



Aspire Mining Limited

ABN 46 122 417 243

Interim financial report - 30 June 2024

Aspire Mining Limited
Corporate directory
30 June 2024

Directors	Mr Achit-Erdene Darambazar (Managing Director) Mr Boldbaatar Bat-Amgalan (Non-Executive Director) Mr Michael Avery (Non-Executive Chairman) Mr Russell Taylor (Non-Executive Director)
Company Secretary	Ms Emily Austin
Registered office and principal place of business - Australia	Level 19, 10 Eagle Street Brisbane QLD 4000 AUSTRALIA Tel: +61 7 3303 0827
Registered office and principal place of business - Mongolia	JJ Tower, 9th Floor, Baga Toiruu-17 1st Khoroo, Chingeltei District Ulaanbaatar 15170 MONGOLIA
Share register	Automic Group Level 5, 126 Philip Street Sydney NSW 2000 AUSTRALIA Tel: +61 1300 288 664
Auditor - Australia	KPMG Level 16/153 Macquarie St, Parramatta NSW 2150
- Mongolia	KPMG #602, Blue Sky Tower, Peace Avenue 17 1 Khoroo Sukhbaatar District Ulaanbaatar 14240 MONGOLIA
Bankers	National Australia Bank Ground Floor, 100 St Georges Terrace, Perth WA 6000 AUSTRALIA
Stock exchange listing	Aspire Mining Ltd shares are listed on the Australian Securities Exchange (ASX: AKM)
Website	www.aspiremininglimited.com
ABN	46 122 417 243

Aspire Mining Limited

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Aspire Mining Limited

Directors' report

30 June 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Aspire Mining Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2024 and the review report thereon.

Directors

The following individuals were directors of Aspire Mining Limited during the half-year and up to the date of this report, unless otherwise stated:

Mr Michael Avery	Non-Executive Chairman
Mr Achit-Erdene Darambazar	Managing Director
Mr Boldbaatar Bat-Amgalan	Non-Executive Director
Mr Russell Taylor	Non-Executive Director

Principal activities

The principal activity of the Group during the period was the progression of studies, permits and approvals to advance the development of the Ovoot Coking Coal Project ('Ovoot Project').

During the reporting period, the Company held interests in two tenements:

- (a) a 100% interest in mining license MV-017098 held by Khurgatai Khaikhan LLC, containing a large-scale, world-class deposit of 'fat' coking coal upon which the Ovoot Coking Coal Project is based; and
- (b) a 90% interest mining license MV-020941 held by Black Rock LLC, upon which the Nuurstei Coking Coal Project is based.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Review of operations

The profit for the Group attributable to the owners of Aspire Mining Limited after providing for income tax for the 6 months ended 30 June 2024 amounted to \$2,740,325 (6 months ended 30 June 2023: \$1,376,199).

During the period, the Company undertook the following main items of work to progress development of the Ovoot Project:

- Detailed Environmental Impact Assessment (DEIA) prepared in relation to the construction and operation of the Coal Handling and Preparation Plant (CHPP) planned within the Ovoot Coking Coal Project (OCCP) was approved by the Professional Council of the Ministry of Nature, Environment and Tourism (MNET) of Mongolia.
- Detailed Design for road to be constructed in support of the Ovoot Coking Coal Project (OCCP) was approved by Conclusion issued from the Road and Transportation Development Centre (RTDC), an organisation under the Ministry of Road and Transportation Development (MRTD) of Mongolia.
- DEIA prepared in relation to the planned construction and operation of road in support of the OCCP (for which Detailed Design was prepared and approved) was approved by the MNET of Mongolia.
- Work continued to update the JORC (2012) Coal Resource estimate for the Ovoot deposit, incorporating new structural and quality points of observation obtained from the infill exploration drilling conducted in Q4 2022, as well as a thorough desktop review of previous work undertaken to fine tune seam and ply correlations.
- Work commenced to update the JORC (2012) Coal Reserve estimate for the Ovoot deposit, utilising an updated geological model prepared as part of developing the updated JORC (2012) Coal Resource estimate, including to develop an updated Life-of-Mine schedule and apply updated capital and operating cost estimates derived through other supporting studies.
- Work commenced to produce Design and Cost Estimate for required transportation infrastructure, including Transportation Hub (where all coal haulage activities are to be based) and Rest Stops (where long-haul truck drivers will be expected to take mandatory fatigue breaks).
- Work commenced to update Design and Cost Estimate for the planned Erdenet Rail Terminal (ERT) Infrastructure, incorporating revisions to reduce capital cost in comparison to that which was determined previously in the Front End Engineering Design (FEED) study.

