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ASX RELEASE

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CGGC Delivers Draft Erdenet to Ovoot Rail Feasibility Study

- **China Gezhouba Group International Ltd (CGGC) has delivered a draft Feasibility Study for the Erdenet to Ovoot Railway Project to Aspire rail subsidiary, Northern Railways LLC (NR). It will take some time for NR to review, assess and provide feedback on what is a comprehensive document.**
- **Costs of Construction of the railway in the draft on a very preliminary review are comparable to the First Stage Feasibility Study completed in January 2017.**
- **The Feasibility Study again confirms the financial viability of the Erdenet to Ovoot Railway.**
- **CGGC confirms ongoing discussions with a range of debt and equity providers interested in funding the rail project. These sources of funding are conditional on completion of outstanding Rail Concession conditions precedent including a capacity guarantee on the Trans Mongolian Railway for NR freight.**
- **Northern Railway's Erdenet to Ovoot Railway Concession Agreement has been amended to include CGGC as a nominated Joint EPC Contractor for the Rail Project with the approval of all participants in the Concession including the Mongolian Government.**
- **Combination of CGGC with China Railway Construction Corp subsidiaries, China First Survey & Design Institute Group Co Ltd and China Railway 20 Group Bureau Corporation creates a very strong technical, operational and financially powerful alliance.**
- **NR has separately entered into an agreement with Russian design institute Mosgioprotrans to jointly complete a Preliminary Economic Assessment of a rail connection between Ovoot to Arts Suuri and the Russian city of Kyzyl. NR in association with a Mongolian design institute will complete the PEA for the Mongolian side of the border.**

Mongolian metallurgical coal explorer and infrastructure company, Aspire Mining Limited (ASX: AKM, the **Company** or **Aspire**), is pleased to announce that its rail subsidiary, Northern Railways LLC (NR), has received a draft Feasibility Study from CGGC. NR will now review the study and provide feedback before finalisation.

CGGC has continued to engage with project funding partners with the Feasibility Study being an important milestone in their evaluation. The Erdenet to Ovoot Railway Project, being part of the Northern Rail Corridor, has a high level support in China, hence the funding interest of China Development Bank and Silk Road Fund amongst other potential investors.

Apart from providing the Feasibility Study and working closely with funding partners, the Rail Concession Agreement was recently been amended to include CGGC as a joint EPC contractor with China Railway 20 Group Bureau Corporation.

Agreement to Jointly Study the Ovoot – Arts Suuri – Kyzyl Sections of Northern Rail Corridor

NR has also recently entered into an Agreement with Mosgioprotrans, a leading Russian rail design institute. The aim of the Agreement is to coordinate joint efforts to prepare a Preliminary Economic Assessment (PEA) of the potential Ovoot – Arts Suuri – Kyzyl rail extension for the Northern Rail Corridor. This PEA will be jointly presented by Russian and Mongolian rail ministry representatives to Chinese funding institutions including Asian Infrastructure Investment Bank to seek funding for the feasibility study.

This Agreement is further evidence of Russian support for the Northern Rail Corridor.

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About Aspire Mining Limited

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

Ovoot Coking Coal Project (100%)

Aspire is also the owner of the world class Ovoot Coking Coal Project (Ovoot Project). The full realisation of the Ovoot Project is dependent on the construction of the Erdenet to Ovoot Railway which is being progressed by Northern Railways LLC (Northern Railways).

Nuurstei Coking Coal Project (90%)

Aspire has a 90% interest in Nuurstei Coking Coal Project (Nuurstei Project) located in northern Mongolia.

The close proximity of the Nuurstei Project to existing infrastructure (town, road, rail and services) provides an excellent opportunity to assess the economics of a road-based operation prior to the construction completion of the Erdenet to Ovoot Railway.

Depending on the further analysis of the results of the intended 2018 drilling program, future positive economic studies, funding and the grant of necessary approvals and licenses, the Nuurstei Project could commence a road-based production operation and access the new Erdenet to Ovoot Railway two years from commencement of its construction.

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 Limited – China Railway 20 Bureau Group Corporation and China Railway First Survey & Design Institute Group Co Ltd.

The Erdenet to Ovoot Railway extends 549km 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 improving 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 years 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 the Concession Agreement conditions precedent, other studies to support applications for licenses, permits and approvals, and the railway construction.

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