, generally attract a premium in the market. Conversely, companies with high relative debt levels and difficulties with financial liquidity generally trade at a significant discount.

Hedging program and off take agreements - Given recent events, the market will pay close attention to a company's hedging activities, particularly for gold companies. Depending on the market's outlook with regard to the commodity being produced, a company's hedge position may attract a significant premium or discount in the market.

Market capitalisation and liquidity - Companies with higher capitalisation and greater liquidity generally attract a premium in the market.

Review of Comparable Transactions in the Coal Industry

Agricola reviewed emerging coal company transations from several sources and has compiled a list of comparable emerging coal company assets based on the EV/resource tonne parameter. These projects are considered to be similar to Ovoot and Nuurstei where there is minmal influence of commercial factors. In Agricola's opinion the EV/resource tonne metric can be accepted as a proxy for coal assetvalue/resource tonne for these companies.

Valuation Data - Enterprise Value per tonne of coal resource							
Co/Project	A$/t	Co/Project	A$/t	Co/Project	A$/t	Co/Project	A$/t
AAL	0.080	CCC	0.130	Endcoal	0.140	Nthn Surat	0.060
Acacia	0.007	CES	0.010	FSE	0.060	Olive Downs	0.120
AFR	0.010	Coal Bank	0.002	GNM	0.150	RES	0.010
AJM	0.040	Cockatoo	0.010	GUF	0.030	REY	0.080
Allegiance	0.021	COK	0.090	Hume	0.070	SMR	0.020
AQA	0.160	CPL	0.040	ICX	0.010	Stansmore	0.041
AQC	0.030	CQC	0.010	KRL	0.020	TCM	0.040
Belvedere	0.150	Cuesta	0.012	Lake Philipson	0.080	TIG	0.200
Blackwood	0.040	Cuesta	0.120	Malabar	0.048	Vickery	0.110
BLK	0.020	CZA	0.040	MBX	0.010		
Carmichael	0.060	East Energy	0.006	Monash	0.100		

EV/resource tonne metrics for Coal compaies over the last few years.

Data Sources:

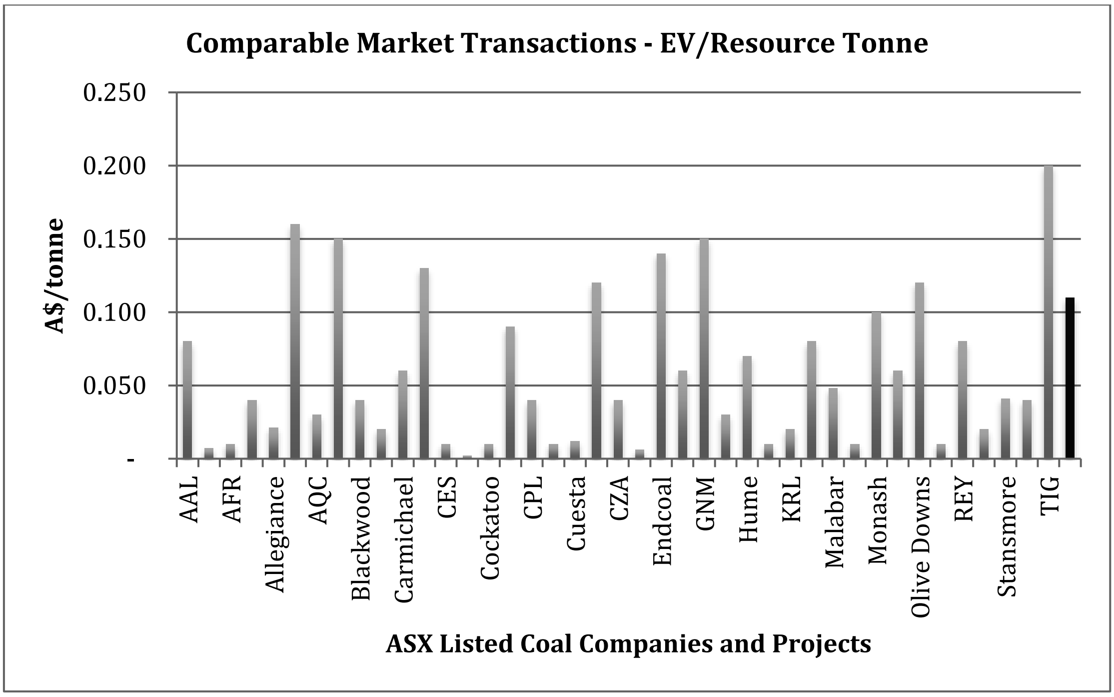
Matau Advisory Pty Ltd - Cuesta Coal Limited 21 March 2014

