



ASX RELEASE

For Immediate Release – 31 January 2012

QUARTERLY REPORT Quarter Ended 31 December 2011

Aspire Mining Limited (ASX: AKM, “Aspire” or “the Company”) is pleased to present its December 2011 Quarterly Report.

Aspire is focused on developing its world-class 100%-owned Ovoot Coking Coal Project (“Ovoot Project”) in Northern Mongolia and advancing the region’s infrastructure to bring Ovoot coking coal to world markets.

Aspire’s other Mongolian assets include the Nuramt Coal Project (100%), Jilchigbulag Coal Project (100%) and the Zavkhan Iron Ore Project (earning 70%).

Highlights

- **Pre-Feasibility Study for the Ovoot Project nearing completion:**
 - Infill drilling totalling 44 holes and 9,200m completed.
 - Sedgman has completed a wash plant design that targets an 80% yield with an 8% ash product.
 - Early investigations have identified potential areas for significant water reserves within, or in close proximity to, the Ovoot Project.
 - Studies have identified a local power provider that can provide mains power, direct to the Ovoot Project facilities.
 - BOOT options are available for the required Ovoot Project facilities.
- **Exploration drill hole DH314 extends New Coal Discovery area by 1km to the west.**
- **Noble Strategic Alliance and Marketing Agreement announced.**
- **Completed a placement to raise A\$32.8 million from institutional and sophisticated investors in October 2011.**
- **Continued the drilling programme through winter.**
- **Continued to expand the management team to support Ovoot development.**
- **Northern Railways LLC**
 - Rail Pre-Feasibility Study into the Erdenet to Moron and Moron to Ovoot rail lines substantially complete.
 - Agreed to issue Northern Railways LLC shares to potential users of the Erdenet to Moron rail line.

Exploration

Aspire has four exploration projects in Mongolia, three of which are focused on coking coal (Ovoot Coking Coal Project, Nuramt Coal Project and Jilchigbulag Coal Project) and one focused on iron ore (Zavkhan Iron Ore Project).



Figure 1: Project Location Map of Mongolia

Ovoot Coking Coal Project (100% Owned)

The Ovoot Project comprises three contiguous exploration licenses covering more than 500 square kilometres of the Ovoot Coking Coal Basin in northern Mongolia.

New Coal Discovery area

In September 2011, the Company announced that it had intersected coal in reconnaissance drilling commencing approximately four kilometres to the north east of the existing 330.7 million tonne Ovoot Coal Resource. Due to the emphasis on completing infill drilling in the Ovoot Coal Resource to update the resource statement and establish an initial JORC reserve, only a limited amount of drilling capacity was available to drill the New Coal Discovery area. With the completion of infill drilling more focus can now be placed on the New Coal Discovery area and other prospects including Hurimt.

December Quarter exploration drilling in the New Coal Discovery area, included holes on large 2 to 2.5 kilometre step outs to the south west and south east. Drill hole DH314, completed in January, returned 14 metres of coal from 371 metres and has extended the New Coal Discovery area by one kilometre to the south west.

