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**ASPIRE MINING LIMITED****ACN 122 417 243****NOTICE OF GENERAL MEETING**

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**TIME:** 10.00 am (WST)

**DATE:** Wednesday, 15 December 2010

**PLACE:** The University Club of Western Australia  
Hackett Drive  
CRAWLEY WA 6009

***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) 9381 1995.***

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**TIME AND PLACE OF MEETING AND HOW TO VOTE**

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**VENUE**

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The general meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.00 am (WST) on Wednesday, 15 December 2010 at:

The University Club of Western Australia  
Hackett Drive  
CRAWLEY WA 6009

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**YOUR VOTE IS IMPORTANT**

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

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**VOTING IN PERSON**

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

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**VOTING BY PROXY**

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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.

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## NOTICE OF GENERAL MEETING

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Notice is given that a General Meeting of Shareholders will be held at 10.00 am (WST) on Wednesday, 15 December 2010 at The University Club of Western Australia, Hackett Drive, Crawley, Western Australia.

The Explanatory Statement provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are 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 General Meeting are those who are registered Shareholders at 10.00 am (WST) on Monday, 13 December 2010.

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

## AGENDA

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### ORDINARY BUSINESS

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#### 1. RESOLUTION 1 – APPROVAL OF PLACEMENT TO SOUTHGOBI RESOURCES LIMITED

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 7.1 and for all other purposes, the Shareholders approve the allotment and issue of that number of Shares that equates to 19.9% of the Company’s issued ordinary share capital at a price of \$0.19 per Share to SouthGobi Resources Limited or its nominated subsidiary on the terms and conditions contained in the Explanatory Statement accompanying this Notice of Meeting.”*

**Voting Exclusion:** The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed issue and a person who might obtain a benefit (except solely in the capacity of a holder of ordinary securities) if the resolution is passed, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast 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.

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**DATED: 11 NOVEMBER 2010**

**BY ORDER OF THE BOARD**

**PHILIP RUNDELL  
COMPANY SECRETARY**

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## EXPLANATORY STATEMENT

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This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 10.00 am (WST) on Wednesday, 15 December 2010 at The University Club of Western Australia, Hackett Drive, Crawley, Western Australia.

This 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 Resolution in the Notice of Meeting.

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### 1. **RESOLUTION 1 – APPROVAL OF PLACEMENT AND STRATEGIC RELATIONSHIP WITH SOUTHGOBI RESOURCES LIMITED**

#### 1.1 **Background**

As announced on 25 October 2010, the Company has entered into a Placement Agreement with SouthGobi Resources Limited (**SouthGobi**).

Under the Placement Agreement, the Company will raise \$20.1 million through the issue of 19.9% of the Company's issued ordinary share capital to SouthGobi, in addition to forming a strategic partnership with SouthGobi, to assist with the development of the Company's 100% owned Ovoot Coking Coal Project (**Ovoot Project**) and payment of deferred consideration owing in respect to the acquisition of that project by the Company.

SouthGobi is one of the largest coal miners in Mongolia and is listed on both the Hong Kong Stock Exchange and Toronto Stock Exchange. As at 30 June 2010, it had a market capitalisation of US\$2.2 billion and cash reserves of US\$744 million.

The strategic relationship that has been established is expected to deliver significant long term benefits for both the Company and SouthGobi.

In particular, the significant cash injection from SouthGobi will provide cornerstone funding and strategic partnership benefits to accelerate the exploration and development of the Ovoot Project through to the feasibility study. It has also allowed the Company to retain unencumbered control of the Ovoot Project together with the valuable future marketing and off-take rights.

In light of the significant benefit to the Company from the arrangements with SouthGobi, each of the directors recommend that shareholders vote in favour of the resolution to be considered at the General Meeting.

#### 1.2 **Key terms of the Placement Agreement**

In accordance with the Placement Agreement, the Company will issue 19.9% of the Company's issued ordinary share capital to SouthGobi or its nominated subsidiary at an issue price of \$0.19 per Share (**Placement**).

The issue price of the Shares issued under the Placement of \$0.19 per Share represents a premium of 8% to the volume weighted average market price for securities in that class over the 7 day trading period commencing on the date that the Company announced its maiden 330mt JORC Resource at the Ovoot Project on 14 October 2010.