Argonaut Securities Research – Aspire Mining, 19 August 2011

Aspire Mining Ltd Presentation, 3 November 2017

Patterson Securities Limited: Mongolian Coal Review – Blessed by Geology 31 July 2012

Australian Pacific Coal Limited Notice of Extraordinary General Meeting and Explanatory Memorandum, 13 April 2017, Xenith Consulting Pty Ltd:Technical Specialist Report on Australian Pacific Coal Ltd Assets



Enterprise value per Resource Tonne

Comparable Transactions	A$/tonne	% of Spot
Average Coal Price		A$120.00
Min	0.002	0.002%
Max	0.200	0.167%
Ave	0.059	0.049%
Median	0.040	0.033%
Count	42	

EV per Reserve Tonne

Aspire prepared an equity raising presentation in November 2017 and included a compilation of **producing coal mines**. The data included information on market capitalisation, debt and cash and estimated the Enterprise Value per tonne of Reserve. An estimate of Aspires value was included based on production expectations. This was assessed based on market capitalisation at A$0.12 per reserve tonne.

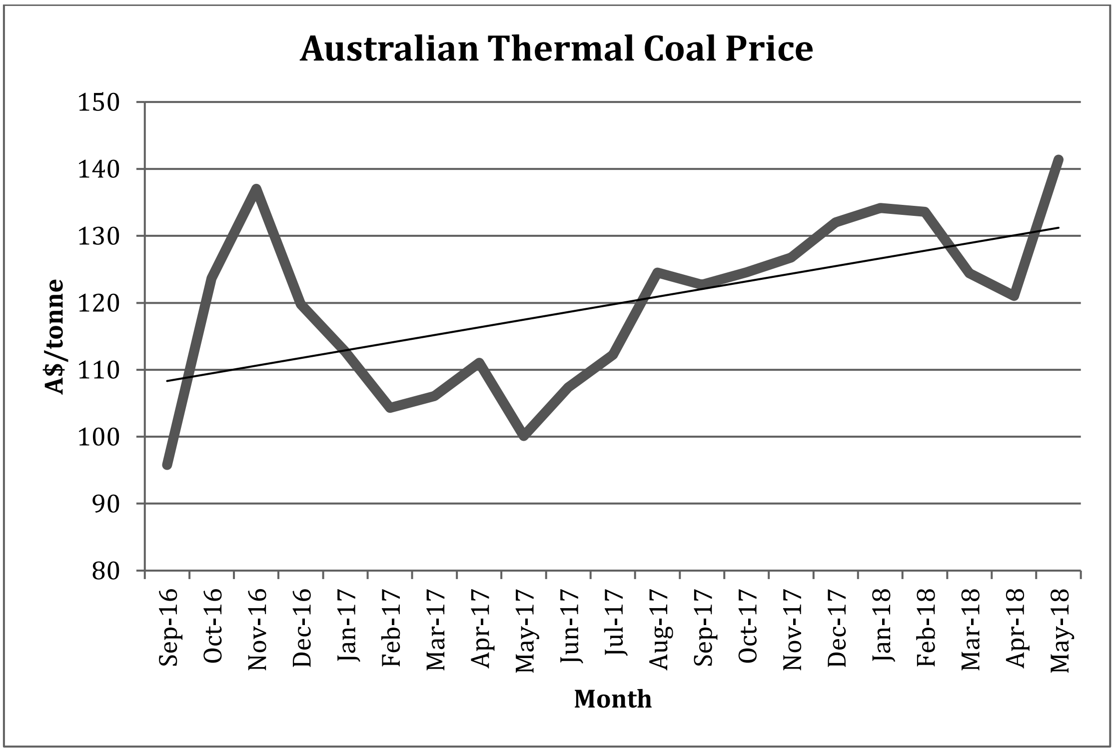
Up to date estimates of Market Cap per resource tonne indicated a range of values of $0.10 to $0.20 with an outlier at $0.91.

