



INTERIM FINANCIAL REPORT
31 DECEMBER 2019

CORPORATE INFORMATION

Directors

David Paull (Executive Chairman)
Achit-Erdene Darambazar (Executive Director)
Boldbaatar Bat-Amgalan (Non-Executive Director)
Neil Lithgow (Non-Executive Director)
Hannah Badenach (Non-Executive Director)

Company Secretary

Philip Rundell

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Share Registry

Automic Group
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Telephone: (08) 8072 1400

Solicitors

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Level 15, Woodside Plaza
240 St Georges Terrace
PERTH WA 6000

Bankers

National Australia Bank
197 St Georges Terrace
PERTH WA 6000

Auditors

Australia
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PERTH WA 6000

Mongolia
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Securities Exchange Listing

AKM

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DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity consisting of Aspire Mining Limited ("Aspire" or "Company") and its controlled entities ("Group") for the half-year ended 31 December 2019. In compliance with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the interim period and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

David Paull	Executive Chairman
Achit-Erdene Darambazar	Executive Director
Boldbaatar Bat-Amgalan	Non-Executive Director
Neil Lithgow	Non-Executive Director
Hannah Badenach	Non-Executive Director
Alex Passmore	Non-Executive Director (resigned 5 December 2019)
Gan-Ochir Zunduisuren	Non-Executive Director (resigned 5 December 2019)

Operating Results

The loss of the Group for the half-year after income tax was \$3,145,706 (2018: \$3,659,263).

Review of Operations

Aspire Mining Limited ("Aspire" or the "Company") is focused on the exploration and eventual development of metallurgical coal assets in Mongolia.

Aspire owns:

1. a 100% interest in the large scale, world class Ovoot Coking Coal Project (Ovoot Project); and
2. a 90% interest in the Nuurstei Coking Coal Project.

In August 2018, the Company entered into definitive and binding documentation with existing substantial shareholder, Mr. Tserenpuntsag Tserendamba, to invest \$10 million as part of a \$12.1 million strategic financing package to implement the Ovoot Early Development Project (OEDP).

In December 2019 the Company entered into a Subscription Agreement and other agreements with Mr. Tserenpuntsag Tserendamba to invest an additional \$36.3 million by way of a placement for \$33.5 million and \$2.8 million by exercise of options to further fund the implementation of the OEDP.

The OEDP involves mining a low ash and high yielding coal from a starter pit that sits within the previously defined Ovoot orebody and road transportation of the coal to the Erdenet rail connection. The designed production rate at Ovoot under the OEDP will be matched to forecast logistics capacities which are limited by existing Mongolian rail capacity of 4Mtpa.

At the Company's Annual General Meeting held on 29 November 2019, shareholders approved the transactions with Mr. Tserenpuntsag Tserendamba.

The proceeds of A\$36.3 million before costs, together with existing cash reserves, will 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 second half of calendar 2020.

Aspire's Mongolian rail infrastructure subsidiary, Northern Railways LLC, holds a Concession Agreement from the Mongolian Government to build and operate 549km of rail from the town of Erdenet to the Ovoot Coking Coal Railway in northern Mongolia. The Erdenet to Ovoot Railway is the optimum means to transport the coal from the Ovoot Coking Coal Project and Nuurstei Coking Coal Project. Construction of the railway is dependent on achieving a number of conditions precedent including land access agreements and funding.

If and when commissioned, the Ovoot to Erdenet rail line is expected to support up to 10Mtpa of high quality washed coking coal from Ovoot on a low cost, long term basis.

DIRECTORS' REPORT (continued)

Corporate

At the Company's Annual General Meeting held on 29 November 2019, shareholders also approved a 1 for 10 securities consolidation. That consolidation was completed on 5 December 2019. At 31 December 2019 Aspire had 507,636,985 fully paid ordinary listed shares on issue (30 June 2019: 3,326,541,075 fully paid ordinary shares). No listed options were on issue at 31 December 2019 (30 June 2019: 700,722,235 listed options exercisable at 1.8 cents).

