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ASX RELEASE



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Erdenet Rail Terminal FEED Study Complete

Aspire Mining Limited (ASX: **AKM**, the **Company** or **Aspire**) is focused on developing metallurgical coal assets in Mongolia, primarily its wholly owned Ovoot Coking Coal Project (**OCCP**).

The Company is pleased to advise that O2 Mining Limited (**O2**) has completed Stage 2 of the Front End Engineering Design (**FEED**) Study for the Erdenet Rail Terminal (**ERT**) infrastructure and issued its report outlining the design and cost estimate (**FEED Study**).

Key outcomes from Stage 2 of the FEED Study include:

- Conceptual designs for process infrastructure including train loadout facility of 1,700 tonnes per hour (**tph**), enclosed storage of 58,500 tonnes, and truck unload facility of 750 tph nominal capacities.
- Conceptual designs for all non-process related supporting commercial and residential facilities, including the internal road network, site lighting and security, raw and wastewater reticulation, and electricity supply.
- Preparation of all conceptual designs compliant with the Construction Code of Mongolia and the National Fire Protection Authority (**NFPA**) requirements in relation to the process infrastructure.
- Optimisation of infrastructure layout allowing for future expansion, potentially enabling the doubling of the throughput with minimal additional capital expenditure and indicatively a one third reduction in unit operating cost.
- Engineering supportive of -10 to +25 per cent accuracy of capital and operating cost estimates. The wide range reflects the current difficulties in securing firm quotations.
- Forecast total construction schedule of 15 months including 8 months pre-construction procurement, permitting and detailed design and 7 months on-ground construction activity involving up to 170 construction workers.
- Total capital cost estimated for construction of the ERT infrastructure is US\$17.7 million, including an EPC contract allowance of US\$2.3 million and excluding owner's costs such as for further studies, permitting and tendering.

FEED Study Overview

Aspire is pleased to advise that O2 has completed Stage 2 of the FEED Study (**Stage 2**) on the ERT infrastructure. The final report has been issued outlining its proposed design, and the estimated capital cost, construction schedule and operating costs.

Stage 1 of the FEED Study (**Stage 1**) was completed in July 2021 (refer ASX announcement 20 September 2021). It comprised a Trade-off Study evaluating various potential concepts and technologies for transloading of washed coking coal from road trucks to rail wagons. Each concept included application of technologies focused on containing potential dust generation and incorporated measures providing system redundancies to ensure that trucking activities would not be interrupted.

Stage 2 has built upon the learnings and outcomes from Stage 1 in respect to refining, designing, and estimating the most appropriate concepts and technologies identified. The resultant ERT designed infrastructure, as shown in Figure 1, includes:

- Enclosed truck unload facility capable of accepting side tipping coal trucks and receiving washed product coal at 750 tph nominal capacity for transfer via a covered conveyor to stockpile;
- Enclosed coal storage building for 58,500 tonnes nominal capacity;
- Underground coal reclaim system and covered conveyors to train loadout facility with nominal capacity at 1200 tph;
- Train loadout facility including surge bin with nominal capacity of 1700 tph (based upon expected maximum train payload); and
- Residential (accommodation), commercial (warehouse, office, workshop, security) and utilities (water, wastewater, heating, and electricity) supporting infrastructure.

