

ASX RELEASE



For Immediate Release – 30 April 2024

QUARTERLY ACTIVITIES REPORT

Period Ended 31 March 2024

Aspire Mining Limited (ASX: **AKM**, **Aspire**, or the **Company**) is developing metallurgical coal assets in northwestern Mongolia, with current focus on financing for construction of its 100%-owned Ovoot Coking Coal Project (**Ovoot** or the **OCCP**).

Company Highlights

As at the quarter ending 31 March 2024 (the **Quarter**) the Company held a combined total of USD 16.5 million in cash and cash equivalents, investments in bonds, and bond receivables. It remains debt free.

The Company holds 100% ownership of the OCCP, for which:

- Mining license MV-017098 is valid until August 2042, and is extendable twice by 20-year periods;
- Feasibility Studies for coal mining and coal processing have been approved by the Mineral Resources and Petroleum Authority of Mongolia, and for road construction by the Ministry of Road and Transportation Development (**MRTD**); and
- Detailed Design for road infrastructure to product haulage from Ovoot to a rail terminal nearby Erdenet has been approved by the MRTD.

Following the end of the Quarter, it was announced that the Detailed Design and Detailed Environmental Impact Assessment (**DEIA**) for road construction had been approved by MRTD and Ministry of Nature, Environment and Tourism (**MNET**) respectively¹. With these approvals Aspire now has all major approvals necessary in relation to the OCCP to freely progress with financing endeavours.

Quarter Highlights

- ✓ DEIA in relation to construction and operation of a Coal Handling and Preparation Plant (**CHPP**) within the Ovoot project site was approved by the MNET.²
- ✓ Detailed Design for Road infrastructure to support product haulage from the Ovoot CHPP to rail terminal nearby Erdenet was approved by the MRTD.³

¹ ASX Announcement 29 April 2024, *DEIA for Road Approved*.

² ASX Announcement 5 April 2024, *DEIA for Ovoot CHPP Approved*.

³ ASX Announcement 10 April 2024, *Detailed Design for Road Approved*.

OCCP Development

During the Quarter USD 0.32 million was invested by the Company in exploration and evaluation activities related to development of the OCCP. This included in relation to the Detailed Design for road, the DEIAs for CHPP and Road, and works underlying development of updated JORC estimates and an Independent Technical Report (ITR).

Permits and Approvals

All major permits and approvals required to advance development of the OCCP have now been acquired, with these comprising approval of:

- Feasibility Study and DEIA for coal mine construction and operation;
- Feasibility Study and DEIA for CHPP construction and operation; and
- Feasibility Study, Detailed Design and DEIA for road construction and operation.

Some other lower-level approvals will still be required to be obtained at various stages of project development and into operation. However, receiving these permits should be a matter of process now that these major approvals have been obtained, which provide context and normative references against which applications will be made.

JORC Estimates and Independent Technical Report

SRK Consulting, a reputable, independent, and internationally experienced consultancy is engaged to prepare updates to the JORC (2012) compliant Coal Resource and Coal Reserve estimates for the Ovoot deposit.

Work progressed during the Quarter to refine these Coal Resource and Coal Reserve estimates to underpin development of an Independent Technical Report to support project financing due diligence, which will now be able to be released once complete on the basis of having the key permits and approvals in place to develop the OCCP, rather than on assumption that these will be able to be obtained.

The process to prepare both the JORC Reserve estimate and Independent Technical Report is very detailed, with an increased emphasis on Environment, Social and Governance (ESG) for which it is critical to be thorough to support funding.

Community Relations

During the Quarter, the Company provided sponsorship and organisational assistance to the Mongolian National Mining Association (**MNMA**) to facilitate taking a small group of local community and government representatives from Mongolia to Australia.

The purpose of this tour was to enable the group to see firsthand how responsibly managed mining operations contribute to community prosperity whilst coexisting happily with the tourism and agricultural industries and protecting the natural environment.

