

Aspire Mining Limited

ABN: 46 122 417 243

Suite B3, 431-435 Roberts Road
Subiaco WA 6008

PO Box 1918
Subiaco WA 6904

Tel: (08) 9287 4555
Fax: (08) 9388 1980

Web: www.aspiremininglimited.com
Email: info@aspiremininglimited.com



ASX RELEASE

For Immediate Release – 29 October 2014

QUARTERLY REPORT Quarter Ended 30 September 2014

Rail Development

- **Mongolian Government adds Erdenet – Ovoot Railway to the official Government Rail Policy and onto Concession List**
 - Confirms the Erdenet – Ovoot Railway as a Government Approved Project to be developed
 - Allows Aspire's rail infrastructure subsidiary, Northern Railways, and/or other private parties to tender interest for the right to build and operate the railway
- **Agreements entered into between Mongolia and China and Russia create significant opportunity for resource project development within both Mongolia and Russia, provide access to rail capacity and facilitate Mongolian seaborne exports:**
- **Corporate Advisors appointed to advise on rail and mine financing options and to assist negotiations for a rail Concession Agreement for the Erdenet – Ovoot Railway**
- **Rail operating cost model updated by SMEC International based on rail volumes of up to 30 Mtpa to incorporate future potential Russian transit freight carried along the Erdenet – Ovoot Railway**

Ovoot Coking Coal Project

- **Blending Concept Study completed for a 10mtpa coal blending operation at the planned Sainshand Industrial Park**
- **Gravity survey completed at Ovoot Project identifies scope for further discoveries within the Ovoot Basin**
- **Coal quality analysis by one of China's largest steel producers confirms Ovoot Project coking coal as a fat coking coal within the China's steel industry and identified Hebei Province as a key market**

Nuurstei Coking Coal Project

- **Exploration programme conducted by Ekhgoviin Chuluu Joint Venture ("ECJV") confirms near surface coal deposit at Nuurstei Coking Coal Project**

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Aspire Mining Limited (ASX: AKM, “Aspire” or the “Company”) is pleased to present its September 2014 Quarterly Report.

Aspire is focussed on identifying and developing world class coking coal assets in Mongolia. The Company currently owns 100% of the Ovoot Coking Coal Project (“Ovoot Project”), and the Jilchigbulag Coal Project, and a 50% interest in the Ekhgoviin Chuluu Joint Venture (“ECJV”). The ECJV holds a 60% ownership in the Nuurstei Coking Coal Project (“Nuurstei Project”), (with the option to increase this to 90%), and a 51% interest in the Khus Coal Project (“Khus Project”) in Mongolia’s south.

Aspire’s wholly owned Mongolian rail infrastructure subsidiary, Northern Railways LLC (“Northern Railways”), continues to focus on progressing pre-development activities for the planned multiuse Erdenet – Ovoot Railway, which will provide a rail transport solution to deliver Ovoot Project coking coal to customers. The Erdenet – Ovoot Railway represents the first stage of the Northern Rail Line, a new corridor proposed by the Government of Mongolia providing a second connection extending to the Russian border (refer Figure 1).



Figure 1: Location of the Ovoot Project, Erdenet to Ovoot Railway and the Northern Rail Line corridor

RAIL UPDATE

Erdenet – Ovoot – Arts Suuri Railway Added to National Rail Policy

The Company is pleased to report that during a sitting of Mongolian Parliament held Friday, October 24th, amendments to the National Rail Policy (“**Rail Policy**”) were approved by a strong majority.

The new Rail Policy includes the extension of rail in Mongolia’s north, from Erdenet to the Ovoot Project and further west to the Russian border at Arts Suuri (“**Northern Rail Line**”) (refer Figure 2), representing a new and important rail connection between Russia, Mongolia and China. Phase 1 of the Northern Rail Line extends between Erdenet and the Ovoot Project. Additionally, the Rail Policy also stipulates the required rail gauges for specific lines in Mongolia’s south.

