
ASX ANNOUNCEMENT

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TITIRIBI JOINT VENTURE TO ACQUIRE NEIGHBOURING CONCESSIONS

KEY HIGHLIGHTS

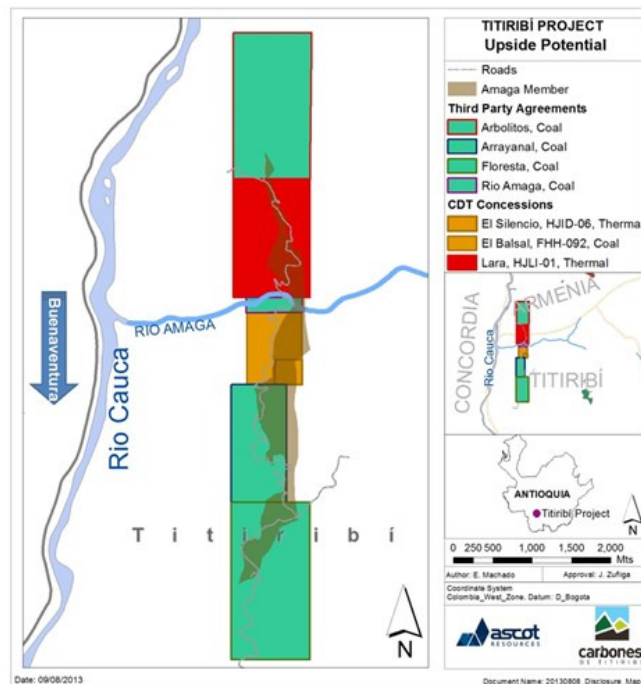
- **Carbones de Titiribi Joint Venture (Ascot: 90%) secures neighbouring concessions comprising the areas known as Arrayanal, Floresta, Arbolitos and Rio Amaga.**
- **Consideration of US\$50,000 payable by Ascot for acquisition of the concessions.**
- **Resultant c250% increase in existing land holding and has the potential to significantly increase mineralisation of Titiribi Coal Project.**
- **Ascot has also successfully renegotiated key terms of the Titiribi Joint Venture Agreement.**
- **Revised terms materially more favourable and reflect Ascot's intentions to ensure Agreement conducive to it achieving production objectives once final studies are completed and approvals and funding are in place.**

Ascot Resources Limited (ASX: AZQ) (**Ascot** or **the Company**) is pleased to announce that the Carbones de Titiribi Joint Venture (**CdTJV**), in which Ascot holds a 90% interest, has successfully negotiated the acquisition of three additional concessions immediately adjacent to the north and south of those currently comprising the Titiribi Coal Project (**the Project**). The three concessions cover the areas known as Arrayanal, Floresta, Arbolitos and Rio Amaga. Collectively, these areas total c 503 hectares, representing a 250% increase in Ascot's current land holding and are therefore expected to substantially increase the coal mineralisation of the Project. Total consideration payable to effect the acquisition is US\$50,000, payment of which is expected to be made over the coming week.

The three concessions previously formed part of two larger concession applications (ANM application 5849 and 5837) and, following recent conversion to title, are in the process of being transferred into the CdTJV. The concessions are known to contain the Amaga coal formation, which is expected to be host to all the economic coal (refer to diagram below).

Effective transfer is expected to occur during Q2 CY14.

Figure 1: Amaga Coal Formation



Analysis of geological mapping and non-invasive geophysical exploration work reflects potential for sizeable mineralisation in the Arrayanal concession alone, suggesting the new areas collectively present a significant opportunity to increase the resource estimate for the Project and, in turn, the underlying value and investment return. Ascot’s current base case modelling does not take into consideration any of this upside.

Following effective transfer of the concessions, the CdTJV will seek to expedite exploration work within Arrayanal and aim to increase the existing project resource estimate and update the CdT PFS¹ by 1H CY14. In parallel with the exploration work, the CdTJV plans to finalise submissions necessary for mining and environmental approvals (PMA and PTO), both of which are currently being planned and drafted by Ascot’s team in Colombia.

The Company continues to progress negotiations with parties interested in funding and developing the Project, the finalisation of which remains a key priority.

Ascot has also renegotiated certain terms of the CdTJV Agreement on more favourable terms. Major changes to the original JV terms include i) a US\$700,000 reduction in payments due at initial commercial exploitation to US\$300,000, ii) simplified JORC-linked Resource production royalty of US.90c/t, iii) removal of the JORC Reserve linked payment structure and iv) removal of the dilution clause which provided for the possible increase in the JV partner’s interest, ensuring Ascot’s share of the Joint Venture will remain at 90%.

Executive Chairman Andrew Caruso commented on the major milestone achievements:

‘The acquisition of the additional concessions located along strike represents a critical milestone in the Company’s plans for the Titiribi Project. The potential for a significant and material uplift in overall mineralisation will lift both the profile and underlying value of the Project, translating into increased shareholder value.

¹ Refer ASX announcement dated 26 August 2013

'In addition, the revised joint venture terms are conducive to the CdTJV's ability to achieve a higher value, near-term production solution for the Titiribi Project.

'These achievements are a reflection of Ascot's commitment to the Titiribi Project, and provide affirmation of the Company's vision to grow its Colombian coal business".

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.

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