Starting in Sydney, the group toured through Newcastle, the Upper and Lower Hunter Valley, and the Illawarra, before returning to Sydney. Highlights of the tour included:

- Meeting with senior local government and business leaders in Newcastle to learn how mining has underpinned high prosperity and significant benefits for local residents;

- Observing world class mine site rehabilitation and mine environmental controls being implemented in Hunter Valley open pit coal mines;
- Witnessing the agricultural, horticultural, and equine industries operating in close proximity to numerous and large open pit coal mining operations;
- Seeing world class tourism attractions operating successfully within an industry flourishing in the region on account of local, domestic, and international customers; and
- Understanding the compliance measures implemented by government and operators to facilitate safe and productive truck transportation of coal across mixed use roads.

The guests invited on the tour were impressed with how mining was benefiting Australian communities, and pleasantly surprised to see that it is indeed possible for mining, agriculture, tourism, and nature to happily coexist.



Figure 1. Touring the Port of Newcastle, one of Australia's most diverse regional ports and one of the world's largest coal export ports.



Figure 2. Exposure to world class environmental monitoring and rehabilitation works at Rix's Creek coal mine.

Ms Erdenetuya Ganbold, Chief Executive Officer of the MNMA, commented following conclusion of the tour that, *"as part of the sustainable mining program initiated and implemented by the MNMA, a second international study trip was undertaken, this time to New South Wales, Australia, sponsored by Aspire Mining Limited. The trip proved to be fruitful for representatives from local authorities who witnessed international best practices firsthand and observed how these projects benefits both industry stakeholders directly and indirectly."*

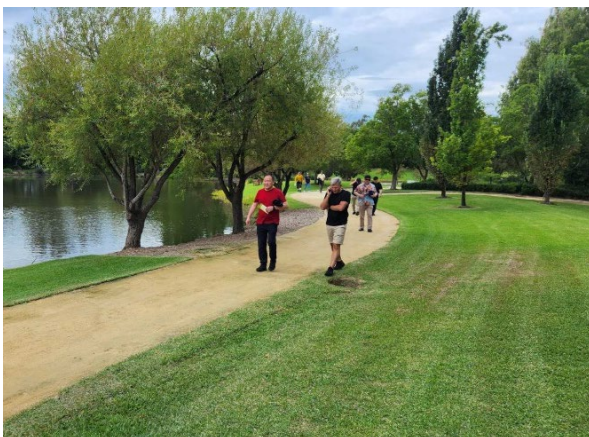


Figure 3. Enjoying the Hunter Valley gardens, surrounded by coal mining operations.



Figure 4. Visiting the Linfox Port Kembla depot, to observe safe and productively coal haulage across public roads.

Logistics and Marketing

Mongolia continues to dominate the supply of coking coals being imported into China, according to data published by the General Administration of Customs of the People's Republic of China as shown in Figure 5.