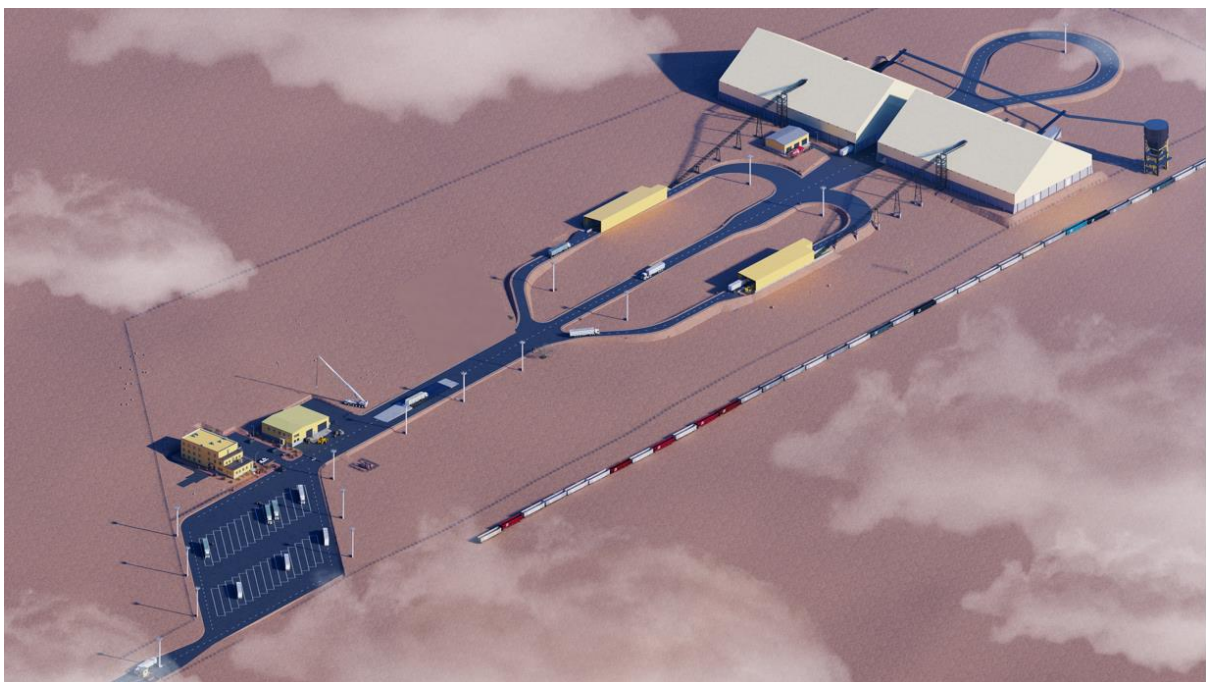


Figure 1: ERT Conceptual Schematic (inclusive of potential future expansion)

The ERT infrastructure is intended to be situated on a site adjacent to the Erdenet to Salkhit railway line, which connects with the Trans Mongolian Railway in Salkhit. The FEED Study does not include the design or cost estimation of the trackwork infrastructure required to connect onto this line.

Capital and operating cost estimates were prepared in alignment with Class III estimate guidelines from the Association for the Advancement of Cost Engineering (AACE) and are considered accurate to -10 to +25 per cent as at the end of March 2022. The total capital cost estimated to construct the facility is US\$17.7m. This assumes that construction activities are conducted under an Engineer, Procure, Construct (EPC) contract. The total capital cost includes US\$2.3m in EPC contract margin and overhead.

On the ground construction and commissioning works are scheduled to be completed within 7 months following approximately 8 months of pre-construction activities including detailed design, obtaining construction permits and regulatory approvals and equipment procurement, for a total of 15 months from EPC contractor engagement. Proximity to the city of Erdenet will benefit construction activities on the basis that this industrial city hosts a range of skilled labour, materials supply and subcontract services. A maximum construction workforce of approximately 170 workers will be required.

On basis that the ERT will operate 24 hours per day 365 days per year, a total operational workforce of approximately 80 full time equivalent personnel will be required, split across four panels working 12 hour shifts in accordance with requirements of the Labour Law of Mongolia (2021). At throughput capacity in support of the maximum initial expected CHPP output, a total unit operating cost of US\$1.07 per tonne handled from road truck to rail wagon is estimated, of which the majority comprises electricity (sourced from the grid at published rates) and labour including oncosts.