Aspire Mining Limited
Directors' report
30 June 2024

- The Green Fodder Program was implemented for the fourth year in succession, with seeds sown across approximately 200 hectares of land within the Ovoot mining license, from which the resulting fodder produced will be cut, baled and provided at discount to herders within the local community as part of the Company's efforts to develop good community relations and demonstrate the successful coexistence of mining and agriculture.
- Through its wholly owned local subsidiary, Khurgatai Khaikhan LLC, the Company continued to support educational, cultural and sporting activities in its host communities as part of efforts to develop and maintain good community relations. This included sponsorship of the 2024 National Ankle Bone Shooting Championship, a high school rugby competition, a Taekwondo State Cup, a Khuvsgul Badminton Championship, a National Youth Wrestling Cup Championship, ongoing scholarships for four university students from Tsetserleg soum and prizes for students competing in the Khuvsgul aimag Physics Olympiad.

Review of financial conditions

At balance date, the Group had \$423,382 (31 December 2023: \$580,444) in cash at bank and \$5,196,846 (31 December 2023: \$6,401,151) in short-term interest bearing deposits. The Group also had investments in bonds of \$9,898,530 as at 30 June 2024 (31 December 2023: \$9,011,944). The Group recorded a profit attributable to the owners of the Group of \$2,740,325 for the 6 month period ended 30 June 2024 (6 months ended 30 June 2023: profit of \$1,376,199) and has accumulated losses of \$59,371,266 as at 30 June 2024 (31 December 2023: \$62,111,591). The Group used \$630,993 of cash in operations, in addition to \$732,822 of cash for exploration and evaluation expenditure for the 6 months ended 30 June 2024. The Group had working capital of \$16,307,637 and net assets of \$44,057,196 as at 30 June 2024 (31 December 2023: working capital of \$17,648,082 and net assets of \$44,993,855).

The Group continues to invest in a low risk but moderate to high yielding portfolio of major Australian bank senior debt and covered bonds. The intention of this is to generate interest to partially offset the costs being incurred in investing in the development of the Ovoot Project.

The cash and investments held by the Group remains sufficient to meet required community relations activities, approvals, permits and evaluation activities to advance towards development of the Ovoot Project.

Further raisings or other means of funding will be required for the capital infrastructure requirements for full development of the Ovoot Project and the associated haul road. This has not yet been committed.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the half-year.

Corporate governance

Details of the Company's Corporate Governance policies are contained within the Corporate Governance Plan adopted by the Board. The Corporate Governance Statement for the year ended 31 December 2023 can be found on the Company's website at www.aspiremininglimited.com.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report for the six months ended 30 June 2024.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Achit-Erdene Darambazar
Managing Director

12 September 2024



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Aspire Mining Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Aspire Mining Limited for the half-year ended 30 June 2024 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Kevin Pyeun

Partner

Sydney

12 September 2024

Aspire Mining Limited
Condensed consolidated statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2024

	Note	Consolidated 30 Jun 2024 \$	30 Jun 2023 \$
Other income			
Finance income	4	3,867,412	2,206,264
Other income		19,484	-
Expenses			
Employee benefits expense	5	(588,886)	(460,548)
Share-based payments expense	16	(73,770)	(33,787)
Depreciation and amortisation expense	5	(11,382)	(21,445)
Other expenses	5	(473,824)	(315,232)
Profit before income tax expense		2,739,034	1,375,252
Income tax expense		-	-
Profit after income tax expense for the half-year		2,739,034	1,375,252
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation to presentation currency		(3,749,462)	(2,175,383)
Other comprehensive loss for the half-year, net of tax		(3,749,462)	(2,175,383)
Total comprehensive loss for the half-year		<u>(1,010,428)</u>	<u>(800,131)</u>
Profit/(loss) for the half-year is attributable to:			
Non-controlling interest		(1,292)	(947)
Owners of Aspire Mining Limited		2,740,325	1,376,199
		<u>2,739,033</u>	<u>1,375,252</u>
Total comprehensive loss for the half-year is attributable to:			
Non-controlling interest		(1,292)	(947)
Owners of Aspire Mining Limited		(1,009,136)	(799,184)
		<u>(1,010,428)</u>	<u>(800,131)</u>
		Cents	Cents
Basic earnings per share		0.54	0.27
Diluted earnings per share		0.54	0.27

