

Execution of Lump Sum EPC Contract for Ovoot Coal Handling and Preparation Plant and Erdenet Rail Terminal

Aspire Mining Limited (ASX: AKM) (**Aspire** or the **Company**) is pleased to announce that its wholly owned subsidiary, Khurgatai Khairkhan LLC (**KK**), has executed an engineering, procurement and construction (**EPC**) contract with the International Engineering Company of China Coal Technology and Engineering Group Corp. (**CCTEG-IEC**, or the **Contractor**) for the development of the Ovoot Coal Handling and Preparation Plant (**CHPP**) and Erdenet Rail Terminal (**ERT**) coal handling infrastructure.

The contract secures a large proportion of the Ovoot Coking Coal Project (**OCCP**) development capital costs under a fixed lump-sum structure, materially reducing cost and schedule uncertainty and providing a clear pathway toward targeted first coal production and export in Q4 2027.

Highlights

- **Major execution milestone achieved:** Aspire has secured a US\$69.9 million lump-sum EPC contract for construction of the Ovoot CHPP and ERT, locking in a substantial share of project capital costs and materially reducing cost uncertainty. The contract price includes for the Supplier's Credit Insurance premium to be arranged from China Export & Credit Insurance Corporation (**Sinosure**), and interest at 6.5% p.a. supporting vendor financing and deferred payment of 60% of the contract value.
- **Tier-one execution partner appointed:** CCTEG-IEC, part of the China Coal Technology and Engineering Group, brings more than 50 years of coal mining, coal processing and materials handling engineering expertise, including prior delivery of an advanced train loadout system in Mongolia.
- **Integrated delivery capability:** CCTEG-IEC, supported by Mongolia's Gobi Infrastructure Partners LLC (**GIP**), will deliver detailed design, procurement, construction and commissioning under a proven FIDIC Silver Book turnkey structure, with accountability and performance guarantees.
- **Designed capacity supports steady-state production:** The CHPP will process up to 2.5 Mtpa of ROM coal to produce up to 2.0 Mtpa of saleable fat coking coal. The ERT will provide enclosed, efficient road-to-rail transloading and product loadout for export. Both facilities are designed to enable future expansion.
- **Clear line-of-sight to first coal:** Mechanical completion and commissioning are targeted for Q4 2027, aligned with the planned commissioning of the PPP-delivered road required to haul washed coal from the CHPP to the ERT¹.

Significance for the Ovoot Coking Coal Project

The EPC contract represents a major de-risking milestone for Aspire, as it:

- Locks in a large share of capital costs under a fixed-price structure, reducing exposure to construction inflation and design creep.
- Will secure a significant part of the project financing required, with deferred payments easing peak funding requirements and smoothing cash outflows.
- Provides schedule certainty for completion of critical-path infrastructure required to enable delivery of first coal sales in Q4 2027.
- The lump-sum price compares favourably with Front End Engineering Design estimates, and less than capital costs for equivalent infrastructure included in the cost model underpinning the current JORC Coal Reserve estimate.

¹ ASX Announcement 12 Sep 2025, *Mongolian Cabinet Endorses PPP for Murun-Uliastai Highway*



Figure 1. Signing Ceremony between KK and CCTEG-IEC.

Overview of the EPC Contract

The EPC contract is based on the FIDIC EPC/Turnkey (Silver Book 1999) model, retaining standard risk allocation and incorporating project-specific amendments to address Mongolian regulatory requirements and Aspire's technical specifications.

The Contractor will deliver:

- the Ovoot CHPP within the Ovoot Mining Licence area (MV-017098); and
- the coal handling infrastructure at the ERT adjacent to the Salkhit–Erdenet rail line.

EPC Counterparty and Capability

CCTEG-IEC is the international projects arm of China Coal Technology and Engineering Group (**CCTEG**), a major Chinese SOE with over 50 years of experience delivering major coal industry infrastructure projects, including in extremely cold climates. CCTEG has previously delivered coal handling infrastructure in Mongolia, including automated train loadout systems at Tavan Tolgoi.