The Northern Rail Line has been the subject of recent infrastructure agreements entered into between the Governments of Russia and Mongolia which, inter alia, aim to unlock stranded resource projects in Mongolia’s north and Russia’s southern Siberia.

Government adds Erdenet – Ovoot Railway to Concession List of Approved Projects

Phase 1 of the Northern Rail Line (Erdenet to Ovoot) was added to the Mongolian Government’s Concession List of approved projects during the period. With its inclusion now on both the official Rail Policy and Concession List, the Government of Mongolia is now empowered to tender the project and enter into a Concession Agreement that sets out the commercial terms for a private-public partnership to develop the Erdenet to Ovoot Railway.

The addition to the Rail Policy and Concession List represents major milestones for Aspire in securing a rail transport solution to deliver coking coal to be produced at the Ovoot Project to customers located in China, Russia, Eastern Europe and other coking coal markets.

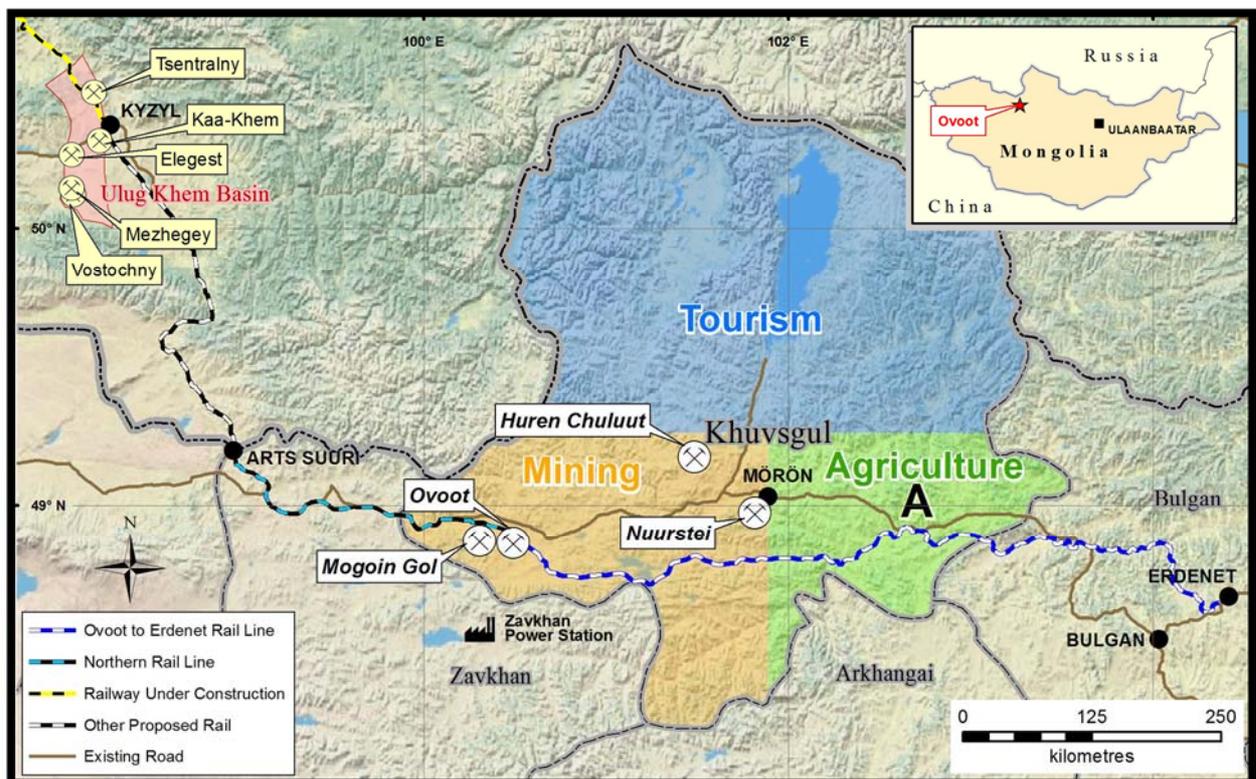


Figure 2: Northern Rail Line, and the Erdenet – Ovoot Railway section

Russia-Mongolia Rail Infrastructure Agreements

The addition of the Erdenet – Ovoot Railway onto the Mongolian Governments Concession List follows 15 agreements signed during the week ending September 5th, by Russia's President, Mr Vladimir Putin, and Mongolia's President, Mr Tsakhia Elbegdorj, covering the cooperation between the two countries in transport, infrastructure, mining, education and communications.