During the period:

Pre-securities consolidation

- with shareholder approval, a placement of 1,595,900,000 shares at 2.1 cents per share was made to substantial shareholder, Mr Tserenpuntsag Tserendamba, to raise \$33,513,900 before costs;
- on exercise of listed options, 313,833 shares at 1.8 cents per share were issued; and
- without vesting, 8,333,333 performance rights were cancelled.

Post-securities consolidation

- with shareholder approval, 15,333,012 shares at 18 cents per share were issued to substantial shareholder, Mr Tserenpuntsag Tserendamba, on exercise of listed options to raise \$2,759,942 before costs;
- on exercise of listed options, 28,060 shares at 18 cents per share were issued;
- 54,679,807 listed options lapsed without exercise on or before 11 December 2019 and were cancelled;
- without vesting, 3,055,003 performance rights were cancelled; and
- without vesting on or before 31 December 2019, a further 6,110,004 performance rights were cancelled.

Cash and Cash Equivalents

Cash and cash equivalents held by the Group at the end of the half-year was \$2,980,705 (30 June 2019: \$11,136,142) and a further \$39,220,564 (30 June 2019: \$Nil) held on short term deposit.

Significant Subsequent Events

There have been no other significant events subsequent to the reporting date requiring disclosure in this report.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 3 and forms part of this directors' report for the half-year ended 31 December 2019.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the *Corporations Act 2001*.



David Paull
Executive Chairman
10 March 2020

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Aspire Mining Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
10 March 2020



B G McVeigh
Partner

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Note	Consolidated 2019 \$	Consolidated 2018 \$
Interest revenue		91,382	178,877
Foreign exchange (losses)/gains		(431,811)	90,374
Exploration and evaluation expenditure impaired	4	(269)	(7,439)
Employee benefits expense		(833,424)	(721,086)
Share based payments		(129,593)	(217,078)
Contract mining		-	(1,070,243)
Interest expense		(7,656)	(156,126)
Other expenses	2	(1,832,313)	(1,741,772)
Loss before income tax expense		(3,143,684)	(3,644,493)
Income tax expense	3	(2,022)	(14,770)
Net loss for the period		(3,145,706)	(3,659,263)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>			
Exchange differences on translation of foreign operations		(945,511)	(619,899)
Other comprehensive loss for the period, net of tax		(945,511)	(619,899)
Total comprehensive loss for the period		(4,091,217)	(4,279,162)
Loss attributable to:			
Owners of the parent		(3,115,839)	(3,556,113)
Non-controlling interests	6	(29,867)	(103,150)
		(3,145,706)	(3,659,263)
Total comprehensive income/(loss) attributable to:			
Owners of the parent		(4,066,508)	(4,088,592)
Non-controlling interests	6	(24,709)	(190,570)
		(4,091,217)	(4,279,162)
Basic loss per share (cents per share)		(0.86)	(1.32)

The accompanying notes form part of these financial statements

**CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Note	Consolidated 31 Dec 2019 \$	Consolidated 30 Jun 2019 \$
Assets			
Current Assets			
Cash and cash equivalents		2,980,705	11,136,142
Short term deposits	4	39,220,564	-
Trade and other receivables		445,681	504,291
Total Current Assets		42,646,950	11,640,433
Non-Current Assets			
Deferred exploration and evaluation expenditure	5	37,605,272	37,461,876
Property, plant and equipment		393,330	477,056
Intangible assets		214,170	112,618
Total Non-Current Assets		38,212,772	38,051,550
Total Assets		80,859,722	49,691,983
Liabilities			
Current Liabilities			
Trade and other payables		318,532	309,632
Other financial liabilities		11,734	12,068
Total Current Liabilities		330,266	321,700
Non- Current Liabilities			
Other financial liabilities		65,515	73,411
Total Non-Current Liabilities		65,515	73,411
Total Liabilities		395,781	395,111
Net Assets		80,463,941	49,296,872
Equity			
Issued capital	7	150,026,408	114,897,715
Share based payments reserve		515,612	1,167,852
Foreign currency translation reserve		(9,115,535)	(8,164,866)
Contribution reserve		1,805,302	1,805,302
Accumulated losses		(62,297,078)	(59,963,072)
Equity attributable to owners of the parent		80,934,709	49,742,931
Non-controlling interest	6	(470,768)	(446,059)
Total Equity		80,463,941	49,296,872

The accompanying notes form part of these financial statements.

