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MONGOLIAN MINING CORPORATION

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 975)

**INVITATION TO OFFER TO TENDER IN RELATION
TO PERPETUAL SECURITIES ISSUED 4 MAY 2017**

This announcement is made by Mongolian Mining Corporation (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to announce that on 26 November 2018, the Company has commenced the Tender Offer to purchase its outstanding Perpetual Securities for an aggregate repurchase price of up to US\$20,000,000, details of which are set out in the Offer to Purchase Memorandum, dated 26 November, 2018. The repurchase price for the Perpetual Securities will be determined by a modified Dutch auction procedure. The Tender Offer is being made pursuant to the terms and conditions set out in the Offer to Purchase Memorandum and will expire at 5:00 p.m. (Central European Time) on 5 December 2018, unless amended (subject always to applicable law), extended or terminated by the Company as described in the Offer to Purchase Memorandum.

The Company has made available today, through the Information and Tender Agent, to the Holders the Offer to Purchase Memorandum setting out, among other things, the terms and conditions of the Tender Offer.

The purpose of the Tender Offer is to improve the Company's financial position by acquiring the Perpetual Securities. The Company believes that the Tender Offer provides an opportunity for Holders to gain liquidity with respect to the Perpetual Securities (by tendering their Perpetual Securities for purchase by the Company) that might not otherwise be available to Holders.

The Company has retained Morgan Stanley & Co. International plc as the Dealer Manager and appointed Lynchpin Bondholder Management as the Information and Tender Agent in relation to the Tender Offer.

BACKGROUND

On 4 May 2017, the Company issued the principal amount of US\$194,999,827 Perpetual Securities. Pursuant to Section 3.04 of the Indenture, the Company may, at any time, purchase Securities (as defined in the Indenture) in the open market or otherwise at any price, subject to applicable laws and other provisions of the Indenture.

As at the date of this announcement, the aggregate outstanding principal amount of the Perpetual Securities is US\$194,999,827. The Perpetual Securities are listed on the Singapore Exchange Securities Trading Limited (ISIN/Common Code: XS1599078059/159907805).

TENDER OFFER

On 26 November 2018, the Company commenced the Tender Offer to purchase its outstanding Perpetual Securities for an aggregate repurchase price of up to US\$20,000,000, details of which are set out in the Offer to Purchase Memorandum. The repurchase price for the Perpetual Securities will be determined by a modified Dutch auction procedure. The Tender Offer is being made pursuant to the terms and conditions set out in the Offer to Purchase Memorandum and will expire at 5:00 p.m. (Central European Time) on 5 December 2018, unless amended (subject always to applicable laws), extended or terminated by the Company as described in the Offer to Purchase Memorandum. An announcement will be made if there is any change to such expiration deadline.

Under the Tender Offer, the Company invites the Holders to offer to tender their Perpetual Securities to the Company for payment of the tender consideration. Holders whose Perpetual Securities are validly tendered by the Expiration Deadline and that are accepted for repurchase by the Company under the Tender Offer will be eligible to receive the repurchase price on the settlement date.

Perpetual Securities to be repurchased by the Company pursuant to the Tender Offer will be cancelled and will not be re-issued or re-sold. Perpetual Securities which are not validly tendered and accepted for repurchase pursuant to the Tender Offer will remain outstanding.

The consummation of the Tender Offer is conditional upon the satisfaction of the conditions set out in the Offer to Purchase Memorandum. The Company may in its sole discretion waive any of those conditions. The Company expects to announce the results of the Tender Offer on or around 6 December 2018. The settlement date of the Tender Offer is expected to be 12 December 2018.

OTHER INFORMATION

The purpose of the Tender Offer is to improve the Company's financial position by acquiring the Perpetual Securities. The Company believes that the Tender Offer provides an opportunity for Holders to gain liquidity with respect to the Perpetual Securities (by tendering their Perpetual Securities for purchase by the Company) that might not otherwise be available to Holders.

The Company has retained Morgan Stanley & Co. International plc as the Dealer Manager and appointed Lynchpin Bondholder Management as the Information and Tender Agent in relation to the Tender Offer.

The Company has made available today, through the Information and Tender Agent, to the Holders the Offer to Purchase Memorandum setting out, among other things, the terms and conditions of the Tender Offer.

Before making a decision in respect of the Tender Offer, Holders should carefully consider all information as disclosed in the Offer to Purchase Memorandum. Holders are recommended to seek their own financial and legal advice, including with regard to any tax consequences, from their stockbroker, bank manager, solicitor, tax adviser or other independent financial or legal adviser.

