



## **MEDIA RELEASE**

**For Immediate Release – 12 June, 2018**

# **Russia's Tass News Agency Reports on Meeting of President Putin, Chinese leader Xi Jinping and Mongolian President Battulga**

**On 9 June 2018 Russia's TASS News Agency reported on a meeting between Russian President Vladimir Putin, Chinese leader Xi Jinping and Mongolian President Battulga held in Qingdao China on the sidelines of the Shanghai Cooperation Organization Conference ("SCO").**

**In the news article President Putin noted :**

- **The rapid increase in container traffic via China, Mongolia and Russia:**
  - **2.7 times increase in 2017**
  - **Nearly 4 times increase in March 2018 quarter.**
- **That plans are in place to upgrade the Russian – Mongolian Ulaanbaatar Railway and adjacent segments. A development programme for this Railway until 2030 is under preparation and the first stage provides for investments amounting to US\$260 million during 2018 to 2020.**
- **That the three countries had been working together to remove excessive administration barriers in order to ensure uninterrupted trade flows.**
- **That Russia supports a Mongolian initiative to build oil and gas pipelines from Russia to China via Mongolia subject to conducting a thorough feasibility study.**

This is the fourth meeting of the three leaders on the sidelines of the SCO and focused on tri-lateral cooperation to boost trade and the supporting enabling infrastructure.

Aspire's Executive Chairman David Paull noted "For Aspire's rail subsidiary, Northern Railways LLC, progress on the expansion of the Ulaanbaatar Railway's Central Line to make capacity available for the Erdenet – Ovoot Railway is welcome news. As is further confirmation of the rapid growth in container based trade volumes between Russia and China through Mongolia.

Its worth noting that the recently completed Rail Feasibility Study for the Erdenet – Ovoot Railway did not allow for any transit freight demand yet still demonstrated a competitive after tax rate of return on rail equity investment of 13.6%."

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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 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 conditions precedent, other studies to support applications for licenses, permits and approvals, the EPC contract and railway construction.

### **For more information contact:**

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