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ASX RELEASE

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Ovoot Coking Coal Project Confirmed as one of the Lowest Cost Potential Exporters of Coking Coal into China

- **Aspire Completes Pre-Feasibility Study Review for the Ovoot Coking Coal Project.**
- **Ovoot Project Pre-Feasibility Review confirms robust economics for a large, long life coking coal project with a Net Present Value for the mine of US$1.7 bn using a 12% real after tax discount rate and life of mine net cash surplus after all taxes and capital of US$8.3 bn based on a medium term average coking coal price of US$200 per tonne.**
- **Review includes the recently announced increase in Probable Coal Reserves to 219 million Run of Mine ("ROM") tonnes, making Ovoot the second largest coking coal deposit in Mongolia by Reserves.**
- **ROM tonnes modelled totals 224 Mt of mining inventory (including inferred coal), producing 184 Mt of coking coal over 20 years and annual production of up to 12 Mt.**
- **Project Review identifies significant operational savings from the mine plan now having a large proportion of backfilling and using an owner miner model. Life of mine ex mine gate cost is estimated at $36 per product tonne of quality coking coal.**
- **Free On Rail ("FOR") costs for quality coking coal into China are forecast at just $91 per tonne (excluding royalties) for the first five years of full production.**

Aspire Mining Limited (ASX: AKM, the "Company" or "Aspire") is pleased to announce that it has now completed the Pre-Feasibility Study Revision ("PFS Revision" or "Revised PFS") in relation to the Ovoot Coking Coal Project ("Ovoot Project"). Xstract Mining Consultants Pty Limited ("Xstract"), an international resource consulting group, signed off on an updated Coal Resource and Reserve statement on 2 November 2012 which has been used in the PFS Revision as well as preparing revised mine plans and a study to support the Underground mine.

The Company's Managing Director Mr David Paull said, "I am pleased to be able to report that the PFS Revision has demonstrated that the Ovoot Project is one of the lowest cost potential sources of coal into China which is the world's largest consumer of coking coal and coke. The 23% increase in Coal Reserves announced in November 2012 has contributed to the significant increase in the Project Net Present Value ("NPV") and overall cash surplus. The Company is now well positioned to commence commercialisation negotiations to advance funding and project development."

The Ovoot Project is located in northern Mongolia, approximately 160 kilometres west from the Khuvsgul Provincial capital of Moron which lies approximately 400 kilometres west of the nearest rail head at Erdenet.

Figure 1: Map of Mongolian Exploration & Mining Projects Including the Ovoot Coking Coal Project

The PFS Revision is based on a large Open Pit mine delivering up to 14 million tonnes per annum and a small Underground mine delivering up to 0.75 Mtpa of raw coal over 20 years.

In August 2012 the Company was granted a Mining Lease MV 017098 which covers the planned Ovoot Open Pit and Underground operations.

Estimated Annual Coking Coal Production

The production schedule shown in Figure 2 is based on a Probable Coal Reserves statement prepared by Xstract as announced on 2 November 2012, with an additional 5 Mt of inferred Coal Resources identified and mined in the Open Pit. The PFS Revision now includes a small Underground with a total of 8 Mt being mined over an 11 year period. Total marketable coal produced in the PFS Revision is 184 Mt of quality coking coal.