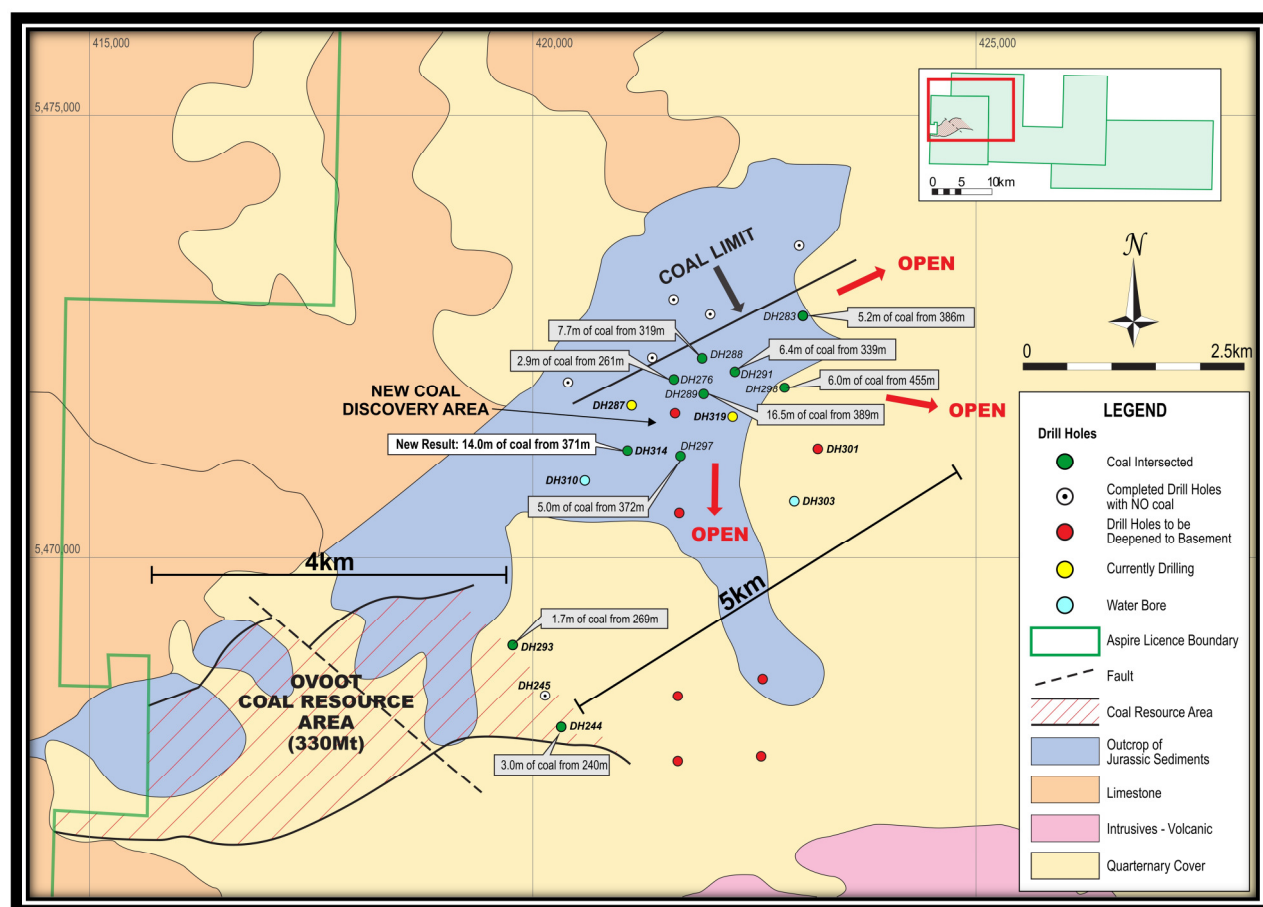


Figure 2: Map Showing Location of New Coal Discovery area

Ground conditions in the New Coal Discovery area are relatively more difficult and one hole failed at close to target depth in an encouraging sedimentary sequence. Drilling is continuing in this New Coal Discovery area targeting extensions to the north east and south.

The New Coal Discovery area is open to the north east, south east, and south.

Two drillholes that were completed within the Jurassic Sediments but without intersecting coal did however identify water. Water flow rates from these holes were encouraging as a potential aquifer and a water bore adjacent to DH303 (Refer Figure 2) is now being equipped as a permanent water bore to supply water for the current drilling activities and potentially, for coal washing facilities.

This new discovery demonstrates the high prospectivity of the Ovoot Project as an exciting new Mongolian coking coal basin. With less than 20% of the Ovoot Coking Coal Basin drilled to date, the Company has now discovered coal in two locations within the Ovoot Coking Coal Basin.

Initial raw coal quality data has been received from this New Coal Discovery area and the preliminary results are tabled below:

Low Total Moisture	< 1% (ar)
Medium Volatile Coal	17 to 30% (abd)
High CSN's	7 to 9
Variable Ash	14% to 50% (adb)
Calorific Values	3,800 to 7,000 kcal/kg (adb)

Removal of one outlier sample from the raw coal results of 50% (adb) ash reduced the average raw ash content to 25% (adb). Raw coal sulphur content was shown to be relatively high compared to the Ovoot Resource, however, three sulphur results recorded spot highs in localised areas. Overall, sulphur levels reduce to the south and east while phosphorous was relatively low.

Washing testwork will now be performed to understand preliminary wash yields and potential product specifications.

