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ASX RELEASE

ASPIRE MINING LTD
The Met Coal Company

For Immediate Release – 30 April 2024

Fenwei Market Study Findings

HIGHLIGHTS

- **Further confirmation that coal from Aspire's 100% owned Ovoot Coking Coal Project has been classified as an FM36 Metabituminous coal, a high-quality and sought-after product used in coke production.**

- **The Chinese provinces of Hebei, Inner Mongolia, Liaoning, Heilongjiang, and Jilin are prospective Target Market Regions for Aspire to market Ovoot coal.**

- **Within these provinces, there is a considerable need for fat coking coal with Ovoot coal's characteristics. In 2023, there was a washed, fat coking coal supply shortfall in these regions of 15.1 Mt. This is expected to grow to 18.1 Mt by 2029.**

- **Coal prices are forecast to remain strong for the foreseeable future, driven by robust market dynamics and a consistent need for high-quality coking coal. The Fenwei Market Study has forecast an average price of up to US$244 per tonne for Ovoot coal in 2025, materially higher than the US$150 per tonne price assumed in the 2019 PFS with strongly positive implications for the project's underlying economics.**

Aspire Mining Limited (ASX: **AKM**, the **Company** or **Aspire**) is pleased to update the market on the findings from a comprehensive marketing study (**Study**) conducted by Fenwei Digital Information Technology Co., Ltd. (**Fenwei**).[1] The scope of the Study included Coal Quality Evaluation and Analysis of Target Market Regions (**TMRs**) in China for coal produced by the Ovoot Coking Coal Project (**Ovoot** or the **OCCP**).

Commenting on the Study, CEO of Aspire, Sam Bowles, said:

"We are very pleased with the results of Fenwei's Study. It is evident that the high-quality fat coking coal from Ovoot will have strong demand from end-users in China, particularly in the provinces of Hebei, Inner Mongolia, Liaoning, Heilongjiang, and Jilin where there is a large supply deficit of washed fat coking coal. Further, these forecast prices are a significant increase on the OEDP Pre-Feasibility Study price in 2019[2], whereby project economics were based upon the assumption of US$150 per tonne for Ovoot coal delivered to Erenhot on a DAP basis."

[1] Fenwei commenced its business in 1998 and has grown into an authoritative and trustworthy advisor for the coal and coke industry in both China and internationally. Fenwei has developed one of the world's largest comprehensive coal and coke industry databases and become a leading independent energy information and consulting service working with over 80 Fortune 500 companies.

[2] ASX Announcement 11 November 2019, *OEDP Pre-Feasibility Study Update with additional disclosure.*

The summary of the findings of the Study is as follows:

Coal Quality

"Based upon coal and coke quality parameters determined by independent laboratory testing conducted by SGS-CSTC Standards Technical Services Co., Ltd., the washed coal from Ovoot is classified according to Chinese standards as an FM36 Metabituminous Coal, commonly referred to as a 'fat' coking coal.

The Ovoot washed coal has medium ash, medium Sulphur, high G index, low CSR, and high CRI characteristics. Its ash content, caking ability and Sulphur content offers some advantages over Chinese domestic fat coals, and this is complementary if used in blend with those sourced from Shanxi and Inner Mongolia."

Refer to Aspire's ASX Announcement on 12 January 2024 for additional information about the classification and value in use of the Ovoot coal.[3]

Target Market Regions

"Aspire plans to truck coal from the Ovoot mine site to a rail terminal near the city of Erdenet in northern Mongolia. From here the coal will be transported across existing railway infrastructure into China via three main routes: (i) through Khangi and Mandula ports, (ii) through Zamiin-uud and Erenhot ports, and (iii) through Zabaika'lsk and Manzhouli ports.

Delivering coal into China at these locations will facilitate access to the following main TMRs being considered: (i) the Wuhai area in Inner Mongolia, (ii) the Tangshan area in Hebei, and (iii) northeastern areas including the Anshan in Liaoning, Qitaihe in Heilongjiang, and Changchun in Jilin."

Comparison with Chinese Coal Brands

"Compared with mainstream fat coal brands in China, the Ovoot coal has certain advantages in ash content and caking index.

In terms of ash content, the Ovoot coal has clear advantages and can be used together with domestic high ash coking coal for the purpose of ash reduction.

In terms of caking index, the Ovoot coal has a higher G value compared with Wuhai fat coal and Linfen fat coal, indicating it has good caking property.