ASX Listed Peers (October 2017)	Bathurst Resources	Cokal	Stanmore Coal	Terracom Resources	Universal Coal	Aspire Mining
Location	NZ	Indonesia	QLD	Mongolia/ QLD	South Africa	Mongolia
Reserves, Mt	33.30	12.20	16.40	15.60	58.00	255.00
Cash (m)	$7.40	$2.20	$27.50	$8.60	$19.60	$11.50
Debt (m)	$9.60	$1.50	$66.00	$186.00	$34.10	$2.30
Market Cap (m)	$196.70	$34.30	$125.90	$75.30	$112.30	$30.20
Enterprise Value (m)	$198.90	$33.60	$164.40	$252.70	$126.80	$21.00
EV/Reserve	$5.98	$2.75	$10.02	$16.20	$2.18	$0.08
Mcap/Reserve	$5.91	$2.81	$7.68	$4.83	$1.94	$0.12

Source: Aspire Mining Limited Transformational Transaction & Equity Raising Presentation, 3 November 2017; ASX Company presentations and announcements; Patersons Securities Limited estimates. Data valid at 24 October 2017.

ASX Listed Peers (October 2018)	Bathurst Resources	Cokal	Stanmore Coal	Terracom Resources	Universal Coal	Aspire Mining
Location	NZ	Indonesia	QLD	Mongolia/ QLD	South Africa	Mongolia
Market Cap (m)	175.55	26.71	246.77	296.47	161.97	59.98
Resource	193.90	266.60	1,740.00	2,095.00	1,027.00	292.62
Mcap/Resource	$0.91	$0.10	$0.14	$0.14	$0.16	$0.20
Source: Company announcements October 2018						

Market Capitalisation per Resource tonne – October 2018



Australian Thermal Cola Price – last two years;

Average A$120 per tonne; Median A$123 per tonne

Project	Buyer	Seller	Deal A$M	Area (km2)	A$/km2
Low Quality Project Assessment					
Marda- Diemels Greenstone	Indus Energy Ltd	IMD Gold Mines Pty Ltd	2.98	2,761.00	1,078
Monument Project	Syndicated Metals Limited	Monument Exploration Pty Ltd	0.23	210.00	1,095
Sandstone	Enterprise Uranium	Sandstone Exploration	0.88	723.00	1,217
Avoca & Bailieston Gold	Matsa Resources	Currawong Resources	0.25	194.00	1,289
Ida South	Latitude Consolidated	Private Consortium	0.35	196.00	1,787
Garden Gully - Paynes Find	Thundelarra Limited	Red Dragon Mines Ltd	1.24	739.50	1,680
Mt Venn Greenstone belt	Enterprise Uranium	Sandstone Exploration	0.38	206.00	1,829
Narnoo	A1 Minerals	Desertex	*0.93*	470.00	1,987
Pilbara Gold	Kalamazoo Resources	Private Company	0.50	252.00	1,984
Average Quality Project Assessment					
Talga, Warrawoona, Mosquito Ck	Beatons Creek Gold Pty Ltd	Talga Resources Ltd	0.54	215.90	2,504
Western Shaw, WA	Atlas Iron	Buxton	*0.40*	127.00	3,152
Dundas, WA	Australasia Gold	Private	*2.20*	660.00	3,327
Yagahong	Silver Swan	Mercator	*2.43*	600.00	4,043
Mt Zephyr, WA	Newsrest	Regal	*1.14*	254.00	4,489
E40/212, WA	Lumacom	Undisclosed	*0.23*	50.00	4,609
Scorpion Well, WA	Meteoric	Image Resources	*1.21*	244.00	4,971
High Quality Project Assessment					
Hardey	Elysium Resources	Hardey Resources	2.65	512.00	5,180
Yalgoo, WA	Ausorex	Prosperity	*2.83*	457.00	6,184
Hogans, WA	Newmont	Gladiator	*2.26*	325.00	6,942
Kuaby Well	Silver Swan	Mawson West	*0.61*	84.00	7,220
Revere, WA	Revere	Enterprize	*11.22*	1,403.00	7,997
Mount Monger	Undisclosed	Poz Minerals	0.63	72.80	8,654
Sunday, WA	Aust. Min. Fields	Hannans Reward	*0.46*	49.00	9,407

Source: Company ASX Releases and web sites

Exploration Areas, A$/km²			
Quality	*Low*	*Average*	*High*
Low	1,100	$2,500	$5,200
High	$2,000	$5,000	$9,400
Preferred	$1,550	$3,750	$7,300

References:

Minter Ellison, 2017 “WA Landholder Duty Case - Valuation Approach in Valuing Land Assets for Landholder Duty Transactions” 15 September 2017