Airborne Geophysics Programme Completed

A comprehensive airborne geophysics programme is nearing completion over the entire Ovoot Coking Coal Basin. This data will be processed by SRK in the March 2012 Quarter with a view to understanding the basement rock and the effect of intrusives and faulting on the coal host sediments. This will enable efficient targeting of potentially coal bearing sediments in many of the areas that are covered by alluvials and clays.

2012 Exploration Plan

The Company has managed to maintain an energetic drilling campaign at Ovoot through the start of winter. This is a considerable achievement as temperatures can fall below minus 35 degrees Celsius. Drilling is planned to continue through winter with a further 16,500 metres budgeted in 2012.

The Company's successful exploration strategy is based on reconnaissance drilling to basement across the interpreted strike of surface mapped Jurassic Sediments that potentially contain coal. The Company's exploration team has also identified attractive targets at the Hurimt and Zuun Del prospects within the Ovoot Coking Coal Basin which will be targeted as part of the 2011/2012 exploration programme.

The Company has agreed to bring forward the drilling programme to test the Hurimt Prospect which is some 15 kilometres east of the existing Ovoot Coal Resource. A dedicated multi-purpose drilling rig and camp will be mobilised to site in February 2012. The plan is to initially test exposed Jurassic Sediments to understand stratigraphy. Results from analysing the magnetics and seismic data will also assist with drill targeting.

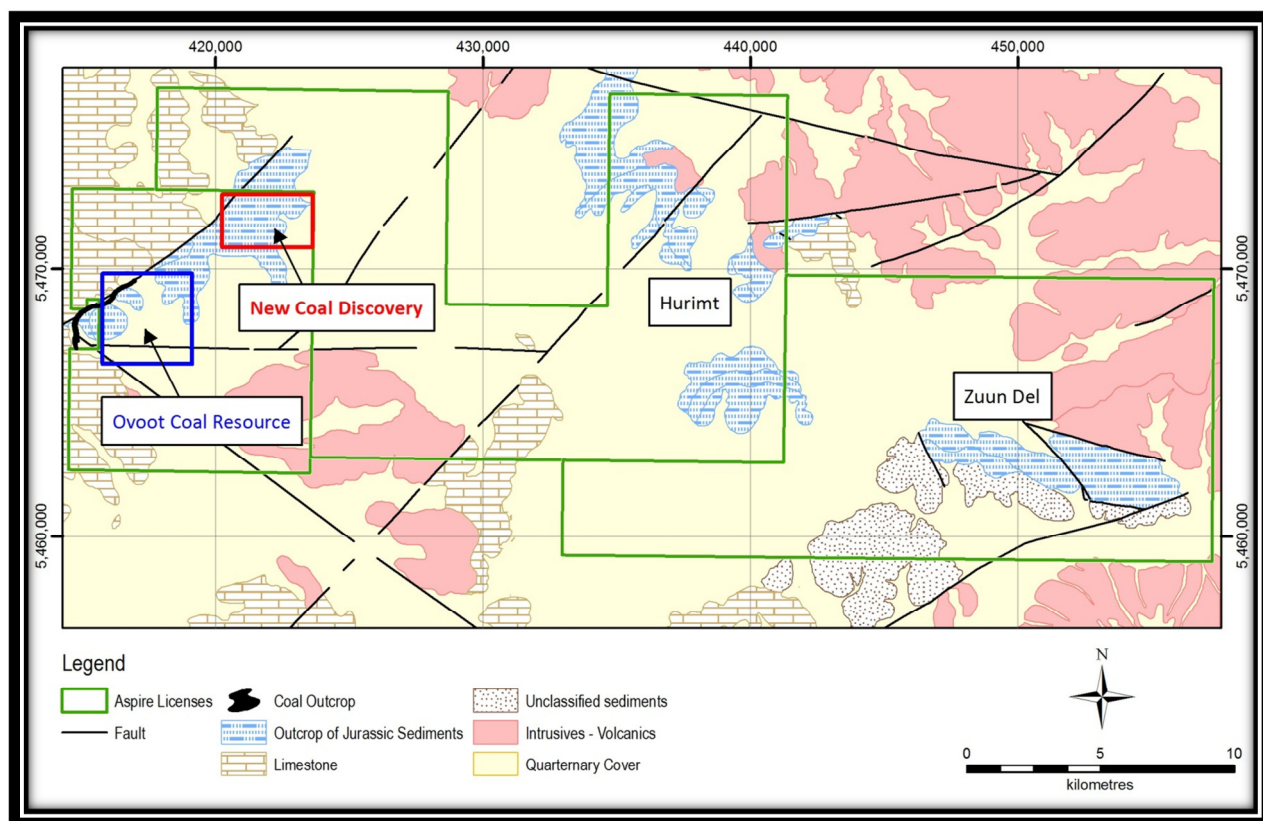


Figure 3: Ovoot Coking Coal Project Licenses

Jilchigbulag Coal Project (100% Owned)

