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ASX RELEASE



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Erdenet to Ovoot Railway Included in New “Northern Rail” Economic Corridor

- The Presidents of China, Russia and Mongolia have signed off on a Trilateral Program for the development of an Economic Corridor between the three countries. This program includes the establishment of a new Northern Rail Corridor connecting China with Russia through Mongolia.
- The Northern Rail Corridor is a continuous railway stretching from Tianjin Port on China’s east coast through Beijing, Erlian, Ulaanbaatar, Erdenet to Ovoot, Arts Suuri to Kyzyl, connecting to the Trans Siberian Railway at Kuragino.
- The Trilateral Program covers rail, roads, border controls and customs procedures and cooperation in relation to energy, tourism, environment, education, agriculture, health and sciences.
- The Northern Rail Corridor is now one of four rail and two maritime economic corridors identified as part of China’s One Belt One Road initiative.

Mongolian metallurgical coal explorer and infrastructure company, Aspire Mining Limited (ASX: AKM, the **Company** or **Aspire**), is pleased to announce that at a meeting of the Presidents of China, Russia and Mongolia held on the sidelines during the Shanghai Cooperation Organisation Annual Meeting on 24 June in Tashkent Uzbekistan, a trilateral program was signed establishing, amongst other trade and cooperation initiatives, a new rail corridor between Russia and China through Mongolia.

Called the “Northern Rail Corridor”, the agreement identifies a 3,500km rail path connecting the seaport of Tianjin to the Trans-Siberian Railway at Kuragino. Approximately 2,100 kilometres of this rail corridor already exists and Aspire’s rail subsidiary, Northern Railways LLC, has been awarded a Rail

Concession from the Mongolian Government to build, operate and transfer a 547 kilometre section of the Northern Rail Corridor from Erdenet to Aspire's Ovoot Coking Coal Project. Northern Railways LLC is owned 90% by Aspire and 10% by the Noble Group.

The Northern Rail Corridor requires the completion of additional rail developments from Erdenet to Ovoot (547 kms) to Arts Suuri (200 kms) to Kyzyl (260 kms) and to Kuragino (410 kms) for a total of 1,414 kms. Each of these rail developments will be subject to identifying their commercial feasibility. Two-way trade freight along this Northern Rail Corridor will provide a long term demand for fast efficient rail freight services.

The establishment of this Northern Rail Corridor confirms that the Erdenet to Ovoot Railway has developed from being a rail connection to a large coking coal project, to now being part of an important new trade infrastructure route.

It is also the Company's understanding that Aspire is the only listed public company with a significant interest in this new rail corridor.



Figure 1: Erdenet – Ovoot railway forming part of the Northern Rail Corridor from the Chinese Port of Tianjin through Mongolia to Kuragino on the Trans Siberian Railway.

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The inclusion of the Erdenet to Ovoot Railway in the Northern Rail Corridor enhances the value adding opportunity for Ovoot Coking Coal to be blended with Erdenes Tavan Tolgoi non coking coals as reported in the Company's recent announcement on 23 June 2016.

The Northern Rail Corridor forms one of the 6 key rail and maritime economic corridors that form the basis of China's One Belt One Road strategy to grow trade with its near neighbours in Asia and Europe.