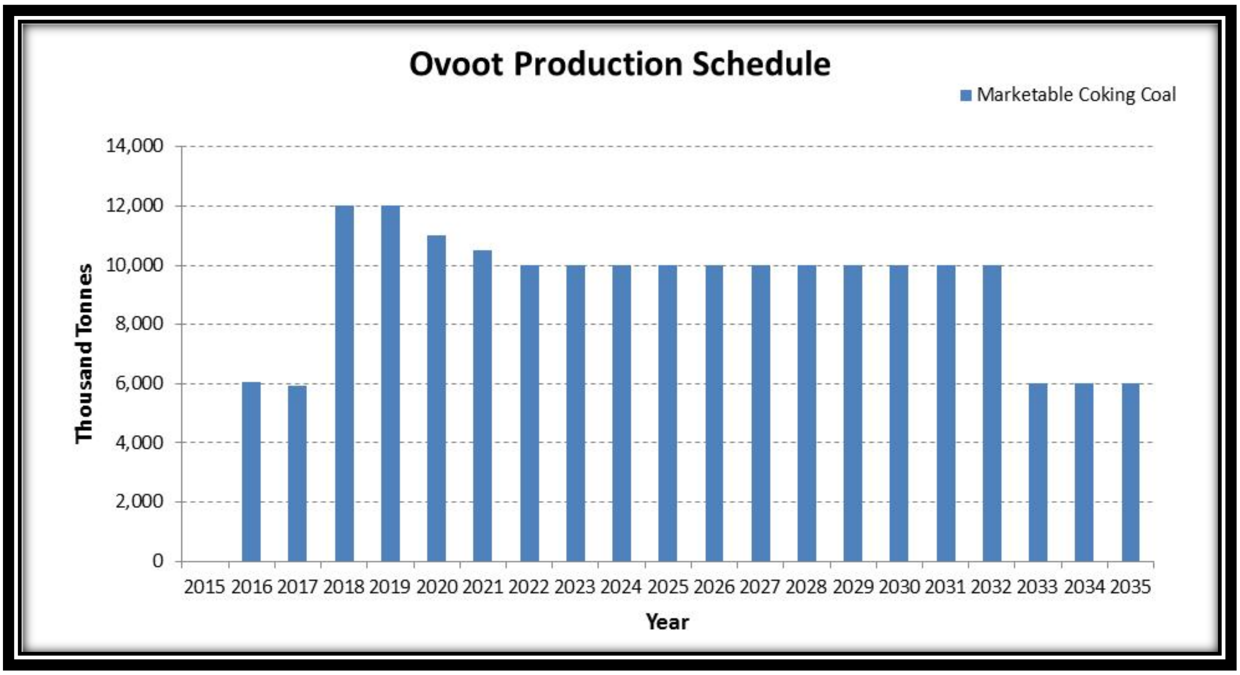

Figure 2: Annual Estimated Saleable Production Tonnes

The production profile assumes the raising of development finance, grant of outstanding development approvals and access to rail capacity and ports in Mongolia, Russia and China, as well as the completion of Phase 1 of the Northern Railways LLC ("Northern Railways") multi-user railway extending the current railway terminus at Erdenet some 345 kilometres towards the town of Moron by January 2016. Production at the higher 10-12 Mtpa assumes the completion of the connecting Ovoot spur line by Aspire by January 2018.

The average life of mine strip ratio for the Open Pit is 9:1 (BCM:ROM tonne), excluding initial pre-stripping of waste. Open Pit dimensions are now approximately five kilometres long by two kilometres wide (refer Figure 3).

The Underground Probable Coal Reserve has been estimated by Xstract from the upper seam only, resulting in a total Underground project life of 11 years at a production rate of up to 0.75 Mtpa. Average cost of production over the life of the Underground project is estimated at US$120 per tonne based on an equal split of sales between China, and accessing seaborne markets through Russia. Life of mine capital expenditure is estimated at $85 million including contingencies.

