

Aspire Mining Limited

ABN: 46 122 417 243

Level 9, 182 St Georges Terrace Perth WA 6000

PO Box 1918
Subiaco WA 6904

Tel: (08) 9287 4555

Fax: (08) 9321 4914

Web: www.aspiremininglimited.com
Email: info@aspiremininglimited.com

ASX RELEASE



For Immediate Release – 29 July 2020

QUARTERLY ACTIVITIES REPORT

Quarter Ended 30 June 2020

- **End of quarter cash balance of A\$40.7 million (US\$28 million) to provide initial funding for development commencement of the Ovoot Coking Coal Project.**
- **A new detailed operating plan, budget and financial model was prepared for evaluation and Board, financing and development decisions.**
- **Substantial potential operating cost savings have been identified with regard to truck types used for mining, and truck-trailer combinations for coal delivery to rail terminal.**
- **The response to COVID-19 by the Government of Mongolia (GoM) has been effective with just 288 cases recorded to 26 July 2020, no attributable deaths and no community transmission.**
- **Actions taken by the GoM in response to COVID-19 have had some impact on Company activities, in particular the banning of public gatherings until the end of July has deferred community meetings required to held as part of approval processes.**
- **Mongolian Parliamentary elections were held on 24 June 2020 with the ruling Mongolian People's Party retaining government with a significant majority under the leadership of Prime Minister Mr U.Khurelsukh.**

Aspire Mining Limited (ASX: AKM, **Aspire**, or the **Company**), focussed on the evaluation, exploration and development of metallurgical coal assets in Mongolia, is pleased to present its Quarterly Activities Report for the quarter ending 30 June 2020 (**Quarter**).

The Company currently wholly owns 100% of the large scale, world class Ovoot Coking Coal Project (**OCCP**, or **Ovoot Project**) and a 90% interest in the Nuurstei Coking Coal Project (**Nuurstei Project**), both located in northern Mongolia.

Ovoot Coking Coal Project

During the Quarter, the company spent \$0.214 million on progressing the OCCP. Expenditure was limited as the Company awaits access to the project license area to complete pre-development activities including infill, hydrological and geotechnical drilling focused on the starter pit area. The completion of the Definitive Environmental Impact Assessment (DEIA), including the continued deferral of local community engagement meetings due to COVID-19 control measures, continues to delay access to the site area to commence ground activities.

The Ovoot Early Development Plan (**OEDP**) Pre-Feasibility Study prepared by FMS LLC in 2019 focused on evaluating a production plan producing up to approximately 4 Mtpa based on trucking a washed coking coal product to an existing rail head in the city of Erdenet.

During the Quarter, further work was undertaken internally to evaluate phased development plan scenarios with the intent to reduce the upfront capital costs and logistics chain risks to get into commercial production in the shortest possible time frame once access to the OCCP is granted.

After completing the plan and budget based on first principles, the baseline assumptions regarding mining equipment and transportation equipment were investigated for possible improvement. This has identified opportunities for more detailed evaluation, including proven and reliable low cost mine trucking solutions from Tier 1 manufacturers, and deployment of truck-trailer combinations on road using increased gross combination mass to facilitate significant economical, safety, environmental and community benefits.

The Company is conscious of the impact on shareholders of the continued delays to bring the valuable OCCP project into production. However, while we await the necessary approvals to proceed, the Company continues to use this time to optimise operating plans and costings to improve the economics of the OCCP.

The Mogoin Gol (Ovoot) to Erdenet road alignment was studied by the Khuvsgul airmag government during the March 2020 quarter and was included in that airmag's 2030 Road Development Plan. With this approval the Company and its environmental and engineering consultants have continued to engage with the soums along the road path to gain final Ministry approval for the alignment and completion of the definitive engineering study.

Definitive Environmental Impact Assessment ("DEIA")

The Company is continuing with productive engagement with the local Tsetserleg soum Government and (subject to the constraints from COVID-19 restrictions) communities where the OCCP is located in order to gain the necessary approvals to progress the OEDP Definitive Feasibility Study.

A key approval to be received is from the Ministry of Environment for the DEIA which includes local stakeholder information sharing and engagement, flora and fauna surveys, ethnological surveys and social impact assessments. A preliminary draft of the DEIA has been prepared and disseminated amongst relevant stakeholders in June 2020. However, in response to the COVID 19 threat, the Government has continued to ban public meetings which are necessary to be held prior to the submission of the DEIA to the Ministry of Environment. The ban on gatherings has been extended through to 31 July 2020.

Corporate

As at 30 June 2020 the Company had A\$40.7 million in cash and term deposits. As the Company maintains the majority of its cash in US dollars, the appreciating AUD:USD exchange rate resulted in a \$2.3 million reversal of the foreign exchange gain of \$2.7 million reported in the March 2020 Quarter.

The expenditure for the Quarter included payments to related parties of \$0.26 million, which comprised executive and non-executive directors' remuneration.

Substantial beneficial shareholders as at 30 June 2020 are:

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

Cash Position

At 30 June 2020, the Aspire Group had A\$40.7 million in cash at bank and term deposits with no borrowings.