Price Waterhouse Cooper, 2017. “Rigour required to ensure valuations are fit for purpose”, 21 September 2017

Roberts, C, 2006, “The Valuation Of Advanced Mining Projects & Operating Mines: Market Comparable Approaches”,

RSM Bird Cameron, 2017, Control Premium Study,

Rudenno, V., (2012), “The Mining Valuation Handbook” 4th Edition,

ANNEXURE B – TERMS AND CONDITIONS OF THE AKMOA OPTIONS

AKMOA Options will be granted 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 (m), the amount payable upon exercise of each Option will be $0.018 (or 1.8 cents) (**Exercise Price**).

(c) Expiry Date

Each Option will expire 5.00 pm (WST) on 11 December 2019 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) 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.

(e) Holding Statement

The Company must give the holder of each Option a holding statement stating:

(i) the number of Options issued to each holder;

(ii) the Exercise Price of the Options; and

(iii) the date of issue of the Options.

(f) Exercise Period

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

(g) Notice of Exercise

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

(h) Exercise Date

A Notice of Exercise is only effective on and from the later 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**).

(i) 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;

(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; and

(iii) deliver a holding statement with respect to such Shares within the timeframe required by the ASX Listing Rules.

(j) Shares issued on exercise

Shares issued on exercise of the Options will:

(i) rank equally in all respects (including, without limitation, rights relating to dividends) with other issued Shares;

(ii) be issued credited as fully paid;

(iii) be duly authorised and issued by all necessary corporate action; and

(iv) be allotted and issued free from all liens, charges and encumbrances whether known about or not, including statutory and other pre-emption rights and other transfer restrictions.

(k) 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.

(l) Part Exercise

If the holder of the Options exercises less than the total number of Options registered in the holder's name, the Company must issue the holder of Options a new holding statement for the remaining number of Options held by the holder.

(m) Reconstruction of capital

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

(n) 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.

(o) 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.

(p) Transferability

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

(q) Absolute holder

The Company is entitled to treat the registered holder of an Option as the absolute holder of that Option and is not bound to recognise any equitable or other claim to, or interest in, that Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

ANNEXURE C – CLAUSE 35 OF THE CONSTITUTION

35 PARTIAL TAKEOVER PLEBISCITES

35.1 Resolution to Approve Proportional Off-Market Bid

(a) Where offers have been made under a proportional off-market bid in respect of a class of securities of the Company ("**bid class securities**"), the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the proportional off-market bid is prohibited unless and until a resolution (in this clause 35 referred to as a "**prescribed resolution**") to approve the proportional off-market bid is passed in accordance with the provisions of this Constitution.

(b) A person (other than the bidder or a person associated with the bidder) who, as at the end of the day on which the first offer under the proportional off-market bid was made, held bid class securities is entitled to vote on a prescribed resolution and, for the purposes of so voting, is entitled to one vote for each of the bid class securities.

(c) A prescribed resolution is to be voted on at a meeting, convened and conducted by the Company, of the persons entitled to vote on the prescribed resolution.

(d) A prescribed resolution that has been voted on is to taken to have been passed if the proportion that the number of votes in favour of the prescribed resolution bears to the total number of votes on the prescribed resolution is greater than one half, and otherwise is taken to have been rejected.

35.2 Meetings

(a) The provisions of this Constitution that apply in relation to a general meeting of the Company apply, with modifications as the circumstances require, in relation to a meeting that is convened pursuant to this clause 35.2 as if the last mentioned meeting was a general meeting of the Company.

(b) Where takeover offers have been made under a proportional off-market bid, the Directors are to ensure that a prescribed resolution to approve the proportional off-market bid is voted on in accordance with this clause 35 before the 14th day before the last day of the bid period for the proportional off-market bid (the "**resolution deadline**").

35.3 Notice of Prescribed Resolution

Where a prescribed resolution to approve a proportional off-market bid is voted on in accordance with this clause 35 before the resolution deadline, the Company is, on or before the resolution deadline:

(a) to give the bidder; and

(b) if the Company is listed – each relevant financial market (as defined in the Corporations Act) in relation to the Company;

a notice in writing stating that a prescribed resolution to approve the proportional off-market bid has been voted on and that the prescribed resolution has been passed, or has been rejected, as the case requires.