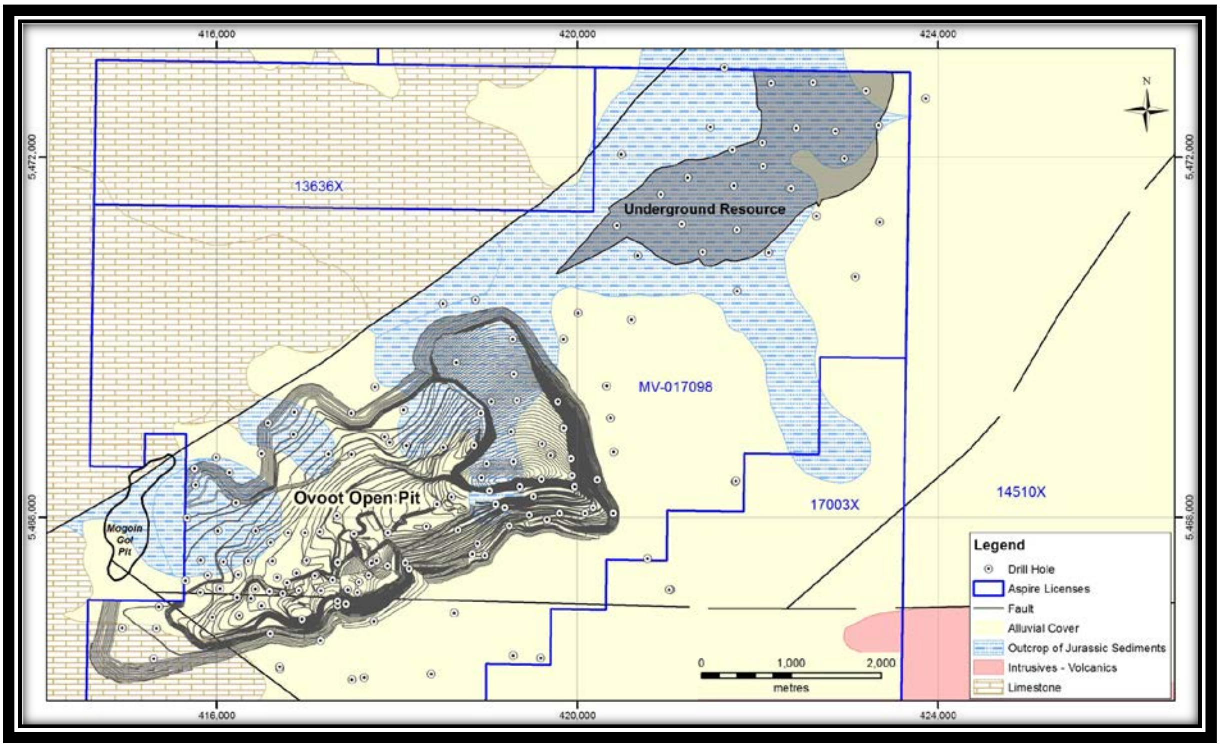

Figure 3: Ovoot Coking Coal Project Open Pit and Underground Coal Resource

Ovoot coking coal has been classified as a low ash quality blending feedstock for coke manufacture and meets the specification for a fat coking coal classification. Further value in use coke oven test work is planned for completion later this year.

Coal quality analysis and process simulations by Sedgman Limited ("Sedgman") have shown that a 9.5% ash product with 10.0% moisture can be achieved with high yields.

Operating Expenditure

The PFS Revision has identified an average ex-mine gate cash cost of US$36 per product tonne of coking coal produced for the life of mine. This translates into an FOB cash cost to Russian Far East Port of US$131 per product tonne and US$99 per product tonne FOR cash cost at the Chinese border, both excluding royalties.

Cash Operating Costs	US$\t Produced FOB Russian Far East Port	US$\t Produced FOR China	Average US$\t (Assumes 50\50 split)
Mining and Processing Costs	$36	$36	$36
Rail, Port and Marketing Costs[Note1]	$95	$63	$79
Total	**$131**	**$99**	**$115**

Table 1: Estimated Cash Operating Costs

Note 1: Rail costs include the standard national per kilometre tariff for the first phase of rail from Erdenet (refer figure 4)

The costs outlined in Table 1 are real (not inflation adjusted) and based on the scheduled life of mine production rate from the Open Pit and Underground mines**. At full production, cash**

costs into China, for the first five years average just $91 per product tonne of quality coking coal FOR in China which would represent one of the lowest cost coking coals imported into China.

Ovoot Capital Expenditure

The Revised PFS is now based on an owner miner fleet which now adds significant investment required in mine fleet. The Company has identified an initial capital cost of US$723 million plus contingencies to establish a coal handling plant, a wash plant, all mobile fleet, waste pre-stripping, a coal haulage road and all of the necessary support infrastructure to produce 6 Mtpa of saleable coking coal. The coal haulage road forms part of a Multi Modal Transport Corridor ("MMTC") linking the Ovoot Project to Phase 1 rail development by Northern Railways (refer Figure 4).

A further US$482 million plus contingencies is required to increase the Ovoot Projects' capacity to mine and process up to 14 Mtpa of coal and produce up to 12 Mtpa of product.