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Aspire Mining Limited
Condensed consolidated statement of financial position
As at 30 June 2024

		Consolidated	
	Note	30 Jun 2024	31 Dec 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	6	5,620,228	6,981,595
Trade and other receivables	7	1,169,795	1,867,055
Investments	8	9,898,530	9,011,944
Total current assets		<u>16,688,553</u>	<u>17,860,594</u>
Non-current assets			
Property, plant and equipment		181,294	206,616
Intangibles		5,106	15,792
Capitalised exploration and evaluation expenditure	9	27,563,159	27,123,365
Total non-current assets		<u>27,749,559</u>	<u>27,345,773</u>
Total assets		<u>44,438,112</u>	<u>45,206,367</u>
Liabilities			
Current liabilities			
Trade and other payables		380,916	212,512
Total current liabilities		<u>380,916</u>	<u>212,512</u>
Total liabilities		<u>380,916</u>	<u>212,512</u>
Net assets		<u>44,057,196</u>	<u>44,993,855</u>
Equity			
Issued capital	10	127,479,441	127,479,441
Reserves	11	(23,662,389)	(19,986,697)
Accumulated losses		(59,371,266)	(62,111,591)
Equity attributable to the owners of Aspire Mining Limited		<u>44,445,786</u>	<u>45,381,153</u>
Non-controlling interest		(388,590)	(387,298)
Total equity		<u>44,057,196</u>	<u>44,993,855</u>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

Aspire Mining Limited
Condensed consolidated statement of changes in equity
For the half-year ended 30 June 2024

Consolidated	Issued capital \$	Foreign currency translation reserve \$	Share-based payments reserves \$	Contribution reserve \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Balance at 1 January 2023	127,479,441	(22,263,002)	59,177	1,383,153	(60,124,978)	(385,123)	46,148,669
Profit/(loss) after income tax expense for the half-year	-	-	-	-	1,376,199	(947)	1,375,252
Other comprehensive loss for the half-year, net of tax	-	(2,175,383)	-	-	-	-	(2,175,383)
Total comprehensive income/(loss) for the half-year	-	(2,175,383)	-	-	1,376,199	(947)	(800,131)
Share-based payments (note 16)	-	-	33,787	-	-	-	33,787
Balance at 30 June 2023	<u>127,479,441</u>	<u>(24,438,385)</u>	<u>92,964</u>	<u>1,383,153</u>	<u>(58,748,779)</u>	<u>(386,070)</u>	<u>45,382,325</u>

Consolidated	Issued capital \$	Foreign currency translation reserve \$	Share-based payments reserves \$	Contribution reserve \$	Accumulated losses \$	Non- controlling interest \$	Total equity \$
Balance at 1 January 2024	127,479,441	(21,545,023)	175,173	1,383,153	(62,111,591)	(387,298)	44,993,855
Profit/(loss) after income tax expense for the half-year	-	-	-	-	2,740,325	(1,292)	2,739,033
Other comprehensive loss for the half-year, net of tax	-	(3,749,462)	-	-	-	-	(3,749,462)
Total comprehensive income/(loss) for the half-year	-	(3,749,462)	-	-	2,740,325	(1,292)	(1,010,429)
Share-based payments (note 16)	-	-	73,770	-	-	-	73,770
Balance at 30 June 2024	<u>127,479,441</u>	<u>(25,294,485)</u>	<u>248,943</u>	<u>1,383,153</u>	<u>(59,371,266)</u>	<u>(388,590)</u>	<u>44,057,196</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Aspire Mining Limited
Condensed consolidated statement of cash flows
For the half-year ended 30 June 2024