Specifically, one agreement was entered into between Mongolia's Ministry of Roads and Transportation ("MRT") and JSC Russian Railways ("RZD"), to prioritize the modernisation and expansion of operations of Mongolia's national rail operator, Ulaanbaatar Railways ("UBTZ"), to complete studies investigating further upgrades of the Trans-Mongolian Railway increasing capacity up to 100 mtpa, and to study the feasibility of extending railway from Erdenet – Ovoot – Arts Suuri. A Russian connection will also be investigated to link the Northern Rail Line from Arts Suuri with the Russian rail network.

Rail investment in Mongolia is required to accommodate the proposed increases in the volume of Russian transit freight through Mongolia to China, to 20 mtpa by 2020, and to increase bilateral trade between Russia and China to up to US\$10bn (from US\$1.6bn in 2013) by 2020.

China-Mongolia Infrastructure Agreements

Mongolia also hosted an official state visit by Chinese President, Mr Xi Jinping, in late August. During the visit, 24 memoranda of understanding and agreements were signed, upgrading bilateral ties and outlining strategic cooperation between the two countries for infrastructure development, financing, education, trade and tourism. China also vowed to work to increase its bilateral trade with Mongolia from US\$6 billion (2013) to US\$10 billion by 2020.

Many of the agreements related to infrastructure development within Mongolia to facilitate boosting bilateral and international trade through:

- building interconnecting railways and roads;
- supporting resource industry development;
- providing Mongolian companies with access to six (6) North-Eastern Chinese seaports for export;
- cooperation at rail border crossings; and
- provision of access to rail capacity within China.

Importantly, the strategic relationships being cultivated by Mongolia with its two closest neighbours means that Aspire and other resource companies are well positioned to benefit in the long term following the implementation of these initiatives between Mongolia, Russia and China.

DEVELOPMENT – OVOOT COKING COAL PROJECT (100%)

Customer analysis confirms usability of Ovoot Coking Coal

During the Quarter, the Company received a report from one of China's largest coal trading and marketing companies. The report confirmed the acceptability of the Ovoot Project's coking coal for use within China. An indicative Ovoot Project coking coal sample had been provided to the Chinese company, one of Aspire's potential future customers that has signed a non-binding Memorandum of Understanding for offtake of Ovoot Project coking coal. Currently, Chinese interest in Ovoot Project coking coal offtake totals up to 6.1mtpa (or 122% of initial 5 mtpa production estimate for the Ovoot Project) under existing non-binding Memoranda of Understanding (refer Quarterly Report for June 2014 and ASX announcement dated 10 July 2013).

The analysis undertaken by the Chinese company confirmed that Ovoot Project coking coal fits within the Chinese classification of fat coking coal, is marketable to steel mills within China, and that it intends to continue to work further with Aspire as it progresses with the future development of the Ovoot Project.

Sainshand Coal Blending Concept Study

The Company commissioned a Coal Blending Concept Study ("**Blend Concept Study**") to investigate the establishment of a coal Blending Facility ("**Blending Facility**") at the Sainshand Industrial Park ("**Sainshand**") in Mongolia. The Blend Concept Study was completed by German engineering firm Tenova Takraf, and is based on a 10 million tonne per annum coal blending operation which would combine Ovoot Project coking coal with other Mongolian sourced non or low coking coals.

The capital cost estimate for the Blending Facility is estimated at €53 million (approximately US\$70 million), pre contingency, and would require a two year construction timeframe. Should Tenova Takraf be appointed as the EPC contractor to construct this Blending Facility, up to 85% of the construction cost is available for export credit agency backed debt financing.

The Blending Facility provides Aspire with an additional potential project opportunity that could increase the range of coking coal products produced and offered for sale by the Company in the future.

