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ASX RELEASE

For Immediate Release – 6 September, 2016

Expression of Interest received from China Development Bank to provide funding for the Erdenet to Ovoot Rail Project

- **China Development Bank has provided an Expression of Interest to fund up to 75% of the EPC contract cost to build the Erdenet to Ovoot Railway in Mongolia.**
- **This Expression of Interest comes after the Erdenet to Ovoot Railway was included in the new Northern Rail Corridor which is to connect China and Russia through Mongolia.**

Mongolian metallurgical coal explorer and infrastructure company, Aspire Mining Limited (ASX: AKM, the **Company** or **Aspire**), is pleased to announce that it has received an Expression of Interest from China Development Bank (**CDB**) to fund up to 75% of the Engineering, Procurement and Construction (“**EPC**”) contract cost to build the Erdenet to Ovoot Railway in Northern Mongolia.

CDB is a Chinese Government owned policy financial institution that provides medium to long term financing facilities that serve China’s long term economic and social development strategies. CDB notes that it is the world’s largest development finance institution and the largest Chinese Bank for foreign investment and financing cooperation, long term lending and bond issuance. It was ranked 87th on the Fortune Global 500 in 2015.

The Erdenet to Ovoot Railway represents a section of the planned Northern Rail Corridor announced in June 2016 which is a trilateral agreement between China, Russia and Mongolia to extend a rail link from China through Mongolia and connect with the Russian rail system. A 30 year rail concession was granted to Aspire’s rail subsidiary Northern Railways LLC (**Northern Railways**) in August 2015 by Mongolian Government to progress the development of the Erdenet to Ovoot Railway.

Northern Railways has formed a consortium with two subsidiaries of China Railways Corporation to progress the development of the Erdenet to Ovoot railway – China Railways 20 Bureau Group Corporation (**CR20G**) and China Railway First Design Survey and Design Institute (**FSDI**). CR20G is the nominated EPC contractor and FSDI has been contracted to undertake the Bankable Feasibility Study. FSDI has commenced the first stage of a Bankable Feasibility Study, which is due for completion by 31 December 2016.

The CDB Expression of Interest confirms that subject to CDB being satisfied with the first stage of the Bankable Feasibility Study for the Erdenet to Ovoot Railway, CDB intends to provide a non-binding term sheet in relation to the provision of a long term debt facility to Northern Railways to fund up to 75% of the EPC contract cost of that project.

Any such non-binding term sheet from CDB is expected to outline the conditions that CDB requires to be satisfied before it will provide a binding debt facility to Northern Railways, including conditions relating to the raising of sufficient equity capital by Northern Railways, the provision of a suitable security package, obtaining any further approvals required from the Mongolian Government and meeting the conditions precedent outlined in the Erdenet to Ovoot Concession Agreement.

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About Aspire Mining Limited

Aspire Mining Limited is listed on the ASX (ASX: AKM) and is the largest coal tenement holder in Mongolia's Northern provinces and is focused on identifying, exploring and developing quality coking coal assets.

Aspire is the 100% owner of the world class Ovoot Coking Coal Project (Ovoot) which is the second largest coking coal project by reserves in Mongolia. The Ovoot project development is dependent on the construction of the Erdenet to Ovoot railway which is being progressed by Aspire's subsidiary Northern Railways LLC (Northern Railways). Northern Railways has been granted a rail concession in August 2015 and is progressing the negotiations and completion of a bankable feasibility study, funding, EPC contract, applications for licenses, permits and approvals to commence railway construction.

Production from the Ovoot project can coincide with the commissioning of the Erdenet to Ovoot railway.

Aspire also currently owns a 50% interest in and is the operator of the Ekhgoviin Chuluu Joint Venture (ECJV), and has an option to increase its ownership to 100% of the ECJV. The ECJV owns a 90% interest in the Nuurstei Coking Coal Project (Nuurstei) which recently announced initial JORC Compliant resources

About Northern Railways LLC

Northern Railways LLC (Northern Railways) is a Mongolian registered rail infrastructure Company, and mandated to pursue the development of the Erdenet to Ovoot Railway, is supported by a consortium consisting of Aspire Mining, and subsidiaries of fortune 500 listed China Railway Construction Corporation – China Railway 20 Bureau Group Corporation (CR20G) and China Railway First Survey & Design Institute (FSDI).

The Erdenet to Ovoot Railway extends 547km between the town of Erdenet to Aspire's Ovoot Project, which connects northern Mongolia to China and international markets. In accordance with Mongolian National Rail Policy, the Erdenet to Ovoot Railway is a multi-user rail line and will be available for the transport of bulk materials, agricultural and general freight from the region to export markets including China, Russia and seaborne markets.

The Erdenet to Ovoot Railway will play an important part in the establishment of the Northern Rail Corridor through Mongolia, the subject of a trilateral program agreed by the Presidents of China, Russia and Mongolia. The Northern Rail Corridor through Mongolia is primarily aimed at improving trade by reducing regulation, improving capacity at borders and to improve road and rail infrastructure to meet this increased demand for transport services. The Northern Rail Corridor through Mongolia links closely with Chinese policies to establish a New Silk Road to improve Euro-Asian trade, and Russia's policy of establishing a Euro-Asian economic zone.

In August 2015, Northern Railways was granted an exclusive 30 year concession by the Mongolian Government to build and operate the Erdenet to Ovoot Railway. Northern Railways is now progressing funding negotiations for the completion of a bankable feasibility study and other studies to support applications for licences, permits and approvals, as well as progressing negotiations for the EPC contract and financing of the railway construction.

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