During the Quarter the Company received initial coal quality results from the June and September Quarter drilling at the Jilchigbulag Project. These results confirm the presence of a semi soft coking coal with moderate ash (averaging 21%), high volatile (average 35%) and relatively low CSN range of 1.5 to 2.5.

Resource potential at Jilchigbulag is considered to be small. However, discovery of coal at Jilchigbulag, the nearby Nuurstei discovery, a Xanadu Mines Ltd and Noble Group Joint Venture, along with the Ovoot coking coal discovery, confirms the high prospectivity of the region for further coking coal discoveries.

At this stage no further exploration is planned at Jilchigbulag.

Nuramt Coal Project (100%)

The Company currently holds licences in respect of 200 square kilometres of the Nuramt Basin.

The Nuramt Basin is 35 kilometres long and contains the Jurassic Sediments which contain coal at Ovoot and Jilchigbulag. Detailed mapping was conducted on the property in the December 2011 Quarter. However, no drilling was conducted as the focus was predominantly on the Ovoot Project. The entire Nuramt License area will be flown with close spaced airborne magnetics in the March 2012 Quarter in preparation for a targeted reconnaissance drilling programme later in 2012.

Zavkhan Iron ore Project (Earning 70%)

Aspire has the right to earn into a 70% interest in the Zavkhan Iron Ore Project ("Zavkhan"), a six square kilometre exploration license covering a known magnetic anomaly associated with high grade magnetite and hematite at surface.

A magnetics programme was completed in October 2011 which provided higher resolution images to be used to more specifically target the magnetic anomaly. An initial reconnaissance drilling programme is planned for the second half of 2012 in order to test this anomaly.

The Company is targeting a direct shipping magnetite/hematite resource at Zavkhan which could also potentially require rail access to the Trans Mongolian Rail line.

Shanagan Coal Project (Earning 50%)

After reviewing the initial reconnaissance drilling programme it was decided that there was not sufficient encouragement to continue to farm in to this joint venture. The Company took the decision to withdraw from this joint venture in the December 2011 Quarter.

Ovoot Coking Coal Project Commercialisation Studies

Infill Drilling Programme

During the December 2011 Quarter the Company continued with a comprehensive infill drilling programme which is now complete. Due to relatively slow drilling advance rates completion of the infill programme took longer than originally expected. During full year 2011 the Company completed a further 44 holes for 9,200 metres into the existing Ovoot Coal Resource in preparation for an updated resource and an initial reserve statement. The reserves will underpin a mine plan and hence the Pre-Feasibility Study outcomes.

Pre-Feasibility Study

The Company has largely completed a Pre-Feasibility Study ("PFS") regarding the development of a large scale mining and processing operation at the Ovoot Project.

Process plant modelling by Sedgman has identified a flow sheet that will produce the following three products:

1. An unwashed product that by-passes the wash plant. Approximately 30% of the Run of Mine (ROM) coal will by-pass the wash plant to produce a product with an average ash grade of less than 10%. This fraction will have a 100% yield.
2. A premium low ash product. Approximately 70% of the ROM coal will be washed to produce a product of approximately 7% ash. This fraction will have a yield of approximately 75%.

3. A blended low ash product. If products 1 and 2 above were blended as to the above proportions, the resulting blended product will have an average ash content of approximately 8%. The effective yield for this product will be approximately 85%.

It is planned to develop the wash plant in two trains, each with the capacity to produce 6 Mtpa of product. ROM production from the pit has been modelled for the PFS at approximately 14 Mtpa in order to produce 12 Mtpa once both wash plant trains are commissioned.

It is expected that the PFS will be completed in the March 2012 Quarter.