In terms of Sulphur content, the Ovoot coal has certain advantage over high Sulphur fat coal in Inner Mongolia and Shanxi. So, it can be moderately blended to reduce Sulphur content."

Analysis of Target Markets

"The potential target markets include Hebei, Inner Mongolia, and Liaoning, which have large coke production and are net washed fat coal inflow provinces. Ovoot coal also has certain market potential in Heilongjiang and Jilin due to geographical advantages from the Ovoot mine. Coke production in Hebei, Inner Mongolia, Liaoning, Heilongjiang, and Jilin in 2023 accounted for a significant 26.1% of China's total."

[3] ASX Announcement 12 January 2024, *Value In Use Study Results – Additional Information.*

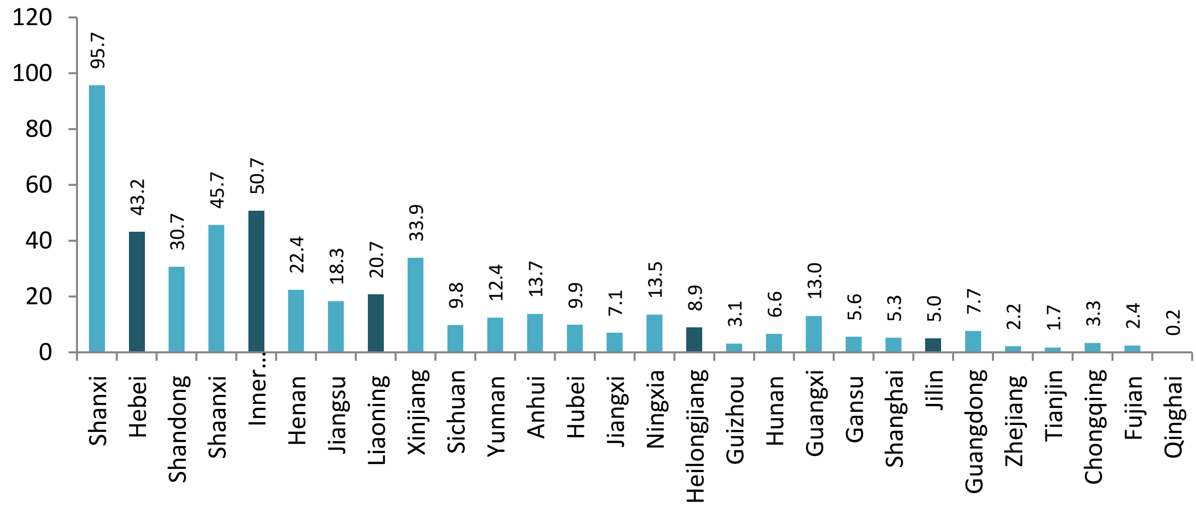

Figure 1. Coke production by province in China, 2023 (Source: NBS, Fenwei)

"Fat coal supply is deficient in the target markets. In 2023, the total supply of fat coal in the five provinces is 10.1 Mt, accounting for 22.5% of China's total, but demand for washed fat coal accounts for 28.6% of China's total. The supply gap of washed fat coal in the Ovoot coal target markets is 15.1 Mt.

Inner Mongolia's fat coal output is low, and the ash and Sulphur content are high, creating a material gap in the market. This fat coal gap is mainly met by imported Mongolian coals, predominantly 'semisoft' (1/3 JM) but also 'gas fat' (QF) and 'fat' (FM) coking coals. Local coking plants also adjust the coke feed blend structure by replacing fat coal with a certain amount of 1/3 JM coal. The Ovoot fat coal has certain market potential in the region.

Hebei province maintains many steel mills and coking plants, so the demand for washed fat coal is large, and it currently needs to buy fat coal from other provinces to fill the supply gap. The gap is mainly met by fat coal from Shanxi's Linfen, Mongolia and Shandong, with local suppliers of Jizhong Energy and Kailuan Group, and external suppliers of Shanxi Coking Coal, Shanxi Jinliu Energy Co., Ltd., Shandong Energy, and traders. As local washed fat coal usually has high ash and high Sulphur, the Ovoot fat coal is anticipated to have more than sufficient market space in Hebei province.

Demand from the Northeast China provinces of Heilongjiang, Jilin and Liaoning is concentrated in Liaoning. The main consumers are Bensteel and Ansteel which are in Liaoning, and Jianlong Group located in Heilongjiang and Jilin. Due to a lack of washed fat coal, the regions need to buy a large amount of fat coal from Shanxi province and imported coal from other countries."