Aspire's due diligence review confirmed the technical capability, financial strength, and well defined HSE and ESG systems of CCTEG-IEC, the tax efficiency of the China – Mongolia double taxation agreement, and synergy with CCTEG-IEC's planned establishment of a Permanent Entity in Mongolia.

Aspire considers the Contractor capable of delivering the EPC scope in line with technical and schedule requirements.

Funding and Financial Impact

The Advance Payments of the EPC contract will be funded through:

- existing cash (US\$9.4 million at the end of the September quarter²);
- debt facilities to be raised during 2026; and coal pre-sales targeted for 2027 if required.

This forms a key part of Aspire's financing strategy: securing asset-backed funding for specific capital items, thereby diversifying funding sources and minimizing shareholder dilution.

² ASX Announcement 31 Oct 2025, *Quarterly Activities/Appendix 5B Cash Flow Report*

The lump-sum contract price is aligned with the capital cost assumptions outlined in the Company's most recent market update³ and compares favourably to estimates included in the JORC Coal Reserve cost model.

The Board considers that the EPC contract is a material step in de-risking the capital cost and delivery schedule of the Ovoot Coking Coal Project in line with the Company's responsible mining goals.

Aspire's CEO, Sam Bowles, commented:

"Executing this EPC contract is a pivotal milestone for Aspire. A fixed-price agreement with a world-class engineering group significantly reduces project execution risk and provides the cost and schedule certainty required as we advance the Ovoot Coking Coal Project. CTEG-IEC has demonstrated strong technical capability and a clear commitment to working with us to deliver Ovoot to a world-class standard."

Company Highlights

- **100% holding in the Ovoot Coking Coal Project**, for which:
 - JORC (2012) compliant Total Coal Resource of 219.4 million tonnes (Mt) and Total Coal Reserve of 130.1 Mt have been estimated.
 - Forecast 31 year mine life following commencement of production to generate an overall NPV₁₀ of more than USD 1.5 billion⁴.
 - Mining license MV-017098 is valid until August 2042 and is extendable twice by 20-year periods.
 - Major statutory approvals (Feasibility Studies, Detailed Design, and Detailed Environmental Impact Assessments are in hand for coal mining, coal processing and road construction.
- **Strong balance sheet:** Cash of approximately US\$9.4m at 30 September 2025 with no debt outstanding; expenditure focused on site establishment, engineering and permitting.

– Ends –

This announcement was authorised for release to the ASX by the Board of Directors.

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³ ASX Announcement 20 Mar 2025, *Presentation - Ovoot - A World Class Coking Coal Development*

⁴ ASX Announcement 22 Nov 2024, *Ovoot Coal Resources and Reserves Updated - Revised*

Annexure A – Material Terms of the EPC Contract

1. EPC Contract Scope of Work

The EPC scope of work for the Ovoot CHPP includes, at a high level:

- detailed design, engineering and expertising (localisation of designs ensuring that they meet or surpass construction code requirements in Mongolia) for construction of a nominal 2.5 Mtpa CHPP;
- construction of enclosed coal handling and preparation facilities including:
 - ROM coal receipt;
 - raw coal crushing and conveying;
 - coal processing plant, including product and reject filter press dewatering systems
 - product coal stockpiling, reclaim and road truck loadout; and
 - reject conveying and mine truck loadout, stockpiles and load-out facilities.
- associated supporting infrastructure including;
 - fit-out of a control room within a Mine Administration Centre (**MAC**) to be constructed by others for Aspire within the Mine Infrastructure Area (**MIA**);
 - bulk consumables storage facility (for magnetite and flocculants);
 - process water and fire water reserve storage; and
 - 11/0.4 kV step-down.
- training of Aspire's operations and maintenance personnel, performance testing and commissioning.