	Consolidated	
Note	30 Jun 2024	30 Jun 2023
	\$	\$
Cash flows from operating activities		
Payments to suppliers (inclusive of GST)	(1,087,053)	(804,216)
Interest received	456,060	224,472
Income taxes refunded	-	1,305
Net cash used in operating activities	<u>(630,993)</u>	<u>(578,439)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(2,706)	(5,393)
Payments for intangibles	(4,449)	-
Payments for exploration and evaluation expenditure	(732,822)	(940,500)
Proceeds from disposal of property, plant and equipment	41,427	-
Investment in Bond	-	(9,898,422)
Net cash used in investing activities	<u>(698,550)</u>	<u>(10,844,315)</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	(1,329,543)	(11,422,754)
Cash and cash equivalents at the beginning of the half-year	6,981,595	20,039,068
Effects of exchange rate changes on cash and cash equivalents	<u>(31,824)</u>	<u>(48,683)</u>
Cash and cash equivalents at the end of the half-year	<u><u>6</u> 5,620,228</u>	<u><u>8,567,631</u></u>

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes

Aspire Mining Limited
Notes to the condensed consolidated financial statements
30 June 2024

Note 1. Material accounting policy information

Basis of preparation

These general-purpose financial statements for the interim half-year reporting period ended 30 June 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the six months ended 31 December 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial period and corresponding interim reporting period, unless otherwise stated.

Reporting entity

The Company is a listed public Company, incorporated in Australia and operating in Mongolia. The principal activity of the Group during the year was the progression of studies, permits exploration of the mining projects in Mongolia as described below and obtaining approvals to advance the development of the Ovoot Coking Coal Project (Ovoot Project).

During the reporting period, the Group held interests in two tenements in Mongolia:

- (a) a 100% interest in mining license MV-017098 held by Khurgatai Khaikhan LLC, containing the large scale, world class Ovoot Coking Coal Project; and
- (b) a 90% interest mining license MV-020941 held by Black Rock LLC, containing the Nuurstei Coking Coal Project.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Going Concern

The interim financial statements have been prepared on the going concern basis of accounting, which assumes that the Group will be able to continue trading and realise assets and discharge liabilities in the ordinary course of business for a period of at least twelve months from the date of these interim financial statements are approved.

The Group recorded a profit attributable to the owners of the Group of \$2,740,325 for the 6 months ended 30 June 2024 and has accumulated losses of \$59,371,266 as at 30 June 2024. The Group used \$630,993 of cash in operations, in addition to \$732,822 of cash for exploration and evaluation expenditure for the 6 months ended 30 June 2024.

The Group had working capital of \$16,307,637 and net assets of \$44,057,196 as at 30 June 2024. In the opinion of the Directors, the Group will be able to fulfill its obligations as and when they fall due for the foreseeable future being at least twelve months from the date of approval of these financial statements taking into consideration the following:

- Group having \$423,382 in cash at bank, \$5,196,846 in short-term interest-bearing deposits and \$9,898,530 held in investments which can be convertible to cash;
- Capital pertaining to the development and construction of the Ovoot and Nuurstei projects have not yet been finalised and/or committed; and
- The Group will seek alternative funding for any future construction projects.

Aspire Mining Limited
Notes to the condensed consolidated financial statements
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Note 1. Material accounting policy information (continued)

Accordingly, no adjustment has been made to the financial statements relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Foreign currency translation

The interim financial statements are presented in United States Dollars, which is Aspire Mining Limited's presentation currency while its functional currency is Australian Dollars.

The functional currency of the Company's foreign subsidiaries is the Mongolian Tughrík ('MNT') with the exception of Ovoot Coking Coal Pte Ltd, Northern Railways Pte Ltd, Coalridge Limited and Northern Infrastructure Limited (formerly Northern Mongolian Railways Limited) whose functional currency is USD. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign operations

The assets and liabilities of foreign operations are translated into United States dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into United States dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences on translation to presentation currency are recognised in other comprehensive income through the foreign currency reserve in equity, except to the extent that the translation difference is allocated to NCI. For the monetary item receivable from or payable to a foreign operation is either planned or likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of the profit or loss.

On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI.