Table 1. Historical and forecast fat coal supply and demand in the Target Market Regions (Source: Fenwei)

	2021	2022	2023	2024E	2025E	2026E	2027E	2028E	2029E
Supply	**10.6**	**10.5**	**10.1**	**10.1**	**10.0**	**9.9**	**9.8**	**9.7**	**9.5**
Inner Mongolia	3.9	4.0	3.9	4.0	4.1	4.1	4.0	4.0	4.0
Hebei	5.9	5.9	5.8	5.8	5.6	5.6	5.4	5.3	5.2
Liaoning	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Jilin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Heilongjiang	0.6	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Demand	**24.6**	**25.1**	**25.1**	**26.5**	**27.2**	**27.3**	**27.5**	**27.5**	**27.6**
Inner Mongolia	8.4	9.0	9.4	10.0	10.5	10.4	10.4	10.3	10.2

Hebei	8.4	8.5	8.8	9.3	9.6	9.9	10.2	10.5	10.8
Liaoning	5.3	5.4	4.9	5.2	5.2	5.1	5.1	5.0	4.9
Jilin	0.4	0.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Heilongjiang	2.0	1.8	1.4	1.4	1.3	1.2	1.2	1.1	1.0
Net inflow	**14.0**	**14.5**	**15.1**	**16.4**	**17.1**	**17.4**	**17.7**	**17.9**	**18.1**
Inner Mongolia	4.6	5.0	5.5	6.0	6.4	6.4	6.4	6.3	6.2
Hebei	2.5	2.6	3.0	3.6	4.0	4.4	4.8	5.2	5.6
Liaoning	5.0	5.0	4.6	4.9	4.9	4.8	4.8	4.7	4.6
Jilin	0.4	0.4	0.6	0.6	0.6	0.6	0.6	0.6	0.6
Heilongjiang	1.5	1.6	1.4	1.4	1.3	1.2	1.2	1.1	1.0

OCCP Coal Price Forecast in Target Market Regions (nominal prices)

Based upon historical and forecast prices for competitive locally produced coals in the TMRs, relative prices for Ovoot specification coal were calculated through application of premiums and penalties that accounted for variance in coal quality parameters. Table 2 shows the resulting price forecast for Ovoot specification coal within each TMR in nominal terms.

Table 2. Historical and forecast average nominal prices by year for Ovoot specification coal in TMRs (Source: Fenwei)

		2021	**2022**	**2023**	**2024E**	**2025E**	**2026E**	**2027E**	**2028E**	**2029E**	**CAGR23-29**
RMB	Wuhai	1402	1811	1441	1697	1648	1519	1452	1312	1282	-1.9%
	Tangshan	1778	2217	1737	1976	1935	1822	1760	1633	1606	-1.3%
	Qitaihe	1023	1501	1381	1477	1343	1242	1208	1152	1130	-3.3%
USD	Wuhai	220	260	200	237	232	215	206	187	183	-1.5%
	Tangshan	279	318	241	276	272	257	250	233	229	-0.8%
	Qitaihe	160	216	192	207	189	175	171	164	161	-2.8%

Nominal prices for coking coals are expected to be strong in 2025, with an average of USD 204 per tonne expected at Erenhot and Mandula if bound for Wuhai in Inner Mongolia, and USD 244 per tonne if bound for Tangshan in Hebei. These prices are on an ex-stock basis and include Chinese VAT.

This announcement was authorised for release to the ASX by the Company Secretary, Emily Austin.

– Ends –

About Aspire Mining Limited

Aspire Mining Limited (ASX: AKM) is a coking coal development company. Aspire 100% owns the Ovoot Coking Coal Project, and 90% owns the Nuurstei Coking Coal Project, both located in Khuvsgul aimag of north-western Mongolia.

The Company is primarily focused upon developing the world-class Ovoot Coking Coal Project to mine 'fat' coking coal via open pit methods, beneficiate it onsite, transport it by truck to a Company owned coal unloading and loading facility near Erdenet, and deliver it onward via rail to customers in China, Russia and beyond utilising the existing trans-Mongolian rail network.

Aspire Mining is deeply committed to operating in a responsible manner supportive of our host communities and safeguarding the environment. Through our operations, Aspire aims to deliver tangible benefits to our host communities, by building infrastructure that supports existing agricultural and tourism industries, whilst also providing employment opportunities to support the broader economy.

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Forward Looking Statements

This report may contain 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 exploration, the actual results of 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.