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MONGOLIAN MINING CORPORATION

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 975)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The following is the full text of the information published by Energy Resources LLC, an indirectly wholly-owned subsidiary of Mongolian Mining Corporation, on the website of the Singapore Exchange Securities Trading Limited on 6 April 2018.

For and on behalf of
Mongolian Mining Corporation
Odjargal Jambaljamts
Chairman

Hong Kong, 6 April 2018

As at the date of this announcement, the board of directors of the Company consists of Mr. Odjargal Jambaljamts and Dr. Battsengel Gotov, being the executive directors of the Company, Mr. Od Jambaljamts, Ms. Enkhtuvshin Gombo and Mr. Enkhtuvshin Dashtseren, being the non-executive directors of the Company, and Dr. Khashchuluun Chuluundorj, Mr. Unenbat Jigjid and Mr. Chan Tze Ching, Ignatius, being the independent non-executive directors of the Company.

The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, its associated companies or the Notes.



ENERGY RESOURCES
(Incorporated in Mongolia with Limited Liability)

ANNOUNCEMENT
ENERGY RESOURCES GROUP EXCESS CASH CALCULATIONS

This is an announcement (the “**Announcement**”) made by Energy Resources LLC (“**ER**”), an indirect wholly-owned subsidiary of Mongolian Mining Corporation (the “**Parent Company**”).

Pursuant to Section 6.04(a)(i) of the indenture, entered into, amongst others, by the Parent Company, ER, and the Bank of New York Mellon, relating to the US\$412,465,892 guaranteed senior notes due 2022 and dated 4 May 2017 (the “**Indenture**”), calculations of the ER Excess Cash for the relevant Semiannual Fiscal Period (the “**ER Excess Cash Calculations**”) are to be made publicly available periodically. Unless otherwise defined herein, capitalized terms in this Announcement will have the same meanings as those defined in Indenture.

ER hereby provides the latest ER Excess Cash Calculations based on the respective semiannual financial statements of the ER Group which consists of ER and Energy Resources Corporation LLC and their respective subsidiaries. The latest ER Excess Cash Calculations disclosed in this Announcement covers the period from 1 July 2017 to 31 December 2017.

Further, pursuant to the Sections 6.03 and 6.04 of the Indenture, no cash shall be deposited to the debt service reserve account and no cash sweep premium is payable.

	<i>USD'000</i> <i>(to the nearest</i> <i>'000)</i>
ER Group's Excess Cash Calculations <i>for the period from 1 July 2017 to 31 December 2017</i>	
Cash flows from operating activities	
Cash inflow from operating activities	220,821
Cash used in operating activities	(150,653)
<i>of which, payments made for Exchange Date Overdue Trade Payables</i>	<i>(40,143)</i>
Cash generated from operations	70,168
Investing activities	
Payments for acquisition of property, plant and equipment and construction in progress/Capex Costs/	(17,681)
Payments for capitalized pre-stripping costs	(30,462)
Net cash used in investing activities	(48,143)
Financing activities	
Group Costs	(2,946)
Repayment of borrowings	-
Interest paid	(17,767)
Net cash used in financing activities	(20,713)
Net decrease in cash and cash equivalents	(1,312)
ER Group's consolidated cash balance as at 30 June 2017	4,407
ER Group's consolidated cash balance as at 31 December 2017	5,719

	<i>USD'000</i> <i>(to the nearest</i> <i>'000)</i>
ER Group's Cash Threshold Calculation	
Cash required to be deposited into DSRA	-
Cash used in excess of permitted cash limit	-
Cash Threshold	25,000



Certified by Ulemj Baskhuu, Chief Financial Officer on 6 April 2018

For and on behalf of
Energy Resources LLC
Battsengel Gotov
Chief Executive Officer

Ulaanbaatar, 6 April 2018