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

		Issued capital	Accumulated losses	Contribution reserve	Share based payments reserve	Foreign currency translation reserve	Attributable to owners of the parent	Non-controlling interests	Total equity
	Note	\$	\$	\$	\$	\$	\$	\$	\$
Consolidated									
Balance at 1 July 2018		99,087,130	(53,920,814)	1,805,302	1,250,531	(7,273,575)	40,948,574	(201,725)	40,746,849
Loss for the period		-	(3,556,113)	-	-	-	(3,556,113)	(103,150)	(3,659,263)
Other comprehensive loss		-	-	-	-	(532,479)	(532,479)	(87,420)	(619,899)
Total comprehensive loss		-	(3,556,113)	-	-	(532,479)	(4,088,592)	(190,570)	(4,279,162)
Shares issued net of costs	7	15,810,397	-	-	-	-	15,810,397	-	15,810,397
Performance rights value brought to account		-	-	-	146,158	-	146,158	-	146,158
Performance rights vested and exercised	8	-	-	-	(426,767)	-	(426,767)	-	(426,767)
Performance rights cancelled	8	-	-	-	(1,080)	-	(1,080)	-	(1,080)
Share based payments		-	-	-	72,000	-	72,000	-	72,000
Balance at 31 December 2018		114,897,527	(57,476,927)	1,805,302	1,040,842	(7,806,054)	52,460,690	(392,295)	52,068,395
Balance at 1 July 2019		114,897,715	(59,963,072)	1,805,302	1,167,852	(8,164,866)	49,742,931	(446,059)	49,296,872
Loss for the period		-	(3,115,839)	-	-	-	(3,115,839)	(29,867)	(3,145,706)
Other comprehensive loss		-	-	-	-	(950,669)	(950,669)	5,158	(945,511)
Total comprehensive loss		-	(3,115,839)	-	-	(950,669)	(4,066,508)	(24,709)	(4,091,217)
Shares issued net of costs	7	35,128,693	-	-	-	-	35,128,693	-	35,128,693
Options expired		-	760,877	-	(760,877)	-	-	-	-
Performance rights value brought to account		-	-	-	129,593	-	129,593	-	129,593
Performance rights cancelled	8	-	20,956	-	(20,956)	-	-	-	-
Balance at 31 December 2019		150,026,408	(62,297,078)	1,805,302	515,612	(9,115,535)	80,934,709	(470,768)	80,463,941

The accompanying notes form part of these financial statements

**CONDENSED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

	Consolidated 2019 \$	Consolidated 2018 \$
	Inflows/(Outflows)	
Cash flows from operating activities		
Payments to suppliers and employees	(2,623,276)	(3,234,752)
Interest received	102,446	172,703
Interest and borrowing costs paid	(7,656)	(177,538)
Income tax paid	(2,022)	(14,770)
Net cash used in operating activities	(2,530,508)	(3,254,347)
Cash flows from investing activities		
Investments in short term deposits	(39,220,564)	-
Purchase of property, plant and equipment	(35,033)	(258,594)
Proceeds from sale of property, plant and equipment	19,042	-
Purchase of intangibles	(167,589)	-
Exploration and evaluation expenditure	(777,752)	(589,776)
Net cash used in investing activities	(40,181,896)	(848,370)
Cash flows from financing activities		
Proceeds from issue of shares	36,284,542	12,679,142
Payments for share issue costs	(1,155,848)	(684,218)
Repayment of borrowings	(8,232)	(6,469)
Net cash provided by financing activities	35,120,462	11,988,455
Net (decrease)/increase in cash held	(7,591,942)	7,885,738
Cash and cash equivalents at the beginning of the period	11,136,142	7,488,401
Effects of exchange rate fluctuations on cash held	(563,495)	52,814
Cash and cash equivalents at the end of the period	2,980,705	15,426,953

The accompanying notes form part of these financial statements

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The interim financial statements were authorised for issue on 10 March 2020.

