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ASX ANNOUNCEMENT

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The Manager
Company Announcements Office
Australian Stock Exchange Limited
PO BOX H224 Australia Square
SYDNEY NSW 2000

APPOINTMENT OF CHIEF EXECUTIVE OFFICER

Ascot Resources Limited (ASX: AZQ) (**Ascot** or the **Company**) is pleased to announce the appointment of Mr Andrew Caruso as Chief Executive Officer of the Company, commencing on 7 January 2013.

Mr Caruso has over twenty years experience in the mining industry including operations, management and executive roles within Australia and overseas. He spent over five years working in significant Australian coal operations, including two years at BHP Coal in Queensland. For the past two and half years, he was CEO of Crosslands Resources Ltd, which is developing the Jack Hills iron ore expansion project in Western Australia. Prior to that, he was the Managing Director of Australasian Resources Ltd (ASX: ARH) which is developing the Balmoral South iron ore project in Western Australia. Mr Caruso has a Bachelor's Degree in Mining Engineering and is a member of the Australian Institute of Company Directors.

The appointment of Mr Caruso follows the recent appointment of Mr Paul Kopejtka as the Company's Executive Chairman.

Together, Mr Kopejtka and Mr Caruso bring significant leadership and project development credentials to the Company as it seeks to develop the Titiribi Coal Project. All of the conditions precedent to the Company's acquisition of the Titiribi Coal Project have now been satisfied, with settlement of that transaction (**Settlement**) expected to occur in early 2013.

Importantly, both Mr Kopejtka and Mr Caruso have been instrumental in the origination and operation of successful mining ventures in Australia and overseas.

The key terms of Mr Caruso's remuneration package are as follows:

- Annual salary of \$300,000 per annum (excluding superannuation), reviewed annually at the discretion of the Board
- An annual performance bonus of up to 35% of gross salary based on the achievement of agreed objectives, and payable after the Board's review
- The issue of 16,500,000 performance rights under a new employee incentive plan which is in the process of being established by the Company, which rights will only vest subject to satisfaction of certain agreed performance and retention conditions which are described in more detail below
- The Company may terminate Mr Caruso's employment on 6 months notice, or payment in lieu of notice. Mr Caruso may resign on 6 months notice.

Mr Caruso is intended to be appointed as a director of the Company by no later than 1 April 2013.

Incentive arrangements

As indicated above, the Company has agreed to issue a total of 16,500,000 performance rights to Mr Caruso under the terms of a new employee incentive plan which is in the process of being established by the Company. The performance rights to be issued to Mr Caruso will only vest upon satisfaction of the following performance milestones:

- 1,500,000 performance rights will vest upon Mr Caruso remaining continuously employed by the Company or any of its related bodies corporate (as that term is defined by the Corporations Act) for the period ending 18 months after the commencement of his employment with the Company;
- 1,500,000 performance rights will vest upon definition of a 10Mt Inferred Mineral Resource in accordance with JORC Guidelines (as that term is defined for the purposes of JORC Guidelines for coal) of coal that meets agreed minimum specifications being delineated within the Titiribi Coal Project area and any new licences acquired by the Company's Colombian subsidiary, Carbones de Titiribi (the **Licence Area**) within 12 months of Settlement occurring.
- A further 1,500,000 performance rights will vest upon definition of a 20Mt Inferred Mineral Resource in accordance with JORC Guidelines (as that term is defined for the purposes of JORC Guidelines for coal) of coal that meets the agreed minimum specifications being delineated within the Licence Area within 18 months of Settlement occurring.
- A further 4,500,000 performance rights will vest where the 20 day volume weighted average trading price (VWAP) of Ascot's shares on ASX equals or exceeds \$0.35 at any time during the period ending 24 months after Settlement occurs.
- A further 7,500,000 performance rights will vest upon definition of a 20Mt Measured Mineral Resource in accordance with JORC Guidelines (as that term is defined for the purposes of JORC Guidelines for coal) of coal that meets the agreed minimum specifications being delineated within the Licence Area within 24 months of Settlement occurring.

These performance milestones align with the milestones set by the Company in connection with the deferred consideration payable to Ascot Equities Pty Ltd (**Ascot Equities**) in connection with the Company's acquisition of the Titiribi Coal Project, as well as acting as a retention incentive for Mr Caruso.

Ascot Equities has agreed that any shares issued to Mr Caruso upon the vesting of performance rights will reduce the number of shares which Ascot Equities would otherwise be entitled to receive as deferred consideration for the Company's acquisition of the Titiribi Coal Project upon satisfaction of the above performance milestones.

The performance rights to be issued to Mr Caruso will lapse if Mr Caruso's employment is terminated for cause or he otherwise resigns prior to the achievement of the relevant milestone event.

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. The region is known for its high quality Thermal Coal. 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 company via asset acquisition and it will continue to actively evaluate new business opportunities within Colombia.

In addition, Ascot has two Projects in Australia. The McPhees Gold Project, Western Australia, which has an extensive history of historical exploration and mining and The Quartz Hill Project, Northern Territory, an early stage multi commodity exploration project consisting of two granted exploration licenses and three exploration license applications.

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

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