

Aspire Mining Ltd

16:07 06 Feb 2019

Aspire Mining set to benefit from China's preference for non-seaborne coal imports

Aspire Mining Ltd (ASX:AKM) is likely to benefit from China's increasing controls over seaborne coal imports owing to its coal projects in neighbouring Mongolia.

The restrictions mean that Mongolia's coal exporters are forecast to overtake Australia as China's top coal supplier from this year, according to a report from London-based commodity research firm IHS Markit.

Tipping the balance

In 2018 Australia had 44% of China's total coal import market share against Mongolia's 43% but HIS Markit says this balance will swing in Mongolia's favour in future years.

Improving Mongolia-China road and rail infrastructure linkages and Beijing's focus on capping seaborne imports have been cited by the research firm as two key drivers in tipping the balance.

READ: Aspire Mining's Ovoot product can help address forecast 'fat' coking coal shortage

Aspire is a leading ASX-listed Mongolian metallurgical coal company with projects in the country's north.

Executive chairman David Paull noted: "China's shift toward increased Mongolian coal imports is an inexorable trend given both Mongolia's proximity on China's doorstep and the enormous quantity and quality of Mongolia's coal endowment."

Aspire is expected to deliver an updated Early Development Plan Pre-Feasibility Study on its world-class, JORC-compliant 281.1 million tonnes Ovoot Coking Coal Project this month.

The company also has the smaller Nuurstei Coking Coal Project.

Price: 0.013

Market Cap: \$43.25 m

1 Year Share Price Graph



Share Information

Code: AKM

Listing: ASX

52 week High Low
0.03 0.012

Sector: Mining

Website: www.aspiremininglimited.com

Company Synopsis:

Aspire Mining Ltd (ASX:AKM) is an exploration and development company focused on discovering and developing world class premium coal deposits in Mongolia. Its Northern Railways subsidiary is developing the Erdenet to Ovoot rail project.

action@proactiveinvestors.com.au

READ: Aspire Mining is fast-tracking a world-class coking coal project

Mongolian road delivery of coal is unaffected by China's seaborne import control programs.

IHS Markit says many anticipate some form of control over seaborne imports will be exerted by China at various stages this year, with Beijing said to have adopted a policy of limiting seaborne imports at around 2017 levels.

China cut coking coal imports from Australia by 9% on the year in 2018, to 28.23 million tonnes from 30.98 million.

This came as China's intake from Mongolia increased by 5% to 27.68 million tonnes from 26.30 million.

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Aspire Mining Ltd named herein, including the promotion by the Company of Aspire Mining Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).