



ASX RELEASE

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Northern Railways and China Gezhoubu Group enter into Non-binding Cooperation Agreement to advance the Ovoot to Erdenet Railway

Mongolian metallurgical coal explorer and infrastructure company, Aspire Mining Limited (ASX: AKM, the **Company** or **Aspire**), is pleased to announce that its subsidiary, Northern Railways LLC (Northern Railways), has entered into a non-binding cooperation agreement with China Gezhoubu Group Company Limited (CGGC) to advance the Erdenet to Ovoot Railways Project as part of the Northern Rail Corridor.

CGGC is a subsidiary of China Energy Engineering Corporation Limited that focuses on design, construction, investment and operation of projects in fields of hydropower, thermal power, nuclear power, wind power, energy transmission, highways, railways, bridges, airports, ports and industrial and civil buildings. CGGC works in 142 countries and has established 99 overseas branches with 30,000 employees worldwide. CGGC was established in the early 1970's to complete the Three Gorges Dam Project, then China's largest infrastructure project.

Combining the large scale construction and financing expertise of CGGC with the rail technical abilities of the Northern Railways consortium member, China Railway 20 Bureau Group Corporation (CR20BGC), would create a powerful and compelling consortium to attract funding for this rail project which is part of China's One Belt One Road initiative.

Northern Railways will provide CGGC with access to the existing technical database and will work with CGGC to source debt and equity funding for the Rail Feasibility Study and EPC construction funding from Chinese funding institutions. CGGC and Northern Railways will also work together to promote the Northern Rail Corridor and connectivity with the Russian Rail system.

Aspire's Managing Director, Mr David Paull, said that "Aspire through its subsidiary, Northern Railways LLC, is directly participating in the One Belt One Road initiative, a vision to enhance trade connectivity with China which will have dramatic and far reaching consequences for global trade. This has been recognised by China Gezhoubu Group, a very large state owned enterprise which is also one of the preeminent international Chinese contractors with a deep experience base in arranging funding for large projects that they participate in, as well as providing direct investment. The combination of CR20BGC and CGGC further demonstrates the strategic regional importance of the Northern Rail Corridor."

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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 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 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 a bankable feasibility study and other studies to support applications for licenses, permits and approvals, as well as progressing negotiations for the EPC contract and financing of the railway construction.

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