The interim financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

This condensed half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the consolidated entity as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2019 and any public announcements made by Aspire Mining Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Basis of preparation

The interim report has been prepared on a historical cost basis, except for the valuation of share based payments. Cost is based on the fair value of the consideration given in exchange for assets. The Group is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Adoption of new and revised standards

Standards and Interpretations applicable to 31 December 2019

In the period ended 31 December 2019, the Directors have reviewed all new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the period ended 31 December 2019. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company.

Change in accounting policy

AASB 16 Leases supersedes AASB 117 Leases. The Group has adopted AASB 16 from 1 July 2019 which has resulted in changes in the classification, measurement and recognition of leases. The changes result in almost all leases where the Group is the lessee being recognised on the Statement of Financial Position and removes the former distinction between 'operating and 'finance' leases. The new standard requires recognition of a right-of-use asset (the leased item) and a financial liability (to pay rentals). The exceptions are short-term leases and leases of low value assets.

The Group has adopted AASB 16 using the modified retrospective approach under which the reclassifications and the adjustments arising from the new leasing rules are recognised in the opening Condensed Statement of Financial Position on 1 July 2019. Under this approach, there is no initial Impact on accumulated losses, and comparatives have not been restated.

The Group leases various premises, plant and equipment. Prior to 1 July 2019, leases were classified as operating leases. Payments made under operating leases were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 July 2019, where the Company is a lessee, the Group recognises a right-of-use asset and a corresponding liability at the date which the lease asset is available for use by the Group (i.e. commencement date). Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a consistent period rate of interest on the remaining balance of the liability for each period.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019****NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****Adoption of new and revised standards (continued)**

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the rate implied in the lease. If this rate is not readily determinable, the Group uses its incremental borrowing rate.

Lease payments included in the initial measurement if the lease liability consist of:

- Fixed lease payments less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at commencement date;
- Any amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of purchase options, if the Group is reasonably certain to exercise the options; and
- Termination penalties of the lease term reflects the exercise of an option to terminate the lease.

Extension options are included in a number of property leases across the Group. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if, at commencement date, it is reasonably certain that the options will be exercised.

Subsequent to initial recognition, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The lease liability is remeasured (with a corresponding adjustment to the right-of-use asset) whenever there is a change in the lease term (including assessments relating to extension and termination options), lease payments due to changes in an index or rate, or expected payments under guaranteed residual values

Right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before commencement date, less any lease incentives received and any initial direct costs. These right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Where the terms of a lease require the Group to restore the underlying asset, or the Group has an obligation to dismantle and remove a leased asset, a provision is recognised and measured in accordance with AASB 137. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated on a straight-line basis over the term of the lease (or the useful life of the leased asset if this is shorter). Depreciation starts on commencement date of the lease.

Where leases have a term of less than 12 months or relate to low value assets, the Group has applied the optional exemptions to not capitalise these leases and instead account for the lease expense on a straight-line basis over the lease term.

Significant accounting judgments and key estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2019.

Accounting policies and methods of computation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 2: LOSS BEFORE INCOME TAX EXPENSE

	Consolidated	
	31 December 2019	31 December 2018
	\$	\$
The following other expense items are relevant in explaining the financial performance for the half-year:		
Accountancy and audit fees	110,654	106,980
Advertising, investor and community relations	127,054	187,438
Company secretarial	92,728	83,333
Consultants' fees	370,304	521,409
Depreciation and amortisation	169,788	48,254
Directors' fees	212,927	201,320
Insurance	85,083	55,787
Legal fees	59,122	132,127
Provision for doubtful debts	51,478	20,869
Rent & outgoings	90,552	67,387
Travel and accommodation	171,982	149,951

NOTE 3: INCOME TAX EXPENSE

	Consolidated	
	31 December 2019	31 December 2018
	\$	\$
Income tax expense on Mongolian operations	(2,022)	(14,770)
Income tax expense	(2,022)	(14,770)

NOTE 4: SHORT TERM DEPOSITS

	Consolidated	
	31 December 2019	30 June 2019
	\$	\$
Short term deposits	39,220,564	-

Funds are placed on term deposit by reference to the Company's budgeted needs. The term deposits mature on various dates to 22 June 2020, at which time the funds will be readily available or placed back onto term deposit in whole or in part.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2019

NOTE 5: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	Six months to 31 December 2019 \$	Year ended 30 June 2019 \$
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of the period	37,461,876	35,609,772
• Expenditure incurred, net of cost recoveries	907,461	2,578,993
• Foreign exchange differences	(763,796)	(718,965)
• Expenditure impaired in the period	(269)	(7,924)
Total exploration and evaluation expenditure	37,605,272	37,461,876

Exploration expenditure incurred on projects other than the Ovoot Coking Coal Project and the 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.