Questions and requests for assistance in connection with the Tender Offer may be directed to the Dealer Manager and questions and requests for assistance in connection with the delivery of an instruction may be directed to the Information and Tender Agent, each of whose contact details are set out below:

(a) Dealer Manager:

Morgan Stanley & Co. International plc
Level 46
International Commerce Centre
1 Austin Road West 37-4
Hong Kong
Tel: +852 2239 1081
Attention: Debt Capital Markets

(b) Information and Tender Agent:

Lynchpin Bondholder Management Wellington Plaza,
4th Floor, Suite 402
56-58 Wellington Street
Central, Hong Kong
Telephone: +852 2526-5405; Fax: +852 2526-5020
Email: mminfo@lynchpinbm.com

GENERAL

This announcement is neither an offer to purchase nor a solicitation of an offer to sell the Perpetual Securities. The Tender Offer is made only by, and pursuant to the terms of, the Offer to Purchase Memorandum, and the information in this announcement is qualified in its entirety by reference to the Offer to Purchase Memorandum. If any Holder is in any doubt as to the action it should take, it is recommended to seek its own financial and legal advice, including with regard to any tax consequences, from its stockbroker, bank manager, solicitor, attorney, tax adviser or other independent financial or legal adviser. None of the Company, the Dealer Manager, the Information and Tender Agent, the Principal Paying Agent, the Trustee or HKMA makes any recommendation as to whether the Holders should tender the Perpetual Securities pursuant to the Tender Offer.

The Tender Offer is not being made to (nor will the tender of Perpetual Securities be accepted from or on behalf of) holders of Perpetual Securities in the United States or who are U.S. Persons, as defined in Regulation S under the U.S. Securities Act of 1933, as amended, or in any other jurisdiction where the making or acceptance of the Tender Offer would not comply with the laws of that jurisdiction (collectively, the “**Ineligible Holder**”) or any person representing or acting on behalf of any Ineligible Holder. The Tender Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of the mail of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States or to, or for the account or benefit of, U.S. Persons. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this announcement and any other documents or materials relating to the Tender Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted or distributed in or into the United States or to, or for the account or benefit of, U.S. persons. Any purported offers to tender the Perpetual Securities resulting directly or indirectly from a violation of these restrictions will be invalid, and offers to tender made by a resident of the United States or from U.S. Persons or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for U.S. Persons will not be accepted. The Tender Offer is not being made in the United States. Transmission, re-transmission or distribution to any other person is prohibited.

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this announcement, including those statements relating to the Tender Offer, such as the scheduled expiration deadline and the purchase of the Perpetual Securities, are based on the Company’s current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the Perpetual Securities; changes in the business and financial condition of the Company; changes in the debt markets in general; and the occurrence of events specified in the Offer to Purchase Memorandum that would trigger a condition permitting termination or amendment of the Tender Offer.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Board”	means	the board of directors of the Company
“Company”	means	Mongolian Mining Corporation
“Dealer Manager”	means	Morgan Stanley & Co. International plc appointed as dealer manager for the purposes of the Tender Offer
“Expiration Date”	means	5 December 2018, or such later date as may be notified by the Company to the Holders and subject to the right of the Company to amend (subject to applicable laws), extend and/or terminate the Tender Offer, as the case may be, pursuant to the provisions set forth in the Offer to Purchase Memorandum
“Expiration Deadline”	means	5:00 p.m. (Central European Time) on the Expiration Date, unless the period for the Tender Offer is amended (subject always to applicable laws), extended or terminated as described in the Offer to Purchase Memorandum
“Holder(s)”	means	a holder (or holders) of the Perpetual Securities
“HKMA”	means	the Hong Kong Monetary Authority
“Indenture”	means	the Indenture dated 4 May 2017 in relation to the Perpetual Securities
“Information and Tender Agent”	means	Lynchpin Bondholder Management
“Offer to Purchase Memorandum”	means	the Offer to Purchase Memorandum dated 26 November 2018 issued by the Company to the Holders in connection with the Tender Offer
“Perpetual Securities”	means	Perpetual Securities of the Company, issued on 4 May 2017 (ISIN/Common Code: XS1599078059/159907805). As at the date of this announcement, the aggregate principal amount of outstanding Perpetual Securities is US\$194,999,827

“Principal Paying Agent”	means	The Bank of New York Mellon, London Branch
“Tender Offer”	means	the invitation to the Holders to offer to tender their Perpetual Securities to the Company for payment of a cash consideration
“Trustee”	means	The Bank of New York Mellon

For and on behalf of the Board
Mongolian Mining Corporation
Odjargal Jambaljamts
Chairman

Hong Kong, 26 November 2018

As at the date of this announcement, the board of directors of the Company consists of Mr. Odjargal Jambaljamts and Dr. Battengel 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.