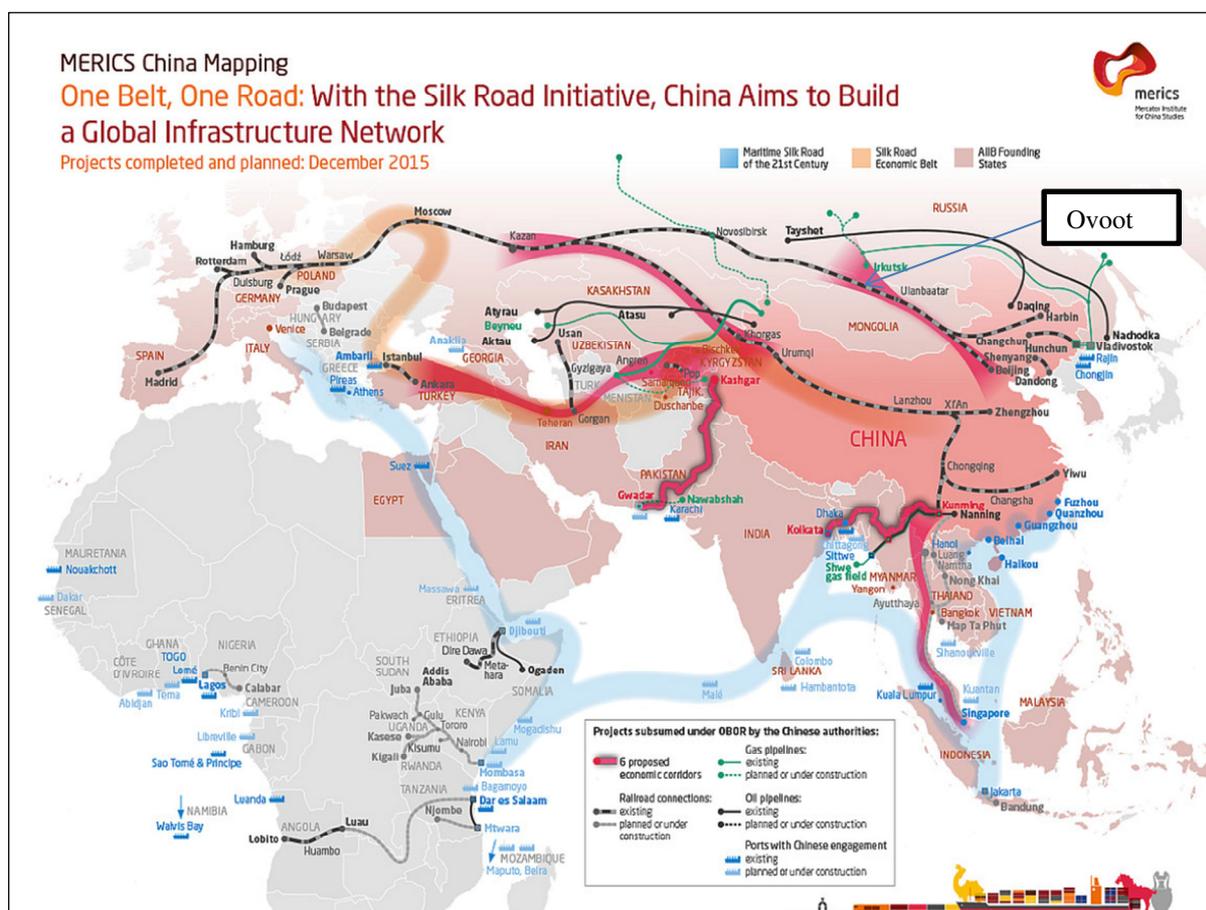


Figure 2: One Belt One Road Initiative to build out new and expansive trade corridors from China to Asia and Europe.

Priority Access to Funding

As Erdenet to Ovoot is now part of the Northern Rail Corridor and part of China's One Belt One Road Trade Infrastructure Policy, it now becomes, subject to the completion of a feasibility study, a priority funding project from China's Policy Banks, Sinosure, Asian Infrastructure Investment Bank (AIIB) and funds such as the Silk Road Fund which has been specifically established to support the establishment of One Belt One Road logistics infrastructure.

Aspire's Managing Director, Mr David Paull, said " it is very significant news that the Erdenet to Ovoot Railway is now recognised as a key part of a new rail trade route between Russia and China through Mongolia. This new corridor will be of significant long term value to the people of Mongolia. The Erdenet to Ovoot railway has now officially moved from a rail extension to service a world class coking coal deposit, to a strategic piece of rail infrastructure to facilitate China's Silk Road Initiative and Mongolia's Step Road trade initiative."

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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) 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 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 recently 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 547km 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 year 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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