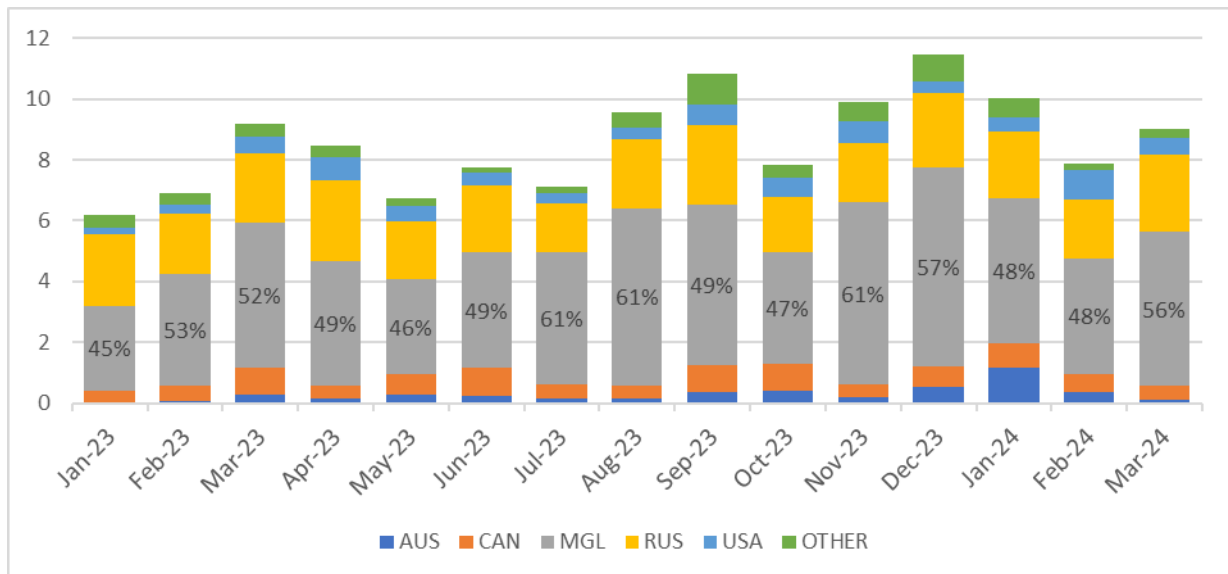


Figure 5. Coking Coal import into China by month and origin January 2023 – March 2024 (Source: www.stats.customs.gov.cn)

Prices for fat coals in Hebei province have remained at typically at equal or better pricing than hard coking coals from Australia and Mongolia in neighbouring Tianjin, as shown in Figure 6.

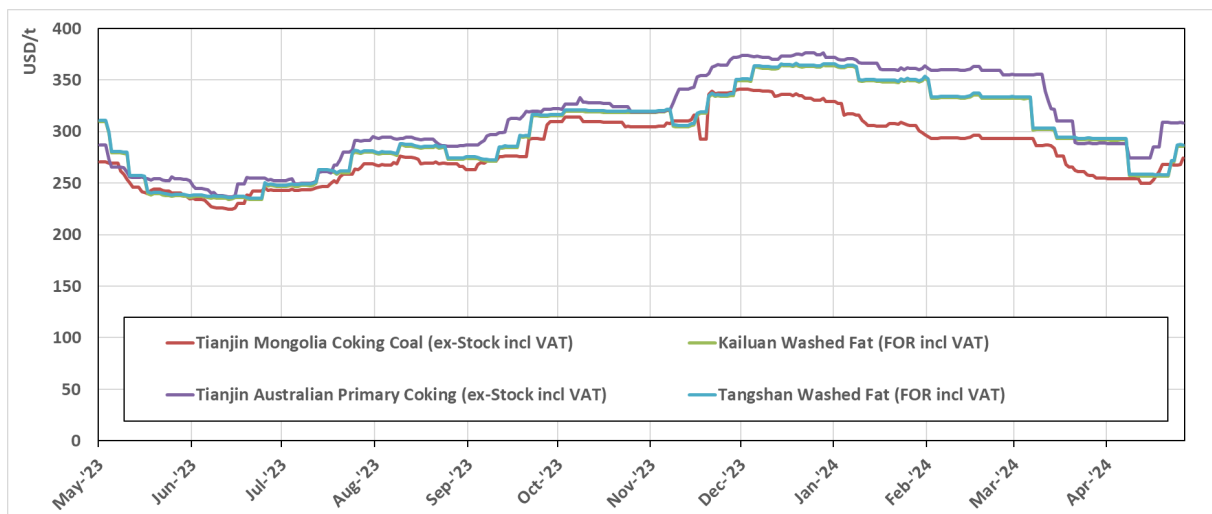


Figure 6. Twelve months' historical index prices for comparable coals (Sources: www.fwenergy.cn, www.wsj.com).

The value for fat coking coal has remained strong for several years, and according to a Market Study prepared for Aspire by Fenwei Digital Information Technology Co., Ltd., these prices are expected to remain strong for the foreseeable future, driven by robust market dynamics and a consistent need for high-quality coking coal.⁴

High-quality fat coal, like what will be produced from the OCCP, is expected to be in demand from coke producers in northern and northeastern China, particularly in the provinces of Hebei, Inner Mongolia, Liaoning, Heilongjiang, and Jilin where there is considerable demand as result of insufficient local production capacity.

⁴ ASX Announcement 30 April 2024, *Fenwei Market Study Findings*.

Corporate

The Company has adopted United States Dollars (**USD**) as its presentation currency⁵ which will provide investors and stakeholders with a clearer understanding of the Company's performance, including by mitigating any fluctuations in earnings resulting from foreign currency translations and balances into Australian Dollars (**AUD**).

The Company's financial position remained strong at the end of the Quarter with:

- USD 6.46 million held in cash and cash equivalents.
- A portfolio of AA- rated USD bonds of Market Value USD 7.55 million; and
- Matured bond and interest receivables of USD 2.54 million awaiting reinvestment.