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Notes to the condensed consolidated financial statements
30 June 2024

Note 1. Material accounting policy information (continued)

Capitalised exploration and evaluation assets

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- (i) the rights to tenure of the area of interest are current; and
- (ii) at least one of the following conditions is also met:
 - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - (b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Exploration and evaluation costs

The Group's accounting policy for exploration and evaluation expenditure is set out in note 1. The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of the expectation that exploration costs incurred can be recouped through the successful development of the area (unless activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves). The estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditure incurred is unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be impaired or written off through the statement of profit or loss and other comprehensive income.

Aspire Mining Limited
Notes to the condensed consolidated financial statements
30 June 2024

Note 3. Operating segments

Identification of reportable operating segments

The Group has 3 main geographical segments: Australia, Mongolia and Other (which consists of Singapore and British Virgin Islands). These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Operating segment information

Consolidated - 30 Jun 2024	Australia US'\$	Mongolia US'\$	Other US'\$	Total US'\$
Revenue				
Interest Income	137,907	184,446	-	322,353
Other income	3,379	16,106	-	19,485
Total revenue	141,286	200,552	-	341,838
EBITDA	2,236,917	522,131	(8,362)	2,750,686
Depreciation and amortisation	-	(11,383)	-	(11,383)
Profit/(loss) before income tax expense	2,236,917	510,748	(8,362)	2,739,303
Income tax expense				-
Profit after income tax expense				2,739,303
Assets				
Segment assets	14,698,563	29,739,549	-	44,438,112
Total assets				44,438,112
Liabilities				
Segment liabilities	263,505	117,410	-	380,915
Total liabilities				380,915
Capital expenditure during the half-year	87,351	539,297	-	626,648
Consolidated - 30 Jun 2023	Australia US'\$	Mongolia US'\$	Other US'\$	Total US'\$
Revenue				
Interest Income	287,778	93,570	-	381,348
Total revenue	287,778	93,570	-	381,348
EBITDA	1,737,739	(330,961)	(10,081)	1,396,697
Depreciation and amortisation	-	(21,445)	-	(21,445)
Profit/(loss) before income tax expense	1,737,739	(352,406)	(10,081)	1,375,252
Income tax expense				-
Profit after income tax expense				1,375,252
Consolidated - 31 Dec 2023				
Assets				
Segment assets	15,240,839	29,965,528	-	45,206,367
Total assets				45,206,367
Liabilities				
Segment liabilities	155,064	57,448	-	212,512
Total liabilities				212,512

Aspire Mining Limited
Notes to the condensed consolidated financial statements
30 June 2024

Note 3. Operating segments (continued)

	Australia US'\$	Mongolia US'\$	Other US'\$	Total US'\$
Capital expenditure during the half-year	46,852	629,092	-	675,943

Note 4. Finance income

	Consolidated 30 Jun 2024 \$	30 Jun 2023 \$
Net foreign exchange gain	3,545,059	1,824,916
Interest income from term deposits	195,588	195,273
Interest income from bonds	126,765	186,075
Finance income	<u>3,867,412</u>	<u>2,206,264</u>

Note 5. Expenses

	Consolidated 30 Jun 2024 \$	30 Jun 2023 \$
Profit/(loss) before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Property, plant and equipment	<u>11,382</u>	<u>21,445</u>
<i>Other expenses</i>		
Accounting and audit fees	102,923	58,533
Company secretarial	26,118	31,262
Insurance	65,824	72,351
Legal fees	27,286	8,443
Consultants' fees	127,902	60,927
Share registry and listing expenses	20,224	21,377
Short term lease rent and office outgoings	24,928	23,842
Other expenses	<u>78,619</u>	<u>38,497</u>
	<u>473,824</u>	<u>315,232</u>
<i>Employment expenses</i>		
Wages and salaries	574,436	454,850
Superannuation	<u>14,430</u>	<u>5,698</u>
	<u>588,866</u>	<u>460,548</u>

Note 6. Cash and cash equivalents

	Consolidated 30 Jun 2024 \$	31 Dec 2023 \$
<i>Current assets</i>		
Cash at bank	423,382	580,444
Short-term interest-bearing deposits	<u>5,196,846</u>	<u>6,401,151</u>
	<u>5,620,228</u>	<u>6,981,595</u>

Aspire Mining Limited
Notes to the condensed consolidated financial statements
30 June 2024

Note 6. Cash and cash equivalents (continued)

Cash at bank earns interest at floating rates based on daily bank deposit rates.

