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## ASX RELEASE



**For Immediate Release – 2 May, 2017**

### **Aspire Signs MOU Agreement to Mine and Purchase Coal to Support Nuurstei Coking Coal Project Development**

- **Aspire has signed an agreement to mine and purchase raw coal from the owner and operator of a coal mine adjacent to the Nuurstei Coking Coal Project.**
- **Testing of this coal has indicated that it has a similar hard coking coal quality to Nuurstei.**
- **The coal purchases are expected to provide around 10% of the feed to a proposed modular coal wash plant to be acquired, constructed and located at the Nuurstei Coking Coal Project.**

Mongolian metallurgical coal explorer and infrastructure company, Aspire Mining Limited (ASX: AKM, the **Company** or **Aspire**), is pleased to announce that it has entered into an memorandum of undertaking agreement to mine and purchase raw coal from an existing mine adjacent to the ECJV's Nuurstei Coking Coal Project (Nuurstei Project).

The adjacent coal mine is currently being operated to produce small quantities of raw coal for local thermal consumption.

Analysis of the adjacent coal mine has indicated that it has similar hard coking coal qualities to the Nuurstei Project coal. The strategy is to wash this purchased coal at Nuurstei for delivery of a washed coking coal to customers in China. Regular purchases are conditional on the establishment of the Nuurstei Coal Project Wash Plant.

The coal purchase pricing will be based on the raw coal pricing received by the owner from existing local sales.

Aspire is to provide technical and other assistance as required, including facilitating the mining of 16,000 tonnes of raw coal in 2017 for the adjacent mine to meet its local sales commitments.

The ECJV owns 90% of the Nuurstei Project. The ECJV is 50% owned by Aspire and 50% by Noble Group with Aspire having the right to 30 June 2017 to acquire the Noble Group interest for US\$1 million and a future royalty.

Aspire's Managing Director, Mr David Paull, said that "the ability to purchase material quantities of coal from an existing mine adjacent to the Nuurstei Coking Coal Project helps in de-risking development and is a further important step in the continuing commercialisation of the Nuurstei Coking Coal Project."

**END**

#### **About Ekhgoviin Chuluu Joint Venture**

The Ekhgoviin Chuluu Joint Venture (ECJV) is currently a 50/50 joint venture arrangement between Aspire and Singapore listed, Noble Group (SGX: N21, Noble). Aspire is the operator of the ECJV and has an option to purchase Noble's 50% interest, exercisable by 30 June 2017. The ECJV owns a 90% interest in the Nuurstei Coking Coal Project (Nuurstei Project) located in northern Mongolia and a 100% interest in the Erdenebulag Coal Project located in the South Gobi region of Mongolia.

Depending on the further analysis of the results of a future drilling program, 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.

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.

#### **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 Project) 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 being progressed by Aspire's subsidiary, Northern Railways LLC (Northern Railways). 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 has 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 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 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 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 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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