Description		Stage 1	Stage 2	Total
Mine Site Infrastructure				
Mine mobilization and establishment[Note1]	US$ m	12.3	13.2	25.5
Mine pre-strip	US$ m	86.7	-	86.7
Mining Fleet	US$ m	264.0	264.1	528.1
Camp and Office Complex	US$ m	23.1	-	23.1
Airstrip and Associated Facilities	US$ m	13.1	-	13.1
Power, water and communications	US$ m	19.6	5.1	24.7
Coal Handling and Preparation Plant				
CHPP	US$ m	187.4	198.0	385.4
Tailings Storage Facility (TSF)[Note2]	US$ m	6.1	1.6	7.7
Off-Site Infrastructure				
Mine Access and Coal Haul Road	US$ m	98.2	-	98.2
Power Supply (HV aerials)	US$ m	2.1	-	2.1
Working Capital	US$ m	10.5	-	10.5
Total Capital	**US$ m**	**723.1**	**482.0**	**1,205.1**
Capital Contingencies[Note3]	US$ m	91.8	43.6	135.4
Capital Including Contingencies	**US$ m**	**814.9**	**525.6**	**1,340.5**

Table 2: Ovoot Project Mine Capital Expenditure *("Mine Capital")*

Note 1: There will be future mobilisation and establishment costs after Stage 2 estimated at approximately US$0.7m pa.
Note 2: There will be additional TSF costs after Stage 2 estimated at approximately US$1.3m pa
Note 3: Contingencies of 20% added excluding mobile fleet that are based on current fixed price quotes.
Note 4: Underground capital expenditure of $85 million for the life of mine will be incurred post development of Stage 2.

It is anticipated that the Ovoot Project will be able to fund, depending on coal prices received, the expansion from the initial production rate of 6 Mtpa to the full production rate of up to 12 Mtpa, plus all future capital requirements from internal cash flow and project debt.

Northern Railways Capital Expenditure

Aspire has established Northern Railways, a Mongolian registered special purpose company with the sole objective being the licensing, funding and construction of a 581 kilometre rail line extending the Trans-Mongolian railway at Erdenet, through to the Ovoot Project (refer Figure 4).