Note 7. Trade and other receivables

	Consolidated	
	30 Jun 2024	31 Dec 2023
	\$	\$
<i>Current assets</i>		
Other receivables	234,356	63,913
Prepayments	728,646	462,808
Interest receivable on bonds	168,233	303,011
Bond proceeds receivable	-	1,019,207
	<u>1,131,235</u>	<u>1,848,939</u>
 GST receivable	 38,560	 18,116
	<u><u>1,169,795</u></u>	<u><u>1,867,055</u></u>

There were no credit losses in the current or the prior year.

Other receivables relate to security and environmental deposits paid, refund of goods and services tax payments due. Balances within other receivables do not contain impaired assets and are not past due. It is expected that these balances will be received in full. Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables.

Note 8. Investments

	Consolidated	
	30 Jun 2024	31 Dec 2023
	\$	\$
<i>Current assets</i>		
Short-term interest-bearing bond	<u>9,898,530</u>	<u>9,011,944</u>

During the previous year US\$9 million was invested into a portfolio of major Australian bank senior debt and covered bonds, to generate strong and secure yields for offset against operating costs whilst continuing to develop the Ovoot Coking Coal Project. This portfolio is comparable in risk profile to Australian bank fixed term deposits, but able to generate return on US\$ denominated holdings. These investments are classified as fair value through other comprehensive income. The interest from these investments are recognised in profit or loss whilst the fair value movement is recognised in other comprehensive income. The fair value movement during the period was not material.

Note 9. Capitalised exploration and evaluation expenditure

	Consolidated	
	30 Jun 2024	31 Dec 2023
	\$	\$
<i>Non-current assets</i>		
Capitalised exploration and evaluation expenditure – Ovoot Coking Coal Project	<u>27,188,554</u>	<u>26,744,637</u>
Capitalised exploration and evaluation expenditure - Nuurstei Coking Coal Project	<u>374,605</u>	<u>378,728</u>
	<u><u>27,563,159</u></u>	<u><u>27,123,365</u></u>

Aspire Mining Limited
Notes to the condensed consolidated financial statements
30 June 2024

Note 9. Capitalised exploration and evaluation expenditure (continued)

Exploration expenditure incurred on the Ovoot Coking Coal Project and Nuurstei Coking Coal Project mining licences has been carried forward as that expenditure is expected to be recouped through successful development and exploration of the areas of interest, or alternatively, by sale.

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Exploration and evaluation \$
Consolidated	
Balance at 1 January 2024	27,123,365
Additions	626,648
Exchange differences	(186,854)
Balance at 30 June 2024	<u>27,563,159</u>

The Company held interests in two tenements during half-year:

- (a) Ovoot Coking Coal Project; and
- (b) Nuurstei Coking Coal Project.

Note 10. Issued capital

	Consolidated			
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid (net of transaction costs)	<u>507,636,985</u>	<u>507,636,985</u>	<u>127,479,441</u>	<u>127,479,441</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Note 11. Reserves

	Consolidated	
	30 Jun 2024	31 Dec 2023
	\$	\$
Foreign currency translation reserve	(25,294,485)	(21,545,023)
Contribution reserve	1,383,153	1,383,153
Share-based payments reserve	248,943	175,173
	<u>(23,662,389)</u>	<u>(19,986,697)</u>

Foreign currency translation reserve

This reserve is used to accumulate the foreign currency differences on translation to presentation currency that arise from changes in the exchange rates.

Aspire Mining Limited
Notes to the condensed consolidated financial statements
30 June 2024

Note 11. Reserves (continued)

Share-based payments reserve

This reserve is used to record the value of equity benefits provided to directors and employees as part of their fees and remuneration.

Contribution Reserve

The contribution reserve is used to record the value which arises as a result of transactions with non-controlling interests that do not result in a loss of control.