Note: Production targets are conceptual in nature and are based entirely on the existing mineral resource base of the Ovoot Coking Coal Project. The development of the larger Ovoot Coking Coal Project remains subject to completion of positive feasibility studies, the grant of a mining licence, developing the necessary rail infrastructure between Ovoot and Erdenet and securing sufficient port and rail capacity from Erdenet to take product to market. Whilst Aspire believes that a sufficient amount of the existing mineral resource base has reasonable prospects for eventual economic extraction, there has been insufficient work done at this stage to define an ore reserve and it is uncertain if further work will ultimately result in the determination of an ore reserve.

Preliminary Site Plan

As part of the Pre-Feasibility process a site plan has been prepared identifying location of major plant items, a proposed open pit mine and rail access (Refer Figure 4).

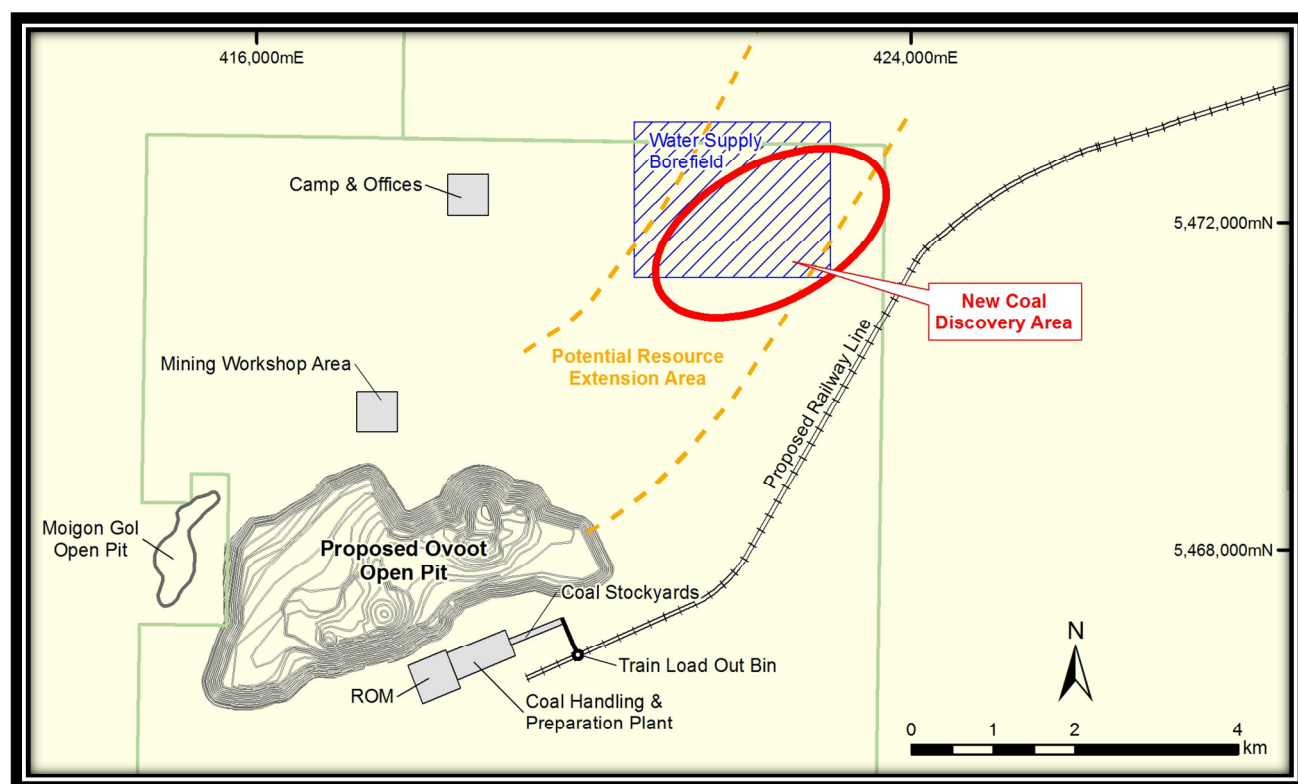


Figure 4: Proposed Ovoot Project Mine-Site Plan

Water

The northern Mongolia region, where the Ovoot Project is located, has more abundant water resources than the southern regions of Mongolia, where the majority of other Mongolian coal operations are located.