NOTE 6: NON-CONTROLLING INTERESTS AND CONTRIBUTION RESERVE

There is a 10% non-controlling interest in the corporate entity that holds the Nuurstei Coking Coal Project mining and exploration licenses; and a 20% non-controlling interest in subsidiary, Northern Rail Holdings Limited (NRIPL).

Non-controlling interest summary

	Coalridge Limited \$	Northern Rail Holdings Limited \$	Total \$
Balance at 30 June 2018	(68,942)	(132,783)	(201,725)
Profit/(loss) allocated to non-controlling interest	(10,398)	(147,651)	(158,049)
Other comprehensive income/(loss) allocated to non-controlling interest	(9,039)	(77,246)	(86,285)
Balance at 30 June 2019	(88,379)	(357,680)	(446,059)
Profit/(loss) allocated to non-controlling interest	(3,390)	(26,477)	(29,867)
Other comprehensive income/(loss) allocated to non-controlling interest	(13,485)	18,643	5,158
Balance at 31 December 2019	(105,254)	(365,514)	(470,768)

	Coalridge Limited		Northern Railway Holdings Limited	
	31 December 2019 \$	30 June 2019 \$	31 December 2019 \$	30 June 2019 \$
Current Assets	29,413	13,734	7,203	60,485
Non-Current Assets	1,097,007	1,230,554	-	-
Total Assets	1,126,420	1,244,288	7,203	60,485
Current Liabilities	(20,560)	(9,477)	(6,884)	-
Non-Current Liabilities	-	-	-	-
Total Liabilities	(20,560)	(9,477)	(6,884)	-
Net Assets	1,105,860	1,234,811	319	60,485
Revenue	-	-	-	3
Loss for the year	(33,896)	(103,981)	(132,383)	(742,573)
Other comprehensive profit/(loss)	(134,847)	(90,382)	93,214	(381,911)
Total comprehensive loss for the year	(168,743)	(194,363)	(39,169)	(1,124,484)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2019

NOTE 7: ISSUED CAPITAL

	31 December 2019	30 June 2019
	\$	\$
<i>Ordinary shares</i>		
Issued and fully paid	150,026,408	114,897,715
	31 December 2019	
	No.	\$
<i>Movements in ordinary shares on issue</i>		
Balance at beginning of period	3,326,541,075	114,897,715
Shares issued at 1.8 cents on 29 November 2019 on exercise of options	99,334	1,788
Shares issued at 2.1 cents on 3 December 2019 pursuant to the Placement with a substantial shareholder	1,595,900,000	33,513,900
Shares issued at 1.8 cents on 4 December 2019 on exercise of options	214,499	3,861
Securities consolidation 1 for 10 on 5 December 2019	(4,430,478,995)	-
Shares issued at 18 cents on 11 December 2019 to a substantial shareholder on exercise of options	15,333,012	2,759,942
Shares issued at 18 cents on 11 December 2019 on exercise of options	28,060	5,051
Costs of issues	-	(1,155,849)
Balance at end of period	507,636,985	150,026,408

NOTE 8: OPTIONS AND PERFORMANCE RIGHTS ON ISSUE

	31 December 2019	30 June 2019
	No	No
Listed Options	-	700,722,235
Performance Rights	6,109,997	161,083,330

During the period:

Pre-securities consolidation:

- 313,833 listed Options were exercised; and
- 8,333,333 Performance Rights were cancelled on termination of employment

Post-consolidation:

- 15,361,072 listed Options were exercised and the remaining 54,679,807 Options cancelled on the 11 December 2019 expiry date;
- 3,055,003 Performance Rights were cancelled as the milestone of 80% or more of the listed Options were not exercised on or before 11 December 2019; and
- Two further tranches (total 6,110,004 Performance Rights) with production and profitability milestones did not vest on or before 31 December 2019 and were subsequently cancelled, leaving 6,109,997 Performance Rights on issue.