Note 12. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 13. Contingent liabilities

There are no material contingent liabilities relating to the Group as at 30 June 2024 (31 December 2023: \$nil)

Note 14. Commitments

Exploration Commitments

There are no material commitments relating to the Group as at 30 June 2024 (31 December 2023: \$nil)

Note 15. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 16. Share-based payments

An employee incentive securities plan has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Board, grant options or performance rights over ordinary shares in the company to certain key management personnel of the consolidated entity. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Set out below are summaries of rights granted under the plan:

				Number of rights 30 Jun 2024	Weighted average exercise price 30 Jun 2024	Number of rights 31 Dec 2023	Weighted average exercise price 31 Dec 2023
Outstanding at the beginning of the financial half-year				6,000,000	\$0.000	5,000,000	\$0.000
Granted				-	\$0.000	1,000,000	\$0.000
Outstanding at the end of the financial half-year				<u>6,000,000</u>	\$0.000	<u>6,000,000</u>	\$0.000

30 Jun 2024							
Grant date	Expiry date	Exercise price	Balance at the start of the half-year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the half-year
30/06/2022	30/06/2026	\$0.000	3,000,000	-	-	-	3,000,000
30/06/2022	30/06/2026	\$0.000	2,000,000	-	-	-	2,000,000
24/11/2023	24/11/2027	\$0.000	1,000,000	-	-	-	1,000,000
			<u>6,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000,000</u>

Aspire Mining Limited
Notes to the condensed consolidated financial statements
30 June 2024

Note 16. Share-based payments (continued)

31 Dec 2023

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
30/06/2022	30/06/2026	\$0.000	3,000,000	-	-	-	3,000,000
30/06/2022	30/06/2026	\$0.000	2,000,000	-	-	-	2,000,000
24/11/2023	24/11/2027	\$0.000	-	1,000,000	-	-	1,000,000
			<u>5,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>6,000,000</u>

Performance rights outstanding at the end of the half-year have the following expiry date and exercise prices:

Option	Class	Exercise price	Balance of rights
Unlisted Director Options, issued as part of share-based compensation for remuneration	Vesting in two tranches: 1,500,000 performance rights shall vest when the Company has announced that it has secured total funding for the Ovoot Project construction commencement; and 1,500,000 performance rights shall vest when the Company has announced that commercial production has commenced at the Ovoot Project within 18 months of construction commencement.	\$0.000	3,000,000
Unlisted Executive Director Options, issued as part of share-based compensation for performance	Vesting in two tranches: 1,000,000 performance rights shall vest when the Company has announced that it has secured total funding for the Ovoot Project construction commencement; and 1,000,000 performance rights shall vest when the Company has announced that commercial production has commenced at the Ovoot Project within 18 months of construction commencement.	\$0.000	2,000,000
Unlisted non-executive Director Options, issued as part of share-based compensation for performance	Vesting in two tranches: 500,000 performance rights shall vest when the Company has announced that it has secured total funding for the Ovoot Project construction commencement; and 500,000 performance rights shall vest when the Company has announced that commercial production has commenced at the Ovoot Project within 18 months of construction commencement.	\$0.000	1,000,000
			<u>6,000,000</u>

Aspire Mining Limited
Directors' declaration
30 June 2024

In the opinion of the directors of Aspire Mining Limited ("the Company"):

(a) the condensed consolidated financial statements and notes set out on pages 6 to 18, are in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the six month period ended on that date and

(ii) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001 and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

On behalf of the directors



Achit-Erdene Darambazar
Managing Director

12 September 2024



Independent Auditor's Review Report

To the shareholders of Aspire Mining Limited

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Aspire Mining Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Aspire Mining Limited does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the **Group's** financial position as at 30 June 2024 and of its performance for the Half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Condensed consolidated statement of financial position as at 30 June 2024
- Condensed consolidated statement of profit or loss and other comprehensive income, Condensed consolidated statement of changes in equity and Condensed consolidated statement of cash flows for the Half-year ended on that date
- Notes 1 to 16 including selected explanatory notes
- The Directors' Declaration.

The **Group** comprises Aspire Mining Limited (the Company) and the entities it controlled at the Half-year's end or from time to time during the Half-year.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Interim Financial Report does not comply with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the Half-year ended on that date, and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of an Interim 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.



KPMG



Kevin Pyeun

Partner

Sydney

12 September 2024