EXPLORATION

Gravity Survey Completed over the Ovoot Basin

A gravity survey was completed by AMO Discover LLC over the Ovoot Coking Coal Basin ("**Ovoot Basin**") during the Quarter, the results of which will be considered by the Company to determine future exploration programmes over the Ovoot Basin.

The Ovoot Basin comprises three exploration licences and one mining licence totalling 430 square kilometres. Exploration work completed to date has largely been focussed on the western part of the Ovoot Basin which hosts the JORC 2012 Compliant Probable Coal Resource and Reserves (refer Quarterly Report for December 2013 period for full details). Drilling work conducted through the centre of the Ovoot Basin has not been drilled to basement and provides an opportunity for further exploration which could add to the existing Ovoot Project Coal Resources.

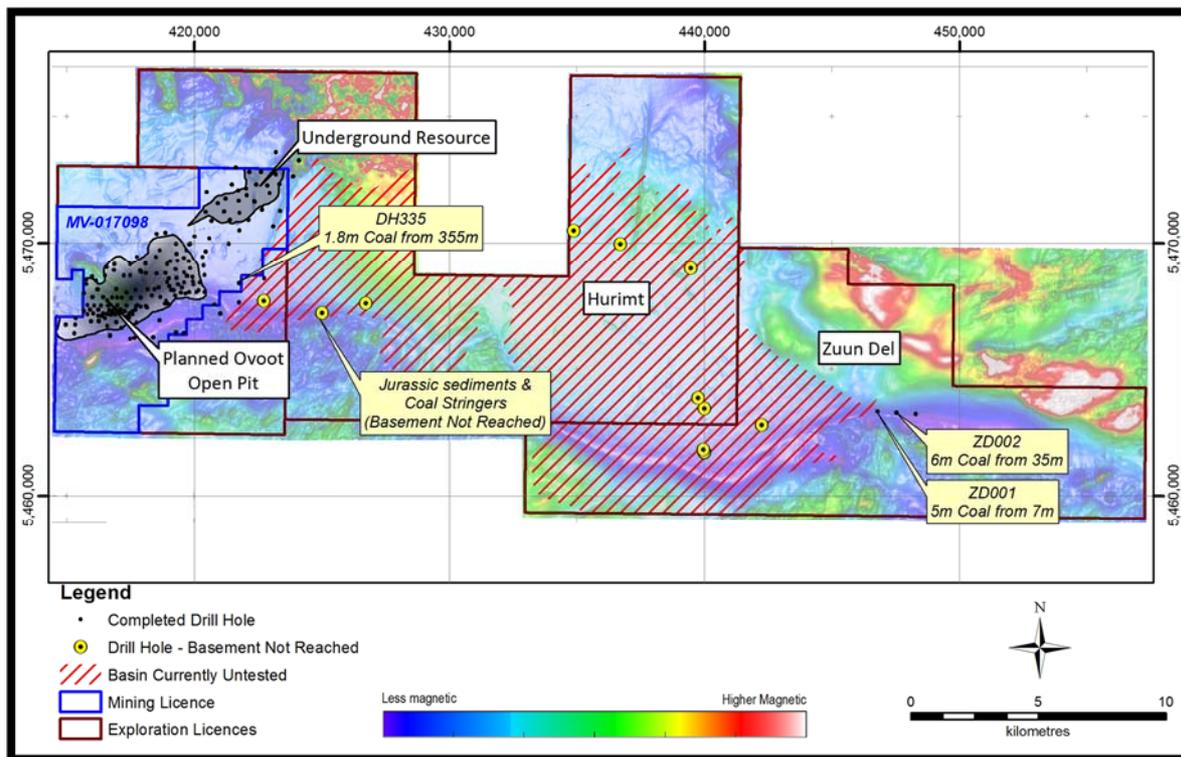


Figure 4: The Ovoot Basin Tenements with Magnetics

Nuurstei Coking Coal Project - Ekhgoviin Chuluu Joint Venture (50%)

The Nuurstei Project is 60% owned by the ECJV, a Mongolian joint venture which both Aspire and Singapore listed, Noble Group, each own an equal 50% interest. ECJV have an option to increase its ownership in the Nuurstei Project to 90%.