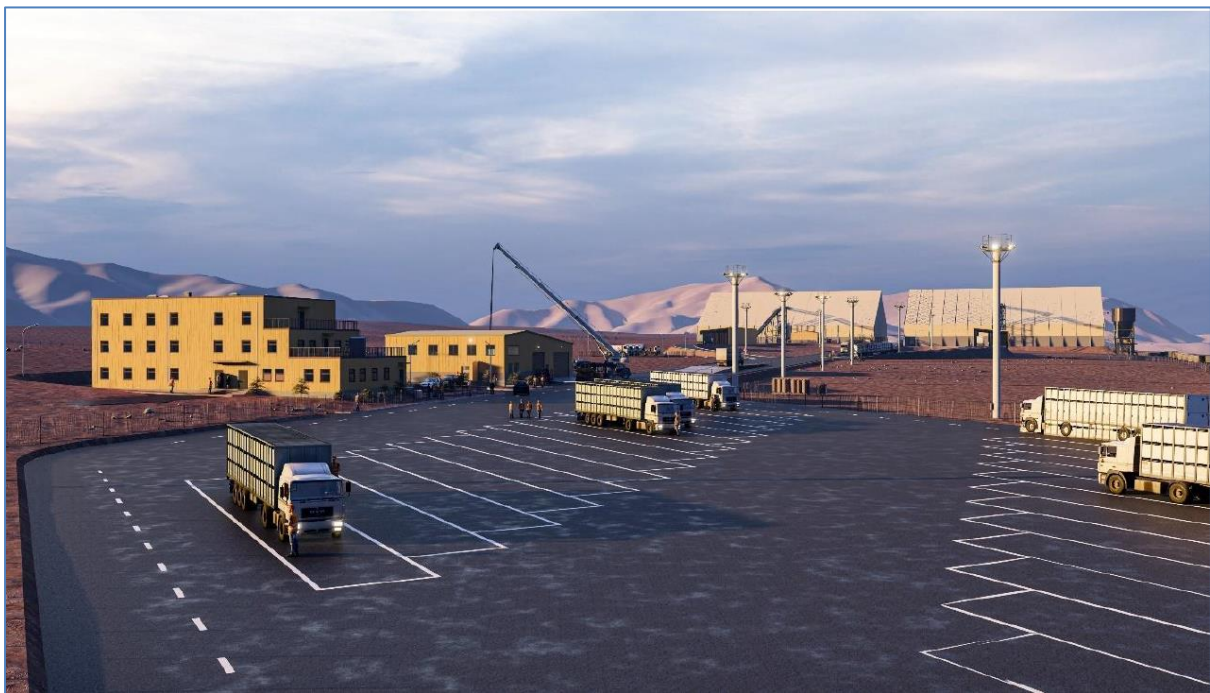


Figure 2 : ERT Image with covered stockpile area in the background.

Pre-construction activities including preparation of a government compliant feasibility study, and community engagement as part of the environmental impact assessment process that

can now commence. Support from local government is anticipated on the basis that construction will result in the creation of significant employment and commercial opportunities for local residents.

The Company is continuing to liaise with the Ministry of Nature, Environment and Tourism in relation to the approval of the Company's Detailed Environmental Impact Assessment for the Ovoot Coal Mine, which underpins completion of the OCCP Definitive Feasibility Study.

This announcement is authorised for release by the Chairman.

- Ends -

Forward Looking Statements

This report contains forward-looking information which is based on the assumptions, estimates, analysis and opinions of management and engaged consultants made in light of experience and perception of trends, current conditions and expected developments, as well as other factors believed to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect.

Assumptions have been made by the Company regarding, among other things: the price of coking coal, the timely receipt of required governmental approvals, the accuracy of capital and operating cost estimates, the completion of a feasibility studies on its exploration and development activities, the ability of the Company to operate in a safe, efficient and effective manner and the ability of the Company to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used by the Company.

Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate.

Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of coking coal, the actual results of current and future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information.

About Aspire Mining Limited

Aspire Mining Limited is 100% owner of the world-class Ovoot Coking Coal Project, and 90% owner of the Nuurstei Coking Coal Project, both located in Khuvsgul aimag (province) of north western Mongolia.

The Company is focused upon permitting, engineering, and financing the Ovoot Coking Coal Project with the intention to open pit mine coking coal, wash the coal on site and truck the washed coking coal to a Company owned terminal facility in Erdenet for delivery to customers in China and Russia via the existing Mongolian rail network.

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