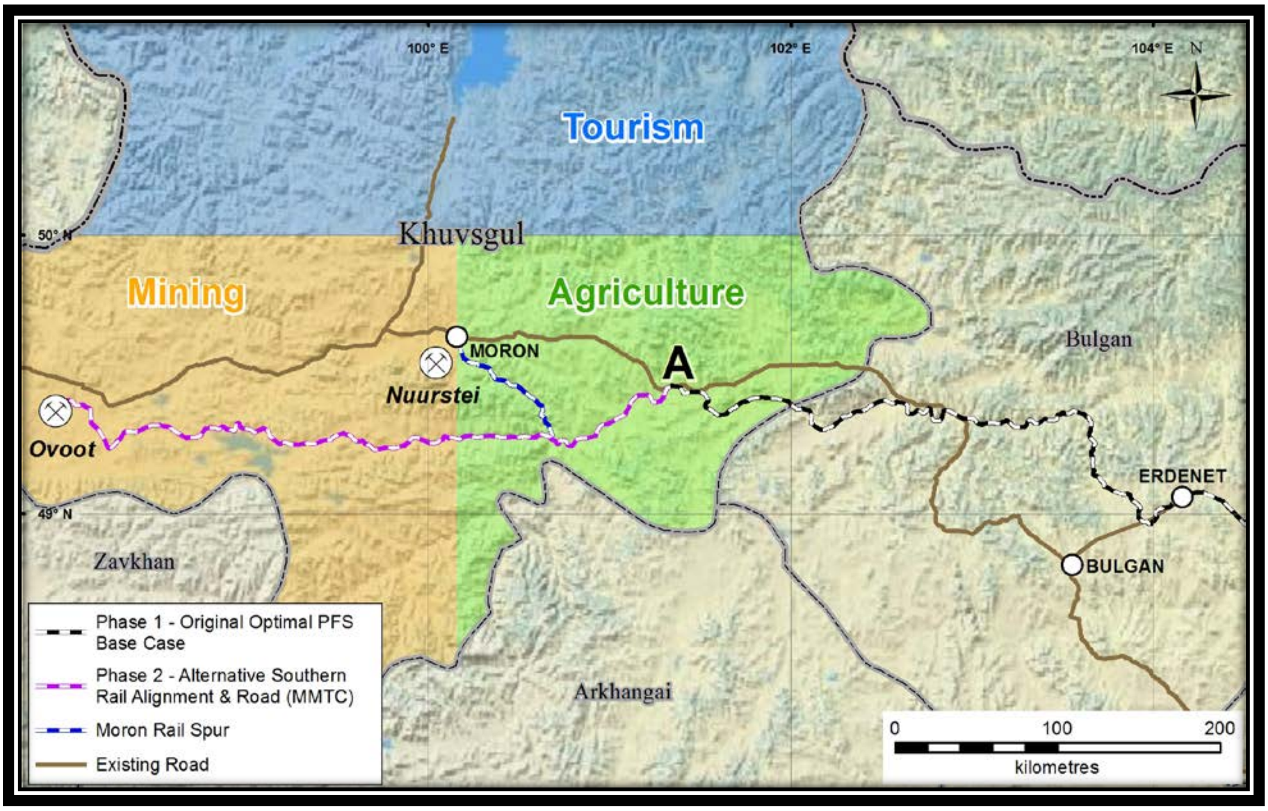

Figure 4: Northern Railways Alignment

A Rail Pre-Feasibility study for this railway ("Rail PFS") was completed in March this year and was approved by the Mongolian Rail Authority as technically feasible and with a general environmental approval for the rail path chosen ("GEIA").

Subsequent to the completion of the Rail PFS, an Alternative Southern Alignment running approximately 50 kilometres further south of the alignment identified in the Rail PFS has the potential to be significantly lower in capital and operating expenditure. Total rail capex incorporating potential capital cost savings were reported on 30 July 2012.

Rail Capital expenditure, including additional capital savings in relation to capacity changes is estimated as follows:

Description		Phase 1	Phase 2
Erdenet to Point A (346 kms) refer Figure 4	US$ m	710	
Point A to Ovoot (235 kms)	US$ m		469
Contingencies	US$ m	142	94
Total Rail Capital Including Contingencies	US$ m	852	563

Table 3: Rail Capital Expenditure *("Rail Capital")*

Note: The Alternative Southern Alignment is currently the subject of a detailed review and above capital may change.

The Erdenet to Ovoot rail line will be open access. Other bulk commodity deposits within trucking distance of this rail alignment, provides opportunities for future volume growth.

Ovoot Has A Relatively Low Capital Intensity

The Revised PFS includes Phase 2 Rail Capital as part of the Mine Capital development plan to be funded by Aspire. It is assumed that Phase 1 will be funded directly by investors into Northern Railways as this portion of the rail line is intended to service a number of existing and potential future customers other than Aspire's Ovoot Project. The Revised PFS assumes that the Ovoot Project pays the standard national per kilometre tariff for this part of the rail task.

Adding Mine total capex to Phase 2 Rail capex brings the total Ovoot Project capex to US$1.9 bn including contingencies. Based on the very high yield to a quality coking coal product with no thermal fraction, the Ovoot Project continues to be one of the lowest capital intensity undeveloped coking coal projects available.