35.4 Takeover Resolution Deemed Passed

Where, at the end of the day before the resolution deadline, no prescribed resolution to approve the proportional off-market bid has been voted on in accordance with this clause 35, a resolution to approve the proportional off-market bid is to be, for the purposes of this clause 35, deemed to have been passed in accordance with this clause 35.

35.5 Takeover Resolution Rejected

Where a prescribed resolution to approve a proportional off-market bid under which offers have been made is voted on in accordance with this clause 35 before the resolution deadline, and is rejected, then:

(a) despite Section 652A of the Corporations Act:

(i) all offers under the proportional off-market bid that have not been accepted as at the end of the resolution deadline; and

(ii) all offers under the proportional off-market bid that have been accepted and from whose acceptance binding contracts have not resulted as at the end of the resolution deadline, are deemed to be withdrawn at the end of the resolution deadline;

(b) as soon as practicable after the resolution deadline, the bidder must return to each person who has accepted any of the offers referred to in clause 35.5(a)(ii) any documents that were sent by the person to the bidder with the acceptance of the offer;

(c) the bidder:

(i) is entitled to rescind; and

(ii) must rescind as soon as practicable after the resolution deadline,

each binding takeover contract resulting from the acceptance of an offer made under the proportional off-market bid; and

(d) a person who has accepted an offer made under the proportional off-market bid is entitled to rescind the takeover contract (if any) resulting from the acceptance.

35.6 Renewal

This clause 35 ceases to have effect on the third anniversary of the date of the adoption of the last renewal of this clause 35.

ANNEXURE D – PERFORMANCE RIGHTS PLAN

The full terms of the Performance Rights Plan may be inspected at the registered office of the Company during normal business hours. A summary of the terms of the Performance Rights Plan is set out below.

1. Subject to any necessary approvals from Shareholders or as required by law or by the Listing Rules, the Board may, from time to time, at its absolute discretion grant Performance Rights (being the entitlement to Shares pursuant to the Performance Rights Plan) to eligible participants (being any Director (including non-executive directors) and full time or part time employee or consultant of a group company (devoting 40% of their time to the Company) who is declared by the Board to be eligible to receive grants of Performance Rights under the Performance Rights Plan) (**Eligible Participant**) with effect from the date determined by the Board, upon terms set out in the Performance Rights Plan and upon such additional terms and vesting conditions (being one or more conditions which must be satisfied or circumstances which must exist before Performance Rights vest, as determined by the Board) (**Vesting Conditions**) as the Board determines.

2. Each Performance Right will, subject to vesting, entitled the holder on exercise to one fully paid ordinary share in the capital of the Company (Share).

3. A Performance Right granted under the Performance Rights Plan will not vest unless the Vesting Conditions (if any) advised to the Eligible Participant by the Board have been satisfied and the Board has notified the Eligible Participant.

4. The Board will advise each Eligible Participant of the following information regarding the Performance Rights:

    (a) the date of the offer of Performance Rights;

    (b) the last date for acceptance of the offer of Performance Rights (**Offer Closing Date**);

    (c) the number of Performance Rights being offered;

    (d) any Vesting Conditions;

    (e) the expiry date of the Performance Rights (if any); and

    (f) any other relevant conditions to be attached to the Performance Rights or the Shares.

5. Performance Rights are only transferrable with the prior written consent of the Board or by force of law upon death to the Eligible Participant's legal personal representative or upon bankruptcy to the Eligible Participant's trustee in bankruptcy.

6. The Company shall notify the Eligible Participant when the relevant vesting requirements have been satisfied and the Eligible Participant may then exercise their right to accept the vesting of the Performance Rights and be issued the Shares, following which the Company will issue the Shares and deliver notification of the shareholding to the Eligible Participant.

7. Unless the Board decides otherwise, any vested Performance Right that has not been exercised within 6 months of becoming vested shall automatically lapse.

8. Where a participant in the Performance Rights Plan ceases to be an Eligible Participant, any unvested Performance Rights lapse (subject to certain good leaver exceptions).

9. If Shares of the same class as those allotted under the Performance Rights Plan are quoted on the ASX, the Company will, subject to the ASX Listing Rules, apply to the ASX for the listing of the Shares issued upon exercise of the Performance Rights.

10. Shares resulting from the vesting of the Performance Rights shall, from the date of issue, rank pari passu with all other Shares on issue.

11. The Board may determine that Shares allocated on the exercise of Performance Rights are subject to restrictions on sale, transfer or other dealing by the participant.

