
ASX ANNOUNCEMENT

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The Manager
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EXECUTION OF \$650,000 LOAN NOTE AGREEMENT WITH EXECUTIVE CHAIRMAN

KEY HIGHLIGHTS

- **Successful execution of \$650,000 financing loan note agreement with Executive Chairman.**
 - **Financing executed on similar terms as loan note issued to specialist mining investor Resource Capital Fund V L.P. (RCF).**
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Ascot Resources Limited (ASX: AZQ) ("Ascot" or "the Company") is pleased to announce that it has entered into a loan note agreement with an entity associated with its Executive Chairman, Paul Kopejtko, for the issue of a 1-year unsecured loan note (the "Note") raising A\$650,000.

Funds raised under the Note will be directed towards advancing feasibility studies at the Company's flagship 90%-owned Titiribi coal project in Colombia, as detailed in the Company's 13 July 2013 Maiden JORC announcement and for general corporate and working capital purposes.

The Note is being issued on broadly the same terms as the loan note issued to RCF (refer announcement of 5 May 2013). The Note is convertible at the election of the noteholder into ordinary fully paid shares in the Company at a conversion price of A\$0.18 per share, representing an approximate 200% premium to the last traded price of A\$0.06 per share.

The Company has undertaken to obtain requisite shareholder approvals to enable conversion within 3 months of the issue of the Note. The Company has the ability to redeem the Note after 2 months from the date of issue of the Note by giving the requisite notice to the noteholder.

The Note carries a coupon rate of 14% per annum, payable quarterly in arrears. At the noteholder's election, coupons may be paid in the form of Ascot shares, cash or a combination of cash and shares, with any shares issued being priced at a 5% discount to prevailing market prices.

Managing Director Andrew Caruso commented:

"Despite the recent weakness in the global resource sector and challenging market conditions currently faced by junior resource exploration and development companies, the Company's advancement in delivering its Maiden JORC resource has added considerable value to the Company's shareholders.

In sourcing capital, companies have been forced to re-think the traditional equity capital finance models to preserve shareholder value. The investment in the Company by the Executive Chairman via a convertible note, on equal terms to the note issued to respected specialist mining investor RCF and at a substantial

premium to the current market price, is further evidence of the Board's belief in the quality of the Company's Titiribi coal project."

It is expected that the Note will be issued, and drawdown of the funds will take place, within the next 3 days.

About Ascot Resources Limited

Ascot Resources Limited ("Ascot") is an ASX listed coal explorer and developer. Its major asset is its 90% JV interest in the Titiribi Coal Project located in the Department of Antioquia, Colombia. With the Project site being located only 70km from State Capital Medellin, it is close to existing utilities and infrastructure. It is Ascot's intention to grow the Colombian business via asset acquisition and it will be continually assessing opportunities within Colombia.

For more information, visit www.ascotresources.com or contact:

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