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ASX RELEASE

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Erdenet to Ovoot Concession Agreement Executed

Mongolian metallurgical coal explorer and infrastructure company, Aspire Mining Limited (ASX: AKM, the **Company** or **Aspire**), is pleased to announce the execution of the Concession Agreement to build and operate the Erdenet to Ovoot railway (**Rail Project**) has been completed during signing ceremonies in Mongolia and China with authorised representatives of the Government of Mongolia (**GOM**) Investment Agency, Aspire, Northern Railways LLC (**Northern Railways**), China Railway 20 Bureau Group Corporation (**CR20G**) and China Railway First Survey & Design Institute (**FSDI**).

There have been no changes to the material terms of the Concession Agreement as announced on 12 August 2015.

The execution of the Concession Agreement follows three months of negotiations between the GOM and Northern Railways and was supported by a consortium consisting of Aspire, CR20G and FSDI. On 10 August 2015, the Cabinet of the Mongolian Government passed a resolution authorising its Investment Agency to execute the Concession Agreement. The Concession Agreement provides for up to five (5) years construction timeframe followed by a 30 year operational period after which 100% of the base railway structure will be vested to the GOM.

Northern Railways now has 18 months to complete a number of conditions precedent required to commence construction of the Rail Project which include the completion of a bankable feasibility study, EPC contract, connection agreement to existing railway at Erdenet, financing, licences and permits necessary to construct and operate the Rail Project.

Northern Railways are exclusively engaged with CR20G and FSDI in relation to EPC contract negotiations and the completion of the bankable feasibility study respectively. Both CR20G and FSDI are subsidiaries of Fortune-500 listed China Railway Construction Corporation (**China Railway**) who is also China's largest rail construction organisation.

The first stage of the bankable feasibility study is currently being completed which was recently funded through the commitments of a US$600,000 loan to Northern Railways and US$200,000 placement in Aspire by Northern Railways advisor, Signum Resources Corporation (**Signum**).

The Rail Project spans 547 km and forms part of Mongolia's Rail Policy to provide rail access to its northern provinces through the extension of its existing rail network from Erdenet to the Russian/Mongolian border at Arts Suuri with a Russian connection planned to Kyzyl (refer Figure 3). At full operation the Rail Project will have capacity to move 30 Mtpa of bulk commodities, agricultural, general and passenger freight including transit freight between Russia and China.

Aspire's Managing Director, Mr David Paull said that "The Company has entered an exciting phase in progressing the development of our Ovoot Coking Coal Project".

"The Erdenet to Ovoot railway provides not only a transport solution for Ovoot coking coal but its planned connection with Russia creates an international rail transport route running directly through northern Mongolia where the majority of our assets are located".

"Having the support of China Railway subsidiaries CR20G and FSDI is significant to the development of the Erdenet to Ovoot railway as they bring extensive international experience in the design and construction of railway, as well as connections with Chinese financiers keen to participate in infrastructure projects along the Silk Road", Mr Paull said.

Figure 1: Concession Agreement Signing Ceremony. Representatives (from left to right): Mr Ganbat Badarch (Director, Northern Railways), Mr Javkhlanbaatar.S (Director-General, Invest Mongolia Agency), Mr David Paull (Managing Director, Aspire; Director, Northern Railways)

Figure 2: China Representatives (middle): Mr David Paull (Managing Director, Aspire), Mr Li Linxuan (Board of director and Deputy General Manager, CR20G)

Figure 3: Erdenet – Ovoot railway forming part of the Mongolian rail policy forming part of the trilateral Economic Corridor between Russia, Mongolia and China

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 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), and following a successful 2014 exploration program is planning to conduct additional exploration work through 2015 with the aim of identifying a JORC 2012 coal resource and defining coal quality across the deposit. Depending on the results of the 2015 program, future positive economic studies, funding and the grant of necessary approvals and licenses, Nuurstei could commence a road based production operation as early as 2016, and access the new Erdenet to Ovoot railway as early as two years from commencement of its construction.

Aspire is also the 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 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 licences, permits and approvals to commence railway construction.

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

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 – Ovoot railway extends 547 km 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 – 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 an Economic Corridor through Mongolia, the subject of a trilateral agreement signed by the Presidents of China, Russia and Mongolia. The Economic 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. This Economic 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 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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