During the Period, the ECJV commenced an exploration programme at the Nuurstei Project comprising drilling and raw coal sample quality analysis. The exploration programme was designed to test continuity of coal from an earlier exploration programme conducted in 2011, and to provide data to assess the economics of a potential trucking based mining operation prior to the delivery of rail access.

The exploration programme commenced in September with drilling completed in mid-October. A total 16 non-core and 1 core holes (all down hole geophysically logged) were drilled along a 1.2 kilometre strike length of coal bearing strata. This was additional to the original 7 holes completed in 2011. These seven holes were cleaned out and relogged with Australian standard down hole geophysical tools.

Drill hole results have confirmed coal continuity along strike, with each hole intersecting coal. Full details of drill holes and coal seam intersections can be located in the Company's ASX Announcement dated 15 October 2014. The largest intersections (apparent thickness) of coal included:

- **9.77m of coal from 48.33m in NURH1016**
- **9.54m of coal from 53.8m in NURH1015**
- **11.05m of coal from 184.86m in NURH1006**

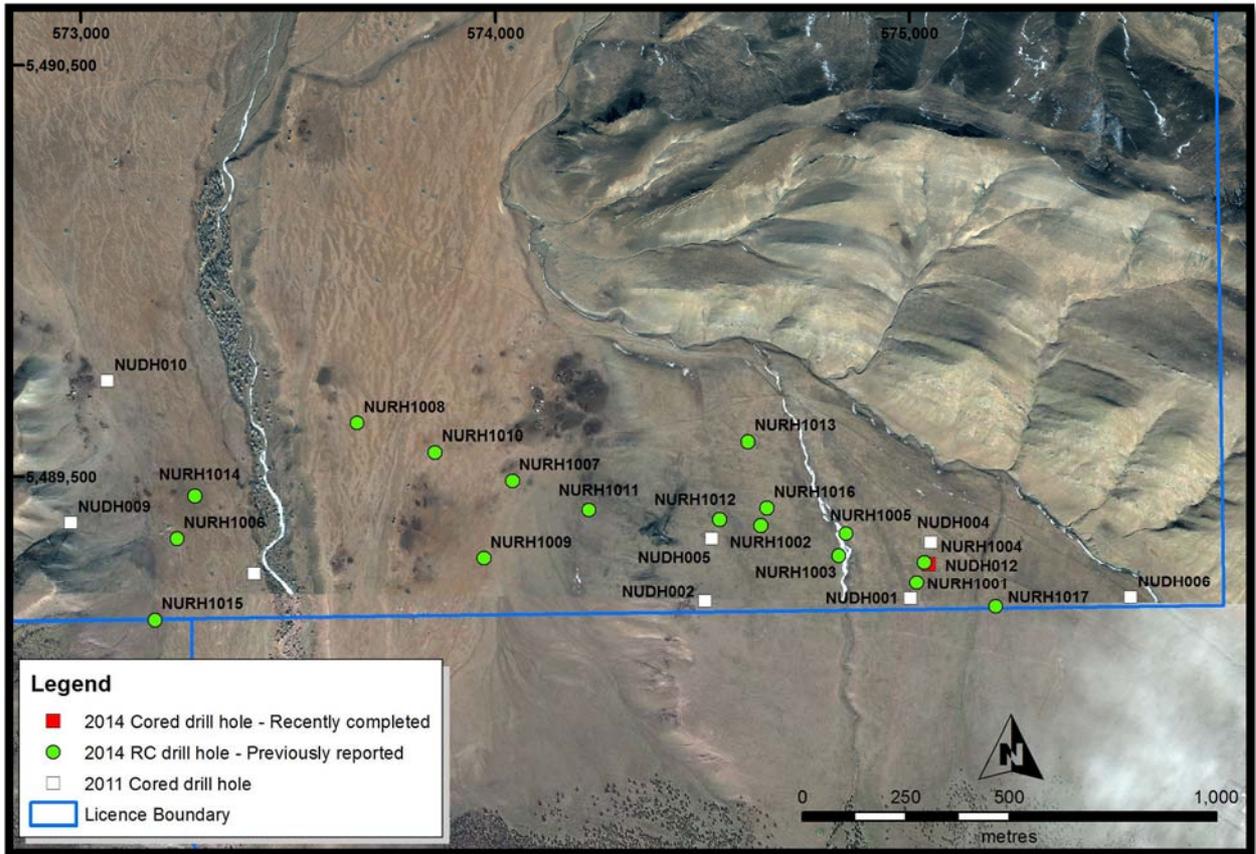


Figure 3: Drill hole locations for the 2014 Exploration Programme at the Nuurstei Project

Coal samples from the one core hole NUDH 012 are now undergoing raw coal and clean coal quality analysis.

Data from the exploration programme will be used to design a 2015 programme to target further near surface resource continuity of coal.

The Nuurstei Project is located approximately 10 kilometres from the Khuvsgul provincial capital of Moron in Northern Mongolia (refer Figure 2 for location). A sealed road connecting Moron to Erdenet is due to be completed in 2015. Coal produced at the Nuurstei Project could be hauled by road and transferred onto rail at Erdenet prior to the commissioning of the Erdenet – Ovoot Railway.

CORPORATE

Capital Raising

During the Quarter, the Company completed a placement to sophisticated investors at 5 cents per share raising AU\$1.935 million before fees. In addition, Non-executive Director, Neil Lithgow, and Aspire's Chairman, David McSweeney, each converted options exercisable at 5 cents per share to raise a further AU\$270,000.