As part of the strategic relationship with SouthGobi, SouthGobi has agreed to use reasonable endeavours provide to the Company for a period of up to two years following completion of the Placement (or such longer period up to 12 February 2015) as SouthGobi may elect):

- technical and other assistance to further the development of the Ovoot Project;
- assistance and advice in relation to governmental and regulatory issues;
- business development support to build the Company through acquisition and exploration activities in Mongolia;
- assistance with sourcing funding for a proposed rail link from the Ovoot Project to the Trans-Mongolian Railway; and
- introductions to contractors, suppliers, investors and other financiers.

The Placement Agreement provides that in the event of a placement or new issue, SouthGobi will have a right to participate in that issue (a "top up right") so as to be able to maintain its percentage shareholding in the Company at the level it was immediately prior to the new issue. This top up right will be on the same terms as the new issue and will last for a period of up to two years.

SouthGobi will also have a top up right, for a period of up to 12 February 2015, to subscribe for new shares to avoid being diluted as a result of the exercise of any Options on issue. The issue price for any top up Shares issued as a result of the exercise of Options is equal to the higher of the volume weighted average closing price of the Company's Shares on ASX for the 30 day period ending on the date of exercise of the Options, and the exercise price of the Options. The Company will retain an ability to issue Options over not more than 50 million Shares without triggering this top up right.

The grant of these top up rights to SouthGobi, and their duration, is subject to the Company obtaining the necessary waiver of the ASX Listing Rules to permit the existence of such rights. Further, the Company is not required to comply with its obligations in respect to the top up rights to the extent that compliance would result in SouthGobi holding voting power to more than 19.9% of the Company.

These top up rights will immediately terminate in the event that:

- SouthGobi's voting power in the Company falls below 10%;
- SouthGobi breaches the terms of the standstill (see below);
- SouthGobi materially breaches its obligations in regards to the strategic relationship described above;
- an insolvency event occurs in relation to SouthGobi; or
- SouthGobi or any of its directors or officers are found to have committed a criminal offence under Mongolian law which has a substantial and significant adverse effect on the Company's assets, operations or prospects or the development of the Company's projects in Mongolia.

SouthGobi has agreed to a standstill under which it will not acquire voting power in over 19.9% of the Company for a period of up to 2 years following completion of the Placement. The standstill will be suspended if a competitor of SouthGobi acquires voting power to more than 1% of the Company, or the Company breaches its obligations in respect to SouthGobi's top up rights described above.

In return for the standstill, the Company has undertaken not to issue Shares to a competitor of SouthGobi for an equivalent period of up to 2 years. This restriction will not apply to:

- pro rata issues of securities to the Company's shareholders;
- the issue of equity securities as purchase consideration to fund the acquisition of certain assets or companies where the number of securities issued is not more than 5% of the Company's issued capital on the date of the relevant acquisition;
- the issue of Shares upon exercise of Options on issue as at the date of the Placement Agreement; or
- an issue to a person who is a director or senior manager of the Company (or their affiliates) as at the date of the Placement Agreement.

This restriction will immediately terminate if the standstill ceases to operate, SouthGobi's voting power increases above 19.9% during the standstill period and remains above 19.9% for 7 days or more, or any of the events that give rise to the immediate termination of the top up rights occur (as described above).

Following completion of the Placement, and for so long as SouthGobi maintains voting power in at least 10% of the Company, SouthGobi will have the right to nominate a person to be appointed as a director of the Company. The Company and SouthGobi have agreed to put in place appropriate protocols to manage any conflicts of interest or other concerns that may arise as a result of both parties owning coal assets in Mongolia, and to ensure that the confidentiality of the Company's information is maintained.

The Placement Agreement is subject to the satisfaction of several conditions and approvals, including confirmation from the Federal Treasurer that it does not object to the proposed placement under Australia's foreign investment laws, the Company obtaining the necessary waivers to permit the grant of a top-up right to SouthGobi to avoid involuntary dilution in its shareholding in the Company (described above) and Shareholders approving the Placement in accordance with Resolution 1.

SouthGobi also has the right to terminate the Placement Agreement if an issue of Shares is made to a competitor of SouthGobi before completion of the Placement or there is a significant change to the Company's reported coal resource prior to completion of the Placement. SouthGobi also has the right to terminate the Placement Agreement if the Company ceases to own 100% of the Ovoot Project prior to completion of the Placement, or has otherwise failed to do all things necessary to comply with the conditions of the relevant Mongolian exploration licences relating to the Ovoot Project which may lead to those exploration licences being terminated or amended, or have additional conditions imposed.