Aquaterra has been engaged to provide advice on water related matters, including the identification of water reserves for the Ovoot Project. Aquaterra has identified three basins that are within 15 kilometres of the proposed open pit mining operations, all of which are prospective for significant water reserves. The initial phase of water exploration is, however, focused on the open pit area itself where, based on information that has been gathered through the exploration programme, there is evidence of significant groundwater.

It is planned to have five water production bores developed within the Ovoot Project by the end of the March 2012 Quarter to prove up the water reserve within the area.

Power Options Study

A power options study conducted by Snowy Mountains Engineering Corporation (SMEC) will be completed in February 2012. It has identified a number of options for the supply of power including the two preferred options:

1. Sourcing power from a 60MW coal-fired power station that will be commissioned approximately 70km south of the Ovoot Project in the second quarter of 2013. A power line has already been developed from the proposed power station site to the Mogoin Gol community that is adjacent to the Ovoot Project. This power line runs through the Ovoot Project and will give the project convenient access to power at minimal capital cost. This option will ensure that the immediate access to power when the Ovoot Project is developed. Discussions have commenced with the developer of this power station and it is expected that an agreement for the supply of power will be negotiated in the March 2012 Quarter.
2. Constructing a project based 30MW coal-fired power station. The development of a Company owned coal-fired power station would provide cheaper power but at a significant capital cost. This option will be considered further as a possible second stage of power development.

Access Road Study

A road study is being conducted by ICT Sain for completion in February 2012. On completion of this study, an application will be made to the road authority for approval to build a road from Moron to the Ovoot Coking Coal Project.

Aerodrome Study

A study has been initiated to select a preferred aerodrome location to service the Ovoot site and for to application for approvals to build an aerodrome. It is expected that this study will be completed by March 2012.

Capital Costs

Capital cost estimates for the Ovoot Project will be determined in the PFS. In addition to the option of purchasing "up-front" the required capital facilities, the Company is also developing alternate options for reduction and deferral of capital costs.

Discussions are progressing with a number of suppliers who are interested in entering into Build-Own-Operate-Transfer (BOOT) arrangements for a number of the required facilities,

including the wash plant, aerodrome and fuel storage facilities. Such arrangements will significantly reduce the financing requirement for the capital costs for the Ovoot Coking Coal Project.

Northern Railways LLC

Northern Railways LLC, a subsidiary of Aspire Mining Limited, has been established as a special purpose vehicle to apply for the rail license for the Ovoot to Erdenet rail line and to source funding for the Moron to Erdenet portion of the rail line. The Moron to Erdenet section is a multi-user rail line designed to carry 20 Mtpa of bulk commodities west to east and two million tonnes of general freight and passenger consists.

The World Class Burehaan Phosphate Project lies just 30km from Moron, while the newly discovered Nuurstei Coking Coal Project lies 10km from Moron. Tonnage requirements of the above two projects, when combined with Aspire's Ovoot Coking Coal Project, would fill the 20Mtpa designed capacity of this line.

Crown Phosphate (owner of Burehaan Phosphate Project) and Xanadu Mines Limited/Noble Group (owner of the Nuurstei Coal Project) are, with the Company, potential major users of rail from Moron to Erdenet. Both groups have indicated support for Northern Railways LLC.

In order to support a rail license application, Northern Railways LLC commissioned a Rail Pre-Feasibility Study from Optimal Projects LLC, a Mongolian licensed rail engineering firm. This study is nearing completion and is expected to be finalised in the March 2012 Quarter.

