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ASX RELEASE

ASPIRE MINING LTD

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The Development and Funding Plan for Ovoot

The Ovoot Project Development and Funding Plan ("ODP") outlines a strategy for a potentially fully funded low capital spend development of the Ovoot Coking Coal Project for an initial 5 Mtpa of saleable coking coal.

- Extensive minesite capital reductions to US$144 million, based on internal Company calculations.
- Non-binding letters of intent to negotiate funding washplants and other site capital from Deutsche Bank and BHF Bank for US$40 million and US$50 million respectively for Export Credit Agency supported loans. Other potential sources of funding have been identified.
- Rail funding risk lowered with the identification of this ODP and feasible funding options.
- Initial production of 5Mtpa with later production increases internally funded from cashflow.
- Operating costs excluding royalties for the first three years of operation are expected to be between US$83/t to US$93/t FOR (Fixed on Rail) China border depending on rail tariffs to be negotiated and US$72/t FOR Russian border, based on internal Company calculations.
- Commencement of 5Mtpa operation to coincide with commissioning of railway from Erdenet to the Ovoot Project in 2017.

Aspire Mining Limited (ASX: AKM, the "**Company**" or "**Aspire**") is pleased to provide its shareholders with the Ovoot Development and Funding Plan ("**ODP**") for the Ovoot Coking Coal Project ("**Ovoot Project**") located in northern Mongolia.

This ODP is the result of a fundamental shift in Aspire's development strategy. The Company has identified the lowest capital intensive start up using contractors wherever possible. This development strategy relies on the rail line being extended to Ovoot in one phase.

The December 2012 Revised PFS completed on the Ovoot Project was based on an Owner Operator model assuming a two staged development plan whereby Stage 1 would initially produce up to 6mtpa of saleable coking coal from 2016, and Stage 2 would ramp production to up to 12Mtpa from 2018.

Pursuant to this development model, the Stage 1 capital required by Aspire for the necessary mine infrastructure and washing plants was initially estimated in the Ovoot Project Pre-Feasibility Study Revision (refer ASX announcement dated 6 December 2012) at US$459 million plus contingencies plus US$264 million for the mining fleet. The necessary rail services are to be provided by Northern Railways LLC. Delivered costs FOR China border for the first five (5) years were US$91/t.

The ODP adopted by Aspire reduces mine capital expenditure significantly to US$144 million (refer Table 1), based on internal Company calculations.

Revised Development Plan	Capex (US$million)
Mine Pre Strip	$ 60
Mobilisation	$ 8
Site Infrastructure	$ 6
CHPP and buildings	$ 43
Working Capital	$ 13
Total	**$130**
Contingency	$ 14
Total Incl Contingency	**$144**

Table 1: Capital Estimate for the Ovoot Project Revised Development Plan

This plan relies on:

- Extensive use of contractors to supply mining, camp, aviation and communication services.
- The construction of railway from Erdenet to the Ovoot Coking Coal Project mine site in one phase with completion in 2017. This alleviates the need to build a sealed coal haul road and reduces the capital expenditure estimate by $98 million.
- Use of “off-the-shelf” modular washplants. Production of 5Mtpa is achievable from these plants when combined with the forecast availability of by-pass coal (coal that does not need to be washed) in the early years. Additional capital investment in wash plant capacity and on site materials handling capabilities will still need to be made to lift production to as much as 12Mtpa as the market requires.
- The Coal Resource remodelling conducted by the Company in 2013, the results of which were included in the recent Coal Reserves and Resource announcement (dated 31 July 2013), which identified an area of low ash coal that can provide a significant amount of by-pass coal in the early years that reduces the coal washing capacity otherwise needed.