The Company has given usual deal protection undertakings in favour of SouthGobi, including customary no-shop and no-talk obligations, as well as an obligation to notify SouthGobi of any approaches made to the Company in relation to the issue of securities prior to completion of the Placement. The Company has agreed to pay SouthGobi a fee of \$300,000 in the event that these deal protection undertakings are breached, the Company issues Shares to a third party prior to completion of the Placement or shareholders do not approve the Placement (being the subject of Resolution 1).

### **1.3 Requirement for Shareholder approval under ASX Listing Rule 7.1**

ASX Listing Rule 7.1 provides that a company must not, without shareholder approval, 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 (unless one of the exceptions in Listing Rule 7.2 applies). The proposed Placement falls within this requirement (none of the exceptions apply).

The effect of passing Resolution 1 will be to allow the Directors to issue the Shares under the Placement during the three month period after the Meeting (or a longer period, if allowed by ASX), whilst retaining the flexibility to issue equity securities in the future up to the 15% annual placement capacity without the requirement to obtain prior Shareholder approval.

### **1.4 Information required by ASX Listing Rule 7.3**

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

- (a) The maximum number of securities to be issued under the Placement is that number of Shares which will represent 19.9% of the Company's total issued and outstanding capital immediately after completion of the Placement.
- (b) The Shares under the Placement will be issued no later than three months after the date of the Meeting (or such longer period of time ASX may, in its discretion, allow pursuant to a waiver of ASX Listing Rule 7.3.2).
- (c) The Shares to be issued under the Placement will be issued by the Company at an issue price of \$0.19 per Share.
- (d) The allottee of the Shares under the Placement is SouthGobi Resources Limited (or its nominated subsidiary), which is not a related party or associate of a related party of the Company.
- (e) The Shares to be issued under the Placement will be fully paid ordinary shares in the capital of the Company and will be issued on the same terms and conditions as the Company's existing Shares
- (f) The funds raised by the issue of the Shares will be used to accelerate the exploration and development of the Ovoot Project in Mongolia through to the feasibility study stage, as well as to meet the Company's obligations to pay the deferred purchase consideration in respect to the Company's acquisition of the Ovoot Project.
- (g) The Shares to be issued under the Placement will be issued within 3 business days of the conditions to the Placement (set out in section 1.2 above) being satisfied or waived.
- (h) A voting exclusion statement is included in the Notice of Meeting.

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## **2. ENQUIRIES**

Shareholders are requested to contact the Company Secretary on (+ 61 8) 9381 1995 if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

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**\$** means Australian dollars.

**General Meeting** or **Meeting** means the meeting convened by the Notice.

**ASX** means ASX Limited.

**ASX Listing Rules** means the Listing Rules of ASX.

**Board** means the current board of directors of the Company.

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

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Notice** or **Notice of Meeting** or **Notice of General Meeting** means this notice of General Meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option exercisable into a Share.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolution** means the 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.

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

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**PROXY FORM**

**APPOINTMENT OF PROXY  
ASPIRE MINING LIMITED  
ACN 122 417 243**

**GENERAL MEETING**

I/We

of

being a member of Aspire Mining Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of proxy

OR

the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 10.00 am (WST), on Wednesday, 15 December 2010 at The University Club of Western Australia, Hackett Drive, Crawley, Western Australia and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of the Resolution.

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**Voting on Business of the General Meeting**

Resolution 1 – Approval of Placement to SouthGobi Resources Limited

**FOR**      **AGAINST**      **ABSTAIN**  
                       

**Please note:** If you mark the abstain box for the Resolution, you are directing your proxy not to vote on the 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):** \_\_\_\_\_

**ASPIRE MINING LIMITED**  
**ACN 122 417 243**

**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 not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. 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. Where a box is not marked 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 should sign.
  - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, 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 General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General 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 6380 2316; or
  - (c) email to the Company at [info@aspiremininglimited.com](mailto:info@aspiremininglimited.com),

so that it is received not later than 10.00 am (WST) on Monday, 13 December 2010.

**Proxy forms received later than this time will be invalid.**