Capital Structure

The securities on issue at 30 June 2020 were:

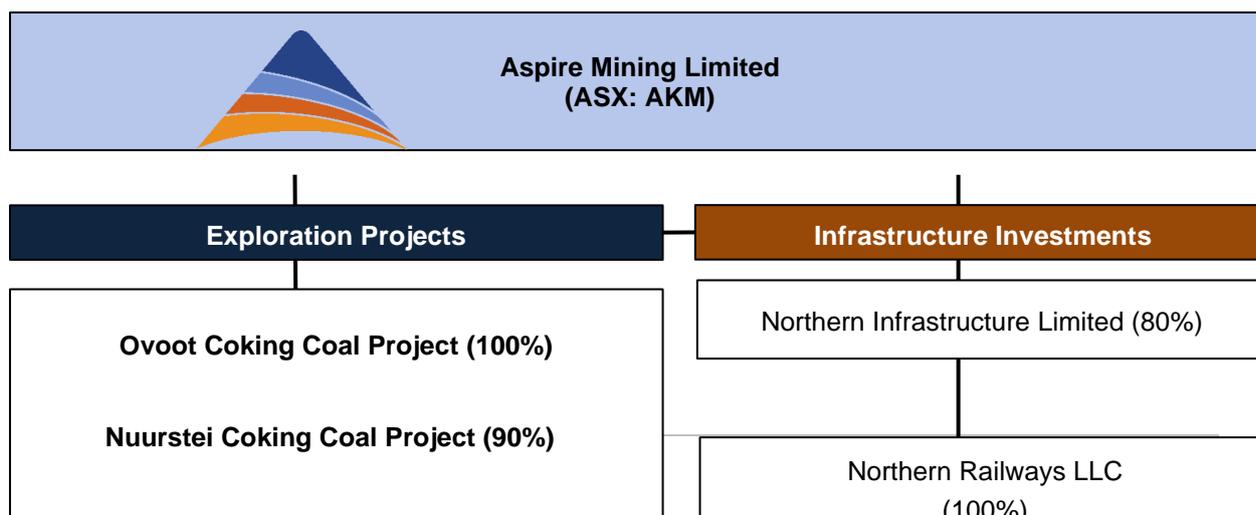
Security	No. on issue
Quoted Ordinary Shares	507,636,985
Unlisted Performance Rights	2,294,998

Interests in mining and exploration tenements at 30 June 2020

Tenement	Location	Attributable Equity
Ovoot MV-017098	Mongolia	100%
Khurimt XV-014510	Mongolia	100%
Nuurstei MV-020941	Mongolia	90%

There were no acquisitions, disposals, reductions, or relinquishment of tenements in the Quarter.

Group Investment Structure



JORC Code 2012 Reserves and Resources

Ovoot Coal Resources

JORC Code Resource	Ovoot Open Pit	Ovoot Underground	Total (Mt)
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

Ovoot Coal Reserves

JORC Code Reserves	Probable (Mt) (Arb, 2% moisture)	Total (Mt)	Marketable (Mt) (Arb, 9.5% moisture)
Open Pit	247	247	182
Underground	8	8	6
Total	255	255	188

The technical information and competent persons statements for the Ovoot Coal Reserves and Resources are reported in the Company's ASX announcements dated 2 November 2012, 31 July 2013 and 30 January 2013 (December 2013 Quarterly Activities Report) which are available to view on the Company's website and the ASX Announcements platform. 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.

Ovoot OEDP Reserves

The OEDP Reserves have been confirmed as:

Category	Coal Reserve (adb) ROM Mt	Coal Reserve Total Moisture 2.0% arb ROM Mt	ROM Coal adb Ash Content %	ROM Coal adb CSN%
Probable Ore Reserve Open Pit OEDP	36.8	37.6	17.2	7.9
Probable Ore Reserve Open Pit OEDP Plus OEDP Extension	53.8	54.9	18.0	8.5

Category	Marketable Reserve Coal Total Moisture 10% arb Mt	Product Specification adb Ash Content %	Product Specification adb CSN%
Probable Product Reserve Ore Open Pit OEDP	32.2	10.5	8.5
Probable Product Reserve Open Pit OEDP Plus OEDP Extension	46.2	10.5	8.5

The technical information and competent persons statements for the OEDP Reserves are reported in the Company's ASX announcements dated 28 February and 1 March 2019 which are available to view on the Company's website and the ASX Announcements platform. 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.

Nuurstei Coal Resources

JORC Code Resources	Mt
Indicated	4.75
Inferred	8.1
Total (Mt)	12.85

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 and the ASX Announcements platform. 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 David Paull, 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 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.

About Aspire Mining Limited

Leading pure-play metallurgical coal project developer Aspire Mining Limited (ASX: AKM) is the 100% owner of the world-class Ovoot Coking Coal Project.

Aspire is targeting early production of washed coking coal from a first-stage development of the Ovoot Project, known as the Ovoot Early Development Plan (OEDP). The OEDP is focused on a truck and rail operation to deliver up to 4Mtpa to end markets in China and Russia. Operational expansion can occur following the construction of the Erdenet-to-Ovoot Railway, which is being progressed by Aspire's subsidiary, Northern Railways LLC.

Aspire also has a 90% interest in Nuurstei Coking Coal Project located in northern Mongolia.

About Northern Railways LLC

Northern Railways LLC is a Mongolian-registered rail infrastructure company, mandated to pursue the development of the 547km Erdenet-to-Ovoot Railway, and supported by a consortium comprising Aspire Mining, China Gezhouba Group (CGGC) and subsidiaries of Fortune 500-listed China Railway Construction Corporation Limited – China Railway 20 Bureau Group Corporation and China Railway First Survey & Design Institute Group Co Ltd.

In August 2015, Northern Railways was granted an exclusive 30-year concession by the Mongolian Government to build and operate the Erdenet-to-Ovoot Railway. Completion of the conditions precedent for the rail development has been extended through to 8 September 2021.

For more information contact:

Corporate

David Paull Chairman	Aspire Mining Ltd	+61 8 9287 4555
-------------------------	-------------------	-----------------

Achit – Erdene Darambazar Managing Director	Aspire Mining Ltd	+976 7011 6828
--	-------------------	----------------