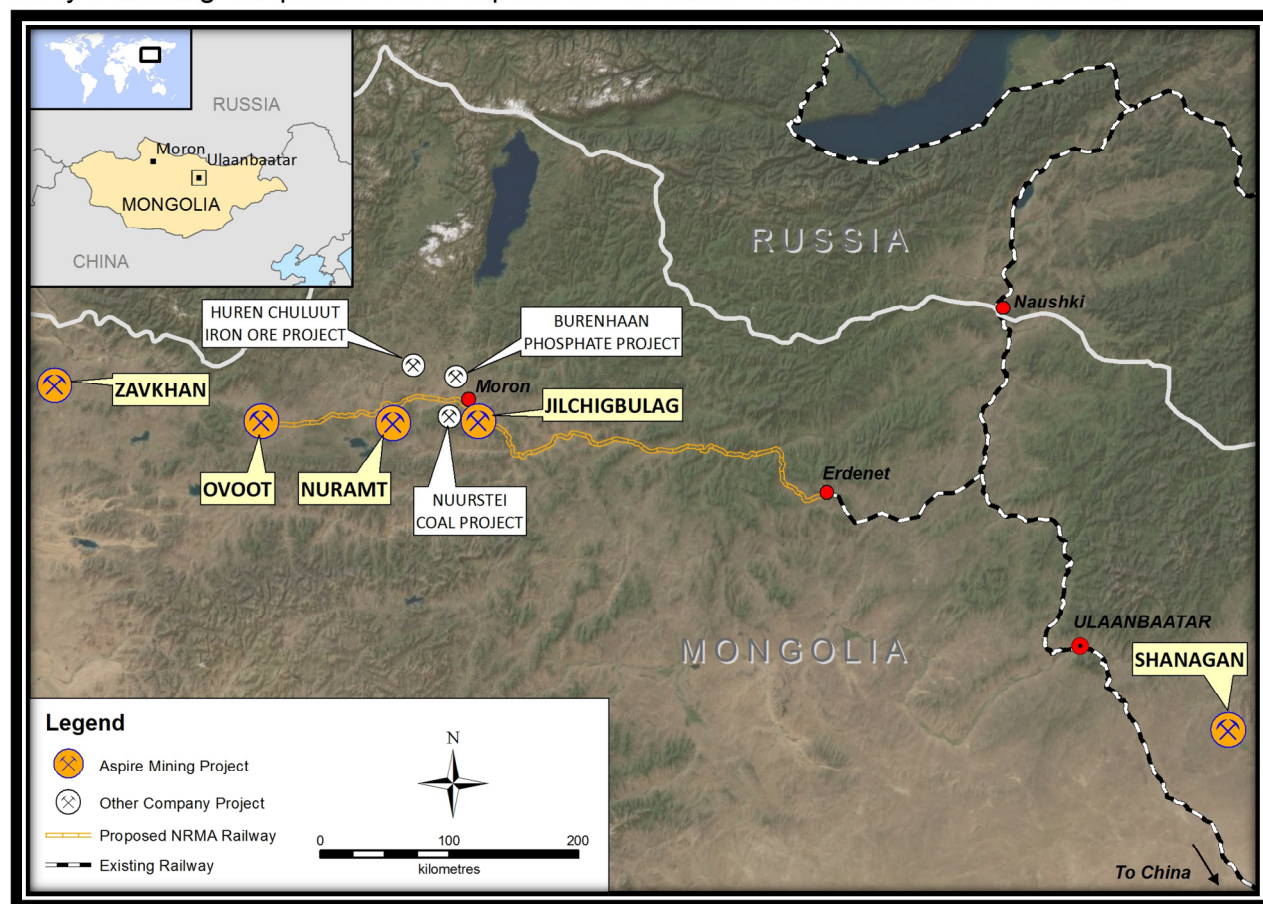


Figure 5: Rail Path from Ovoot Coking Coal Project to the Trans Mongolian Railway

Marketing

In November 2011, Aspire entered into a Strategic Marketing and Logistics Alliance Agreement (“Agreement”) with a wholly-owned subsidiary of Noble Group Limited (“Noble”).

The Agreement covers supply chain logistics to deliver Ovoot Project coking coal to Chinese, north Asian, and seaborne markets, and includes the marketing and promotion of the Ovoot product brand and assistance in identifying potential strategic partners for the Ovoot Project development.

The Agreement between Aspire and Noble focuses on:

- Investigating supply chain logistics to transport coking coal from the Ovoot to customers in China, north Asia and other seaborne coking coal markets which can be accessed via far eastern Russian and Chinese export ports.
- Establishing the “Ovoot” coking coal brand in the global marketplace, and identifying opportunities to develop value added products.
- Reviewing opportunities for value added products and processes in relation to Ovoot.
- Identifying strategic partners to:
 - assist with logistics support including access to rail and port facilities, and
 - assist with funding for the development of the Ovoot Project including the construction of the rail link from Ovoot to Erdenet.
- Supporting Aspire’s subsidiary, Northern Railways LLC, in securing licences in respect to developing the proposed rail link between Ovoot and the rail link at Erdenet, Mongolia.