Appointment of Corporate Advisors

Aspire has appointed corporate advisory firm, Argonaut, to provide advice in relation to:

1. Debt and equity financing options for Northern Railways; and

- Assist negotiations with the Mongolian Government to establish the necessary licences to build and finance the Erdenet – Ovoot Railway.

Argonaut is a corporate advisory and investment house specialising in natural resources based in both Perth, Western Australia and Hong Kong.

Cash Position

Aspire had AU\$4.2 million cash as at 30 September 2014.

Overheads and expenditure continue to be tightly controlled whilst the Company continues to progress its rail pre-development activities.

Capital Structure at 29 October 2014:

Security	No on issue
Quoted Ordinary shares	703,463,306
Unquoted 5c Options (expire 12 Feb 15)	90,786,842
Unquoted 5c Performance Options (expire 12 Feb 15)	145,000,000
Unquoted Performance Rights	2,711,250

Interests in mining tenements at 30 September 2014:

Tenement	Location	Equity
Ovoot MV017098 13636X 017003X	Mongolia	100% 100% 100%
Hurimt 14510X 14637X	Mongolia	100% 100%
Jilchigbulag 12816X	Mongolia	100%
Nuurstei (EC JV) 13958X 13580X	Mongolia	30% 30%
Khus (EC JV) 15352X	Mongolia	25.5%

--Ends--

About Aspire Mining Limited

Aspire is listed on the ASX (Code: AKM) and owns 100% of the Ovoot Coking Coal Project in northern Mongolia. Aspire completed a Pre-Feasibility Study (PFS) for the Ovoot Project in May 2012, a PFS Revision in December 2012 and was granted its Mining Licence in August 2012. Aspire is targeting first production of 5Mtpa at the Ovoot Project in 2018/19 subject to funding, approvals, licenses and construction of rail infrastructure. For the key assumptions used to achieve the first year target of 5mtpa of marketable coking coal, refer to December 2013 Quarterly Report announced 31 January 2014.

Aspire's development timeline for its Ovoot Project relies primarily on:

- i) the construction of the Erdenet – Ovoot Railway (Phase 1) of the Northern Rail Line connecting the Ovoot Project to the Trans-Mongolian Railway at Erdenet; and
- ii) financing of the Erdenet – Ovoot Railway.