12. In the event of a change in control of the Company or the Company passes a resolution for voluntary winding up or an order is made for the compulsory winding up of the Company, the Board may, in its absolute discretion, determine that all or a specific number of a participant's unvested Performance Rights vest. Any Performance Right which the Board determines does not vest will automatically lapse, unless the Board determines otherwise.

13. There are no participating rights or entitlements inherent in the Performance Rights and Eligible Participants will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the performance rights.

14. A Performance Right does not confer the right to a change in exercise price or a change in the number of underlying Shares over which the Performance Right can be exercised.

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

This page is left intentionally blank

This page is left intentionally blank

APPOINTMENT OF PROXY
ASPIRE MINING LIMITED
ACN 122 417 243
ANNUAL GENERAL MEETING

I/We ____________________

of ____________________

being a member of Aspire Mining Limited entitled to attend and vote at the Annual General Meeting, hereby Appoint ____________________

Name of proxy

OR ☐ the Chairman of the Annual General Meeting as my/our proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting, or the Chairman's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at Level 4, 130 Stirling Street, Perth WA 6000 at 4.30pm (WST) on 28 November 2018, and at any adjournment thereof.

Where I/we have appointed the Chairman as my/our proxy (whether by direction or by default), I/we acknowledge that Resolutions 1, 7 and 10 relate to the remuneration of Key Management Personnel, and that the Chairman intends to vote any undirected proxies in favour of those Resolutions. I/ we expressly authorise the Chairman of the Meeting to exercise my/our proxy even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Key Management Personnel and even if the Chairman has an interest in the outcome of the Resolutions and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of Remuneration Report	☐	☐	☐
Resolution 2 – Re-election of Director – Gan-Ochir Zunduisuren	☐	☐	☐
Resolution 3 – Election of Director – Alexander Passmore	☐	☐	☐
Resolution 4 – Issue of Shares to Mr Tserenpuntsag Tserendamba	☐	☐	☐
Resolution 5 – Issue of Shares to Eligible Investors	☐	☐	☐
Resolution 6 – Issue of Shares to Noble pursuant to Debt to Equity Conversion	☐	☐	☐
Resolution 7 –Issue of Options to Mr Alexander Passmore	☐	☐	☐
Resolution 8 –Issue of Shares to Mr James Polson	☐	☐	☐
Resolution 9 –Renewal of Proportional Takeover Provisions	☐	☐	☐
Resolution 10 –Approval of the Performance Rights Plan	☐	☐	☐

The Chairman intends to vote all available proxies in favour of each item of business.

Please note: If you mark the abstain box for a Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.
If two proxies are being appointed, the proportion of voting rights this proxy represents is…….%.

Signature of Member(s): **Date:** ____________________

Individual or Member 1	**Member 2**	**Member 3**
Sole Director/Company Secretary	**Director**	**Director/Company Secretary**

Contact Name: ________________________________ **Contact Ph (daytime):** __________________________

Instructions for Completing 'Appointment of Proxy' Form

1. (**Appointing a Proxy**): A member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote on their behalf. A Shareholder that is entitled to cast two or more votes may appoint not more than two proxies. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Shareholders can request a separate copy of the Proxy Form by contacting the Company Secretary on (+61 8) 9287 4555. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.

2. (**Direction to Vote**): A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. In deciding whether to direct the proxy how to vote, members should read carefully the sections headed "Proxies and Corporate Representatives" and "Important information concerning proxy votes on remuneration related resolutions" in the Notice of Meeting. Where a box is not marked then, subject to the restrictions imposed on voting on Resolution 1, the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.

3. (**Signing Instructions**):

   - (**Individual**): Where the holding is in one name, the member must sign.

   - (**Joint Holding**): Where the holding is in more than one name, all of the members must sign.

   - (**Power of Attorney**): If you have not already provided the Power of Attorney to the Company, please attach a certified photocopy of the Power of Attorney to this form when you return it.

   - (**Companies**): Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.

4. (**Attending the Meeting**): Completion of a Proxy Form will not prevent individual members from attending the Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Meeting.

5. (**Return of Proxy Form**): To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

   (a) post to Aspire Mining Limited, PO Box 1918, Subiaco WA 6904; or

   (b) facsimile to the Company on facsimile number +61 8 9321 4914; or

   (c) email to the Company at info@aspiremininglimited.com,

   so that it is received not later than 4.30pm (WST) on 26 November 2018.

   Proxy forms received later than this time will be invalid.