



Level 9, 182 St George's Tce  
Perth, WA 6000

P.O Box 1918, Subiaco, WA 6904

P: (08) 9287 4555

F: (08) 9321 4914

W: [www.aspiremininglimited.com](http://www.aspiremininglimited.com)

E: [info@aspiremininglimited.com](mailto:info@aspiremininglimited.com)

## ASX RELEASE

For Immediate Release – 30 October 2019

### Notice of Annual General Meeting Sent to Shareholders Today

### Independent Expert Confirms that the proposed Share Placement to Mr Tserenpuntsag is “not fair but reasonable” to Minority Shareholders in the absence of a Superior Offer.

#### Highlights

- **Aspire’s largest shareholder Mr Tserenpuntsag has agreed to subscribe for 1.595.9 million shares in the Company through a Share Placement to increase his ownership interest from 27.5% to 51%, subject to the approval of Aspire Shareholders at the 2019 AGM**
- **The Share Placement is priced at 2.1 cents per share, representing a significant premium of 28% to Aspire’s 30-day VWAP and 40% premium to the closing price of Aspire shares on the trading day prior to the announcement of the Placement on 6 September 2019**
- **Independent Expert BDO Corporate Finance (WA) Pty Ltd has concluded that the Share Placement to Mr Tserenpuntsag is “not fair but reasonable” to minority shareholders in the absence of a superior offer**
- **Aspire’s Non-Aligned Directors (excluding those nominated by Mr Tserenpuntsag) continue to unanimously recommend Shareholders approve the Share Placement and intend to vote the shares they own and control in favour of the Share Placement, in each case in the absence of a superior proposal.**

Leading pure-play metallurgical coal project developer Aspire Mining Limited (ASX: **AKM**, the **Company** or **Aspire**) is pleased to announce that independent expert BDO Corporate Finance (WA) Pty Ltd (**Independent Expert**) has concluded that the proposed Share Placement is not fair but reasonable to Aspire Shareholders because the advantages of the Share Placement are greater than its disadvantages.

A full explanation of the Independent Expert’s opinion, including its assessment of the advantages and disadvantages of the Share Placement to Aspire Shareholders, is contained in the Independent Expert’s report attached as Annexure A to Aspire’s Notice of AGM that is in the process of being dispatched to Aspire Shareholders.

Aspire’s 2019 Annual General Meeting will be held on 29 November 2019 in The London Room, Ground Floor, London House 216 St Georges Terrace Perth WA 6000 commencing at 2.30 pm (AWST).

## Transaction Background and Update

On 6 September 2019, Aspire announced that it had entered into a Share Subscription Deed with Aspire's major substantial shareholder, Mr Tserenpuntsag, whereby Mr Tserenpuntsag would subscribe for 1,595.9 million ordinary fully paid shares at an issue price of 2.1 cents per share to raise \$33.5 million in cash before costs (**Share Placement**).

The issue price of 2.1 cents a share under the Share Placement represents a significant premium of:

- 27.7% to Aspire's 30-day VWAP prior to the announcement of the Share Placement;
- 40.0% to the last closing price of Aspire shares immediately prior to the announcement of the Share Placement.

Following the receipt of the Independent Expert's Report, completion of the Share Placement is now subject only to Aspire shareholders approving the Share Placement at the 2019 AGM.

Mr Tserenpuntsag has also provided Aspire with a conditional Letter of Intent to support Aspire in delivering the first-stage development of Ovoot, known as the Ovoot Early Development Plan (**OEDP**), by way of:

- Provision of a corporate guarantee for up to \$100 million to support future project financing for the OEDP; and
- A commitment to pro-rata equity contributions to maintain a 51% shareholding in Aspire alongside all Shareholders to fund Ovoot into production.

If the Share Placement completes, Mr Tserenpuntsag's shareholding in Aspire will increase to 51% (before dilution) having invested an estimated \$50.2 million in Aspire. This significant personal investment, and his stated intention to provide ongoing financial and strategic support, is considered pivotal to delivering Aspire's stated objective of unlocking early coking coal production via the OEDP.

As part of approving the Share Placement, Shareholders are also being asked to approve the exercise by Mr Tserenpuntsag of the 153.3 million 1.8 cents options that he holds. In the event that these options are exercised, this will add a further \$2.75 million in cash to Aspire's balance sheet and increase Mr Tserenpuntsag's interest in the Company to a maximum of 52.5%, in the event that the holders of the remainder of the 1.8 cents options do not exercise any of these options prior to their expiry on 11 December 2019.

In the event that Mr Tserenpuntsag's interest in the Company is diluted below 51% from exercise by other holders of the December 2019 1.8 cent options, the Company is also seeking approval from shareholders to provide a placement at 2.1 cents to maintain Mr Tserenpuntsag at 51% post dilution.

Aspire's Non-Aligned Directors (other than Directors nominated by Mr Tserenpuntsag) have unanimously recommended that Shareholders vote in favour of the Share Placement in the absence of a superior proposal and subject to the Independent Expert not changing its view prior to the 2019 AGM.

Full details of the Transaction including the Placement are set out in the Notice of Meeting for the 2019 Annual General Meeting along with the Explanatory Statement and the Independent Expert Report (attached as Appendix A to the Explanatory Statement).

This is an important and pivotal transaction in the Company's history in Mongolia. Shareholders are encouraged to read these documents in full before they vote on the transaction.

**For further information please feel free to contact:**

**Corporate**

David Paull  
Executive Chairman  
Aspire Mining Ltd  
+61 8 9287 4555

**Media and Investors**

Peter Klinger  
Cannings Purple  
+61 (0)411 251 540  
[pklinger@canningspurple.com.au](mailto:pklinger@canningspurple.com.au)

**END**

**About Aspire Mining Limited**

Leading pure-play metallurgical coal project developer Aspire Mining Limited (ASX: AKM) is the 100% owner of the world-class Ovoot Coking Coal Project.

Aspire is targeting early production of washed coking coal from a first-stage development of the Ovoot Project, known as the Ovoot Early Development Plan (OEDP). The OEDP is focused on a truck and rail operation to deliver up to 4Mtpa to end markets in China and Russia. Operational expansion can occur following the construction of the Erdenet-to-Ovoot Railway, which is being progressed by Aspire's subsidiary, Northern Railways LLC.

Aspire also has a 90% interest in Nuurstei Coking Coal Project located in northern Mongolia.

**About Northern Railways LLC**

Northern Railways LLC is a Mongolian-registered rail infrastructure company, mandated to pursue the development of the 547km Erdenet-to-Ovoot Railway, and supported by a consortium comprising Aspire Mining, China Gezhouba Group (CGGC) and subsidiaries of Fortune 500-listed China Railway Construction Corporation Limited – China Railway 20 Bureau Group Corporation and China Railway First Survey & Design Institute Group Co Ltd.

In August 2015, Northern Railways was granted an exclusive 30-year concession by the Mongolian Government to build and operate the Erdenet-to-Ovoot Railway.

**About Mr Tserenpuntsag**

Mr Tserenpuntsag, already Aspire's largest shareholder with a stake of 27.5%, is a well-regarded and highly successful Mongolian entrepreneur with strong bipartisan political connections across all levels of Mongolia's government. Mr Tserenpuntsag's business interests are spread across the food & beverage, information and communication technology (ICT), health & recreation and construction sectors. He 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 while in the ICT sector he has created market leaders Mongolia Gemnet, DDish-TV and Kewiko.

Mr Tserenpuntsag was a cornerstone investor in Aspire's \$15 million financing package completed in December 2018 and is committed to assisting the Company with securing the necessary permits and funding to deliver the OEDP.