The timing with respect to the grant of a rail concession agreement is outside of the control of Aspire. Certain activities to further progress the Ovoot Project and Erdenet – Ovoot Railway development include the completion of detailed engineering work to support definitive financing negotiations. The Company's development timeline to achieve first production by 2018/19 is indicative and assumes the grant of necessary Government licenses, agreements and approvals in 2014.

About Northern Railways LLC

Northern Railways LLC ("Northern Railways") is the Mongolian registered rail infrastructure subsidiary of Aspire Mining Limited, established as the entity to focus on the development of Phase 1 of the Northern Rail Line - a rail infrastructure project listed in Mongolia's National Rail Policy linking Northern Mongolian provinces to existing railway

Phase 1 extends 547km between the town of Erdenet to Aspire's Ovoot Project, connecting this large coking coal basin to China and international markets. In accordance with Mongolian National Rail Policy, the Erdenet – Ovoot Railway will be a multi-user rail line available for the transport of bulk materials, agricultural and general freight and passengers from the region to export markets including China, Russia and seaborne markets.

Competent Persons Statement – Ovoot Coking Coal Project

In accordance with the Australian Securities Exchange requirements, the technical information contained in this announcement in relation to the JORC code (2012) Compliant Coal Reserves and JORC Compliant Coal Resource for the Ovoot Coking Coal Project in Mongolia has been reviewed by Mr Ian De Klerk and Mr Kevin John Irving of Xstract Mining Consultants Pty Ltd.

The Coal Resources documented in this release are stated in accordance with the guidelines set out in the JORC Code, 2012. They are based on information compiled and reviewed by Mr. Ian de Klerk who is a Member of the Australasian Institute of Mining and Metallurgy (Member #301019) and is a full time employee of Xstract Mining Consultants Pty Ltd. He has more than 20 years' experience in the evaluation of coal deposits and the estimation of coal resources. Mr. de Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify him as a Competent Person as defined in the JORC Code, 2012. Neither Mr. de Klerk nor Xstract have any material interest or entitlement, direct or indirect, in the securities of Aspire Mining Limited or any companies associated with Aspire Mining Limited. Fees for work undertaken are on a time and materials basis. Mr. de Klerk consents to the inclusion of the Coal Resources based on his information in the form and context in which it appears.

The Coal Reserves documented in this release are stated in accordance with the guidelines set out in the JORC Code, 2012. They are based on information compiled and reviewed by Mr. Kevin Irving who is a Fellow of the Australasian Institute of Mining and Metallurgy (Member #223116) and is a full time employee of Xstract Mining Consultants Pty Ltd. He has more than 35 years' experience in the mining of coal deposits and the estimation of Coal Reserves and the assessment of Modifying Factors. Mr. Irving has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify him as a Competent Person as defined in the JORC Code, 2012. Neither Mr. Irving nor Xstract have any material interest or entitlement, direct or indirect, in the securities of Aspire Mining Limited or any companies associated with Aspire Mining Limited. Fees for work undertaken are on a time and materials basis. Mr. Irving consents to the inclusion of the Coal Reserves based on his information in the form and context in which it appears.

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.

Competent Persons Statement – Nuurstei Exploration Results

The information in this report that relates to Reporting of Exploration Results, is based on information compiled under the supervision of, and reviewed by, the Competent Person, Mr. Parbury, who is a full time employee of McElroy Bryan Geological Services, is a Member of the Australasian Institute of Mining and Metallurgy and who has no conflict of interest with Aspire Mining Limited.

The reporting of exploration results for 13580X presented in this report has been carried out in accordance with the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves', The JORC Code 2012 Edition prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia (JORC). These results were reported to the ASX in an announcement dated 15 October 2014.

Mr. Parbury has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Parbury consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For more information contact:

Corporate

David Paull Managing Director	Aspire Mining Ltd	+61 8 9287 4555
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Investor Relations

Naomi Dolmatoff Email: info@aspiremininglimited.com	Aspire Mining Ltd	+61 8 9287 4555
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Marketing

Scott Southwood Email: scott@aspiremininglimited.com	Aspire Mining Ltd	+61 7 3012 6305
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