The following are key assumptions used to achieve the first year target of 5Mtpa of marketable coking coal:

1. In the eight months prior to commencement of first year production, a 20 million BCM waste removal programme to pre-strip overburden to top of coal;

2. A strip ratio of 7.8:1 (BCM waste: tonne of coal);

3. Preferentially targeting the Upper Seam with a relatively high proportion of low ash coal;

4. Mining of 5.5Mt of coal (at a 2% moisture on an as received basis) producing 5Mt of saleable coal. This is made up of 40% of washed coal and 60% of by-pass coal meeting a 13% ash cut-off;

5. Higher ash coal totalling 2.2Mt will be washed in a 300 tonne per hour wash plant to be constructed at the Ovoot Project;

6. Overall product yield of 90% to be achieved averaging 9% moisture for a less than 10% ash product; and

7. The mine design is that used to support the recently announced Coal Resource and Reserve update for the Ovoot Project (refer ASX announcement dated 31 July 2013).

Development of the Ovoot Project based on the ODP will take approximately 12 months and would be timed to meet the commissioning of the Erdenet to Ovoot Railway in 2017. The Erdenet to Ovoot Railway ("**Northern Rail Line**") is being progressed by Aspire's wholly owned subsidiary Northern Railways LLC ("**Northern Railways**").

The 5Mtpa initial production target for the ODP should be read in conjunction with the Company's recent ASX announcement (dated 10 July 2013) where the Company noted significant interest from potential customers to acquire Ovoot Project coking coal and that the Company has signed non-binding Memoranda of Understanding for coal sales for up to 5.6Mtpa, with significant additional interest from Russian, Chinese and Japanese customers.

Financing Plan

The ODP Mine Capital, as shown in Table 1, can be indicatively funded from the following sources;

Mining Contractors

The Company is in preliminary discussions with two large international mining contractors regarding a five (5) year mining contract for a currently scheduled movement of 368 million BCM of coal and waste. The inclusion of 20 million BCM of pre-stripping of waste prior to production commencing and mobile fleet mobilisation costs would be capitalised then amortised per tonne of coal mined across the balance of the five year contract. This contract would provide up to $60m of the above funding task.

Export Credit Agency Loans

The Company has received non-binding letters of intent from Deutsche Bank and BHF Bank to provide US$40 million and US$50 million, respectively, in Export Credit Agency backed loans to fund the wash plants and associated site works and engineering.

Noble Working Capital Facility

As disclosed in the Company's announcement to the ASX on 10 January 2013, the Noble Group provided a range of initiatives to Aspire to support development of the Ovoot Project and port and rail options for the Company. One of these initiatives is the provision of a working capital facility to support an initial mining operation. The value of this facility was nominally identified as being US$20m and the

Company has confirmed with Noble that this facility would be made available to Aspire to support the ODP, subject to commercial negotiations. Noble is a large strategic shareholder in Aspire and has marketing rights covering 50% of the first 5Mtpa of production and 10% of the mine production thereafter.

Customer Support

The above sources of funding total US$130 million. Additional funding sources from the potential coal customer base could be found through a mechanism of coal presales for a relatively small proportion of annual production.

Time Line to Production

With the ODP being dependent on the Northern Rail Line; commissioning, permitting and financing for the rail becomes the critical path for the ODP. The following phased timeframes are indicative of what is potentially achievable.

Figure 1: Revised Development Timeline for the Ovoot Mine and Erdenet – Ovoot Railway

This lower initial capital expenditure level, when combined with the identification of sources of capital to make this investment removes a significant area of funding risk for Northern Railways and its Erdenet to Ovoot Railway. Ovoot will be the major user of this railway and will be critical in underlining the financial viability of the railway. With the significantly more manageable capital development plan, the indicative financing plan becomes achievable for a junior development company such as Aspire.

Aspire's Managing Director, Mr David Paull, said "The ODP is an appropriate response to find a capital efficient path to development. This lower capital spend when combined with the potential sources of capital identified to fund the ODP removes mine financing risk and will provide confidence to future investors in Northern Railways that the Ovoot mine will be operational when required".

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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 (PFS) for the Ovoot Project in May 2012, a PFS Revision in December 2012 and was granted its Mining Licence in August 2012. Aspire is targeting first production of 5Mtpa at the Ovoot Project in 2017 subject to funding, approvals, licenses and construction of rail infrastructure. Aspire's wholly owned subsidiary Northern Railways LLC is currently continuing to progress the development of railway which will connect the Ovoot Project directly to the existing Mongolian rail network.

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