Noble will market at least 50% of the first five million tonnes of saleable coking coal produced from the Ovoot Project and will have a right to buy up to 33% of its marketing allocation as offtake. In return, Aspire will pay a marketing fee and separate logistics management fees to Noble, on commercial terms.

During the Quarter the Company registered the brand name “Vitro Coal” in the top 10 markets for coking coal globally. The choice of the name Vitro Coal reflects the very high vitrinite (+96%) evident in the coal.

Corporate

On 11 October 2011, the Company completed a placement of 80 million shares at AU\$0.41 per share to raise AU\$32.8 million. The placement was made to a range of institutions and sophisticated investors. The funds raised from the placement will be used principally for exploration at the Ovoot Project and commercialisation studies.

The Company believes that its aggressive exploration and feasibility study budgets are now funded for the 12 months.

Cash held as at 31 December 2011 totalled \$34.2m with no debt.

New Management Appointments

During the December 2011 Quarter, Aspire was pleased to welcome two new additions to its Management team. Mr Scott Southwood, was appointed to the role of General Manager, Marketing, and Mr Matthew Crompton will assume the role of Infrastructure Projects Manager.

Mr Southwood is a qualified process engineer, and has significant coal industry experience working with companies including Kembla Coal & Coke Pty Ltd, and Shell and Anglo Coal. Whilst based in Brisbane, Queensland, Scott will be responsible for marketing Ovoot Coking Coal to global markets. Scott will also work on rail and port capacities.

Mr Crompton brings to Aspire a valuable broad technical background in project and construction management of infrastructure in mining projects. Matt has been employed with companies including Parsons Brinckerhoff, the Fluor and SKM Joint Venture, VDM Construction and most recently, Chevron Australia Pty Ltd, where Matt oversaw the development, planning and execution for upgrades to the Onslow airport, local road networks, and power station upgrade. Matt has worked extensively throughout Queensland and Western Australia, as well as internationally in South Africa on many significant mining, energy and infrastructure project. Matt will be involved with the engineering studies and other activities required to identify and define infrastructure items that will be required to support the Ovoot Project development.

Community Relations

During the December 2011 Quarter, the Company opened an office in the Khuvsgul provincial capital of Moron, which will provide the base for Aspire's Community Relations team.

The Community Relations team is responsible for engaging with the local community towns surrounding Moron (known in Mongolia as "soums") to raise awareness of the Ovoot Project, the Company's exploration and environmental plans, and provide an opportunity for Aspire to build upon already established relationships with local Government and Contractors.

Aspire is pleased to have 28 people who reside in the nearby Tsetserleg soum, employed either directly or indirectly through contractors at the Ovoot Project.

During the December 2011 Quarter, the Company donated 20m tugriks (approximately US\$14,000) to the National Disaster Rehabilitation Fund of the Tsagaan ("White Mountain") soum, the proceeds of which will be used support green development and reforestation to areas that were severely affected by forest fires of which 60% of the forest zones were completely damaged without any recovery.

A Company sponsored tertiary scholarship programme focusing on communities near the Ovoot Project, is anticipated to commence in the March 2012 Quarter.

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About Aspire Mining Limited

Perth-based Aspire Mining Limited (ASX: AKM) owns 100% of the Ovoot Coking Coal Project in northern Mongolia. Ovoot has a 330.7 million tonne resource (93.3mt Measured, 182.4mt Indicated and 55.0mt Inferred). Aspire is currently targeting resource upgrades at Ovoot, as well as progressing development of key infrastructure including access to rail.

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Competent Persons Statement

In accordance with the Australian Securities Exchange requirements, the technical information contained in this announcement in relation to the Ovoot Coking Coal Project in Mongolia has been reviewed by Mr Neil Lithgow – Non-Executive Director for Aspire Mining Limited.

Mr Lithgow is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Lithgow consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The technical information contained in this announcement in relation to the JORC Compliant Coal Resource for the Ovoot Coking Coal Project in Mongolia has been reviewed by Mr Chris Arndt and Dr Bielin Shi of CSA Global Pty Ltd. The information in this report that relates to Mineral Resources is based on information compiled by Dr Bielin Shi, who is a member of the Australasian Institute of Mining and Metallurgy. Dr Bielin Shi has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves".

Mr Arndt and Dr Shi of CSA Global Pty Ltd consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.