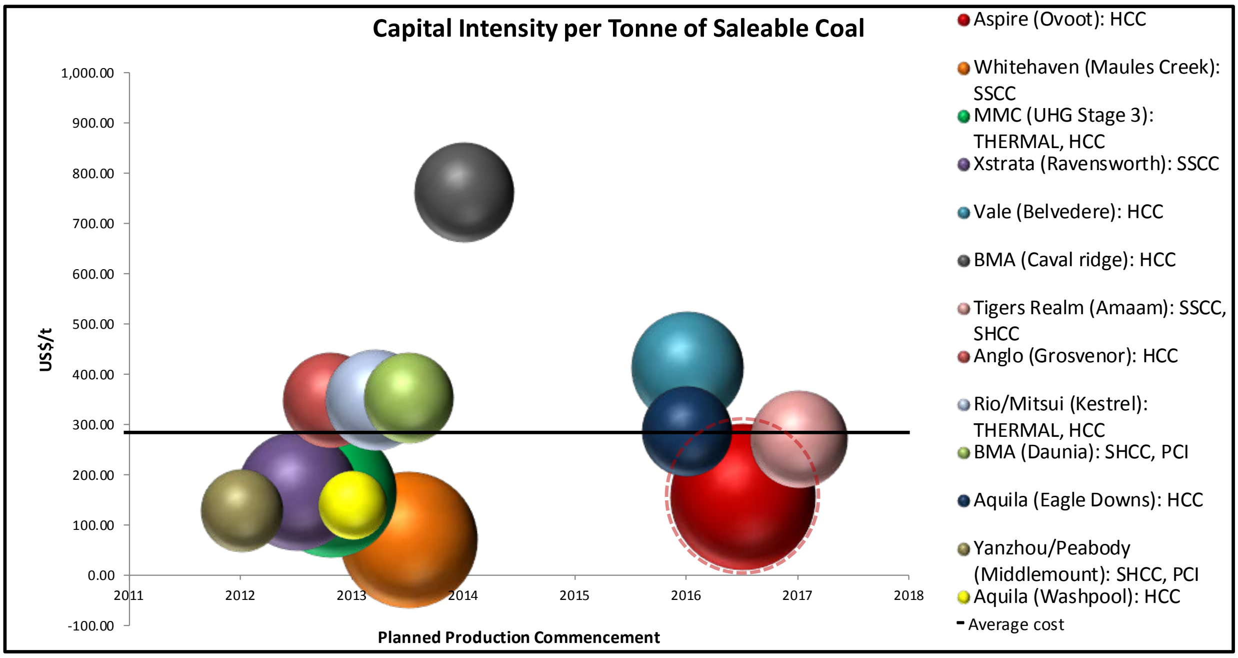

Figure 5: Capital Intensity per Tonne of Saleable Coking Coal for Development Projects

Note: Aspire capex includes Mine and Phase 2 Rail.

(Sources: Raw Materials Group Stockholm coal database, Company Announcements, Annual Reports, Website, Project public Research Reports, Project Fact Sheets)

Revised PFS: Project Economics

The Revised PFS with lower overall operating costs incorporating the larger and deeper Open Pit Coal Reserves and Underground mine demonstrates a very large and financially robust coking coal project using a medium term average coking coal price of US$200 per tonne.

Note that recent market analysis by Wood Mackenzie confirms that incentive prices of more than US$200 per tonne are required in order for supply to adequately respond to forecast demand *(Source: Wood MacKenzie Newsletter November 2012, dated 21 November 2012 Podcast Presentation)*.

Life of mine totals from the Revised PFS and Underground PFS are as follows:

	US$ Billion
Revenue	36.7
Operating Costs	(21.1)
Operating Surplus before taxes	**15.6**
Government Royalties	(2.6)
Tax	(2.7)
Operating Surplus after Royalties and Tax	10.3
Life of Mine Capital[Note1]	(2.0)
Net Surplus after tax	**8.3**

Table 4: Life of Mine Net Cash Surplus After all Taxes and Capital

Note 1: Life of mine capital includes initial capital investment as shown in Table 2, capital expenditure for the Underground mine and maintenance capital over the life of mine.

The Ovoot Project NPV's are robust across a broad range of real after tax discount rates.

	10%	12%	15%
Net Present Value (after tax)	US$2.2 bn	US$1.7 bn	US$1.2 bn

Table 5: Net Present Value Sensitivity Table

Summary

The PFS Revision has again highlighted the robust nature of the Ovoot Project. Project development work will now focus on:

- Securing all of the necessary approvals and permits to commence production;
- Northern Railways completing an update to the Rail PFS for the Alternative Southern Alignment and working towards securing all of the necessary licenses and permits to construct the Erdenet to Ovoot railway;
- Progressing preliminary marketing discussions with potential coal customers; and
- Working towards the identification of a Strategic Partner/Partners that can assist Aspire to bring the Ovoot Project into development.

--Ends--

Competent Persons Statement

In accordance with the Australian Securities Exchange requirements, the technical information contained in this announcement in relation to the JORC 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, 2004. 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, 2004. 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, 2004. 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, 2004. 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.

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 for the Ovoot Project in May 2012 and a PFS Revision in December 2012, targeting a large scale open pit mining operation, with production of up to 12 Mtpa of saleable coking coal at full capacity over a 20 year life of mine. Aspire is targeting first production at the Ovoot Project in 2016 subject to funding, approvals and licenses. The Ovoot Project ranks as the second largest coking coal Reserve in Mongolia, with JORC Code compliant Probable Coal Reserves of 219 Mt. Aspire received a Mining License in August 2012, and is considering a smaller scale starter pit road based operation whilst continuing to progress access to rail infrastructure and other regulatory approvals to support a larger operation.

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