During the Quarter investment earnings of USD 0.15 million offset total expenditure, and currency fluctuations resulted in only a minor unrealised gain of USD 0.02 million.

Quarterly expenditure included payments to related parties of USD 0.08 million, primarily comprising executive and non-executive directors' remuneration. In accordance with LR 4.7C.3, the Company paid USD 634 to Shine Uul Vets LLC, an associate of Achit-Erdene Darambazar, for the supply of beverages.

Share Information

Table 1. Capital Structure at the end of the Quarter

Security	Number on Issue
Quoted Ordinary Shares	507,636,985
Unquoted Performance Rights	6,000,000

Table 2. Substantial Shareholders at the end of the Quarter

Beneficial Shareholder	Number of Shares	Percentage Interest
Mr Tserenpuntsag Tserendamba	266,376,470	52.47%
Noble Group	66,401,758	13.08%

Tenement Information

As at the end of the Quarter, the Company had interests in the following tenements. There were no changes in the Company's interests in tenements during the quarter.

Table 3. Tenements held by the Company at the end of the Quarter

Tenement	License	Commodity	Location	Attributable Equity
Ovoot	MV-017098	Coal	Khuvsgul, Mongolia	100%
Nuurstei	MV-020941	Coal	Khuvsgul, Mongolia	90%

⁵ ASX announcement 30 January 2024, *Change in Presentation Currency*.

Coal Resources and Coal Reserves

The JORC (2012) Coal Resources and Coal Reserves estimated to exist within the tenements controlled by the Company are as follows in Table 4 through Table 6.

Table 4. Ovoot Coal Resources (Mt)

Category	Open Pit	Underground	Total
Measured	197.0	0.0	197.0
Indicated	46.9	25.4	72.3
Inferred	9.2	2.6	11.8
Total	253.1	27.9	281.0

Table 5. Ovoot Coal Reserves (Mt)

Location	Probable (M _{ar} = 2.0%)	Total (M _{ar} = 2.0%)	Marketable (M _{ar} = 9.5%)
Open Pit	247	247	182
Underground	8	8	6
Total	255	255	188

Note: The technical information and competent persons statements for the Ovoot Coal Reserves and Resources are reported in the Company's ASX announcements dated 02 November 2012, 31 July 2013, and 30 January 2013 (December 2013 Quarterly Activities Report) which are available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements, and that all material assumptions underpinning the estimates continue to apply and have not materially changed.

Table 6. Nuurstei Coal Resources (Mt)

Category	Total
Measured	0.0
Indicated	4.75
Inferred	8.10
Total	12.85

Note: The technical information and competent persons statements for the Nuurstei Coal Resources is taken from the Company's ASX announcement dated 13 April 2016 which is available to view on the Company's website. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement, and that all material assumptions underpinning the estimates continue to apply and have not materially changed.

This announcement is authorised for release by the Board of Directors.

– 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Aspire Mining Limited

ABN

46 122 417 243

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (3 months) \$USD '000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(220)	(220)
	(e) administration and corporate costs	(110)	(110)
1.3	Dividends received (see note 3)		
1.4	Interest received	147	147
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	(3)	(3)
1.9	Net cash from / (used in) operating activities	(186)	(186)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(4)	(4)
	(d) exploration & evaluation	(316)	(316)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (3 months) \$USD '000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(320)	(320)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	6,982	6,982
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(186)	(186)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(320)	(320)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (3 months) \$USD '000
4.5	Effect of movement in exchange rates on cash held	(18)	(18)
4.6	Cash and cash equivalents at end of period	6,457	6,457

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$USD '000	Previous quarter \$USD '000
5.1	Bank balances	444	444
5.2	Call deposits	6,013	6,013
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,457	6,457

6.	Payments to related parties of the entity and their associates	Current quarter \$USD '000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(82)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$USD '000	Amount drawn at quarter end \$USD '000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$USD '000
8.1	Net cash from / (used in) operating activities (item 1.9)	(186)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(316)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(502)
8.4	Cash and cash equivalents at quarter end (item 4.6)	6,457
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	6,457
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	13
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2024

Authorised by: The Board of Directors

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.