The remaining 6,109,997 Performance Rights will vest in two tranches if and when the following two milestones are achieved:

- if the 30-day VWAP of the Company's Shares as traded on ASX is equal to or greater than A\$0.30 by 30 June 2020
- if the 30-day VWAP of the Company's Shares as traded on ASX is equal to or greater than A\$0.40 by 30 June 2021.

The performance rights are valued at the share price on grant date, being 1.2 cents for each of the performance rights issued to the Directors and 1.4 cents for each of the performance rights issued to the employees and contractors. The value of the Performance Rights is taken to the Share Based Payments Reserve progressively over the period the Performance Rights are expected to vest. The cumulative expense that will be recorded will equate to the Performance Rights that ultimately vest.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2019

NOTE 9: FINANCIAL INSTRUMENTS

The Directors consider that the carrying value of the financial assets and liabilities as recognised in the Condensed Statement of Financial Position approximate their fair values.

NOTE 10: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

NOTE 11: SEGMENT REPORTING

Segment information is presented in the interim financial statements in respect of the Group's geographical segments, which are the primary basis for segment reporting. The Group operates in a single business segment, namely natural resources exploration.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly income earning assets, interest income, corporate assets and corporate expenses.

The Group operates in distinct geographical segments, Australia, Mongolia and Singapore. These segments were determined based on the location of the consolidated entity's assets and liabilities.

Geographical segments

	Australia \$	Mongolia \$	Singapore \$	Total \$
31 December 2019				
Segment revenue	71,165	20,217	-	91,382
Segment net operating loss after tax	(1,646,079)	(1,490,585)	(9,042)	(3,145,706)
Segment interest income	71,165	20,217	-	91,382
Segment interest expense	(1,037)	(6,619)	-	(7,656)
Segment depreciation and amortisation	-	(169,788)	-	(169,788)
Segment exploration impairment	-	(269)	-	(269)
Segment assets	37,895,510	42,962,189	2,023	80,859,722
Segment liabilities	(141,225)	(248,309)	(6,247)	(395,781)
Capital expenditure	-	1,019,659	-	1,019,659
Cash flow information				
Net cash flow from operating activities	(1,171,725)	(1,350,525)	(8,258)	(2,530,508)
Net cash flow from investing activities	(34,817,971)	(5,363,925)	-	(40,181,896)
Net cash flow from financing activities	35,128,694	(8,232)	-	35,120,462
31 December 2018				
Segment revenue	29,548	149,329	-	178,877
Segment net operating loss after tax	(1,213,323)	(2,282,848)	(163,091)	(3,659,262)
Segment interest income	29,548	149,329	-	178,877
Segment interest expense	-	-	(156,126)	(156,126)
Segment depreciation and amortisation	-	(48,254)	-	(48,254)
Segment exploration impairment	-	(7,439)	-	(7,439)
Segment assets	12,165,472	40,506,808	1,653	52,673,933
Segment liabilities	(313,580)	(291,958)	-	(605,538)
Capital expenditure	-	1,411,325	-	1,411,325
Cash flow information				
Net cash flow from operating activities	(1,094,038)	(1,977,464)	(182,845)	(3,254,347)
Net cash flow from investing activities	272,731	(1,121,101)	-	(848,370)
Net cash flow from financing activities	11,994,924	(6,469)	-	11,988,455

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2019**

NOTE 12: EVENTS SUBSEQUENT TO REPORTING DATE

There have been no significant events subsequent to the reporting date requiring disclosure in this report.

DIRECTORS' DECLARATION

In the opinion of the Directors of Aspire Mining Limited ('the company'):

1. The financial statements and notes thereto, are in accordance with the Corporations Act 2001 including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year then ended.
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303 (5) of the Corporations Act 2001.



David Paull
Executive Chairman
10 March 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Aspire Mining Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Aspire Mining Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Aspire Mining Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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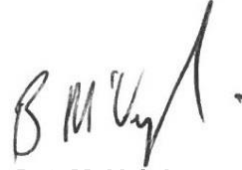
Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
10 March 2020



B G McVeigh
Partner