The EPC scope for the ERT coal handling infrastructure includes, at a high level:

- detailed design, engineering and expertising for construction of a coal handling infrastructure capable of transloading washed product coal from road trucks to rail wagons at a nominal rate of 2.0 Mtpa;
- construction of enclosed coal handling infrastructure including:
 - truck unload facility with hopper and reclaimer;
 - conveyor handling from truck unload facility to coal storage shed;
 - stockpile reclaim and conveying infrastructure to train loadout bin;
 - train loadout bin and associated control systems;
- associated supporting infrastructure including;
 - fit-out of a control room within a combined Workshop, Warehouse, Office Building to be constructed by others for Aspire within the ERT land use permit held;
 - raw water and fire water storage; and
 - 11/0.4 kV step-down.
- training of Aspire's operations and maintenance personnel, performance testing and commissioning.

Key exclusions from the EPC scope of work include:

- site leveling at the CHPP and ERT project sites;
- ROM stockpile base construction at the CHPP project site; and
- the design, supply and construction of Coal Storage Sheds at the CHPP and ERT project sites, and provision of utility connections for water, electricity and heat, which will be provided by (others for) Aspire.

2. Contract Price and Payment Terms

- Total lump-sum Contract Price: US\$69.9 million (CHPP US\$54.1m; ERT US\$15.8m).
- Price subject only to agreed variations and diesel cost adjustment.
- Advance Payments totalling 40% of the Contract Price payable through construction and commissioning.
- Remaining 60% payable via eight quarterly Deferred Payments commencing three months after practical commissioning.
- Deferred Payments include commercial finance at 6.5% p.a. and Sinasure insurance premium of 4%.
- First Advance Payment of ~US\$4.0m triggers the Effective Date.
- Contract Price is approximately 1.5% lower than estimates underlying the JORC Coal Reserve cost model (excluding Coal Storage Sheds and financing costs).

3. Schedule and Key Milestones

The indicative EPC schedule and key milestones are as follows:

- EPC Contract effective date: December 2025
- Detailed engineering: Q1 2026
- Site construction commencement - CHPP and ERT: Q2 2026
- Mechanical completion: Q4 2027
- Commissioning and performance testing: Q4 2027

The schedule supports Aspire's objective of first coal production and export in Q4 2027 and is aligned with the expected commissioning of the PPP road that will facilitate coal haulage from the CHPP to the ERT.

4. Key Commercial Terms and Risk Allocation

The EPC contract incorporates standard EPC/turnkey provisions, including:

- single-point Contractor responsibility for engineering, procurement, construction and commissioning;
- defined performance guarantees for CHPP throughput, product quality, efficiency, availability and consumable and utility consumption rates;
- performance guarantees for ERT unload, stockpile reclaim and train loadout rates, system availability and utility consumption rates;
- liquidated damages for delay and performance shortfalls, capped at 15% of the Contract Price; and
- 12-month defects liability period.

The Board endorsed the EPC contract on the basis that no key term is considered to be unusually onerous relative to standard EPC practice for similar projects.

About Aspire

Aspire Mining Limited (ASX: AKM) is developing premium coking coal deposits in an environmentally sensitive manner to support global sustainable development, deliver shared prosperity to local host communities and long-term growth for our shareholders.

Aspire's assets include the Ovoot Coking Coal Project (100%) and Nuurstei Coking Coal Project (90%) – both assets are in Khuvsgul aimag (province) of north-western Mongolia, strategically located proximal to end markets in northern China.

The Ovoot Coking Coal Project is world-class in terms of scale, product quality, and project economics. With all major approvals in place, Aspire is now on a pathway to production with the view to deliver a highly sought after 'fat' coking coal, classified within the highest category of coking coals, to customers in China and other end markets with sustained supply constraints.

Aspire's transformational projects make the company uniquely positioned to deliver value and build a sustainable future in Mongolia. Aspire is dedicated to mining excellence and is deeply committed to operating in a responsible manner that prioritises the well-being and advancement of our host communities. Our operations will see the construction of a new highway for public use and the creation of significant employment opportunities.

The Company is led by a proven team with deep Mongolian mining and logistics experience and benefits from strategic alliances with key stakeholders as well as substantial support from Mongolian investors.

For further information, please visit: aspirelimited.com



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.