

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute or form part of and should not be construed as an invitation or a solicitation of an offer to acquire, purchase or subscribe for securities or an inducement to enter into investment activity, or an invitation to enter into an agreement to do any such things, nor is it calculated to invite any offer to acquire, purchase or subscribe for any securities. This announcement is not an offer of securities for sale in the PRC, Hong Kong, the United States or elsewhere. The Senior Notes are not available for general subscription in Hong Kong or elsewhere.

*This announcement does not constitute an offer to purchase, a solicitation of an offer to purchase, or a solicitation of an offer to sell, any securities referred to herein. This announcement does not constitute, and may not be used in connection with, any form of offer or solicitation in the United States or any place where such offers or solicitations are not permitted by law. This announcement is not for release, publication or distribution in or into, or to any person resident and/or located in any jurisdiction where such release, publication or distribution is unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and may not be offered or sold in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act. Any public offer of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the Company and its management, as well as financial statements. The Company does not intend to make any public offering of securities in the United States.*



MONGOLIAN MINING CORPORATION

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 975)

PRICING OF US\$350,000,000 8.44% GUARANTEED SENIOR NOTES DUE 2030

This announcement is made by the Company pursuant to Rule 13.09(2) of 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 is pleased to announce that, on 26 March 2025, New York time, the Issuers and the Subsidiary Guarantors entered into a Purchase Agreement with Morgan Stanley & Co. International plc and The Hongkong and Shanghai Banking Corporation Limited, as Initial Purchasers, in connection with the issuance by the Issuers of an aggregate principal amount of US\$350,000,000 8.44% Senior Notes due 2030.

The Company intends to use the net proceeds from the proposed issue of the Senior Notes to repurchase and/or redeem outstanding 2026 Notes as permitted under the indenture governing the 2026 Notes (at a redemption price based on a “make-whole premium”). Any remaining funds are expected to be used for working capital and general corporate purposes.

Approval in-principle has been received for the listing of the Senior Notes on the SGX-ST. 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, and the listing and quotation of the Senior Notes on, the SGX-ST are not to be taken as an indication of the merits of the Issuers, the Subsidiary Guarantors, any of their respective subsidiaries and/or associated companies, the Senior Notes or the related guarantees. No listing of the Senior Notes has been sought in Hong Kong.

This announcement is made by the Company pursuant to Rule 13.09(2) of 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).

Introduction

The Board is pleased to announce that, on 26 March 2025, New York time, the Issuers and the Subsidiary Guarantors entered into a Purchase Agreement with Morgan Stanley & Co. International plc and The Hongkong and Shanghai Banking Corporation Limited, as Initial Purchasers, in connection with the joint issuance by the Issuers of an aggregate principal amount of US\$350,000,000 8.44% Senior Notes due 2030.

THE PURCHASE AGREEMENT

Date

26 March 2025 (New York time)

Parties to the Purchase Agreement

- (a) each of the Issuers as the issuers of the Senior Notes;
- (b) each of the Subsidiary Guarantors as guarantors of the Senior Notes; and
- (c) each of the Initial Purchasers.

To the Company's best knowledge, information and belief, having made all reasonable enquiries, the Initial Purchasers are independent third parties and are not connected person(s) of the Company.

The Senior Notes and the related guarantees have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and will only be offered (i) in the United States to qualified institutional buyers in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A or in transactions not subject to the registration requirements of the Securities Act and (ii) in offshore transactions in compliance with Regulation S. None of the Senior Notes will be offered to the public in Hong Kong.

Principal Terms of the Senior Notes

Senior Notes Offered

Subject to certain conditions on completion, the Issuers will issue the Senior Notes in an aggregate principal amount of US\$350,000,000. The Senior Notes will mature in 2030, unless earlier redeemed pursuant to the terms of the Senior Notes.

Offer Price

The offer price of the Senior Notes will be 98.766% of the principal amount of the Senior Notes.

Interest

The Senior Notes will bear interest at a rate of 8.44% per annum, payable semi-annually in arrears on 3 April and 3 October of each year, commencing on 3 October 2025.

Payment

All payments due under the Senior Notes shall be payable and settled in United States dollars only.

Ranking of the Senior Notes

The Senior Notes are the general obligations of the Issuers. The Senior Notes are: (i) effectively subordinated to secured obligations of the Issuers, to the extent of the value of the assets serving as security therefor; (ii) senior in right of payment to any existing and future obligations of the Issuers expressly subordinated in right of payment to the Senior Notes; (iii) at least *pari passu* in right of payment with all other unsecured, unsubordinated indebtedness (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (iv) guaranteed by the Subsidiary Guarantors on a senior basis subject to certain limitations; and (v) effectively subordinated to all existing and future obligations of any subsidiaries of the Company other than ER and the Subsidiary Guarantors.

Ranking of the Subsidiary Guarantees

The related subsidiary guarantee of each Subsidiary Guarantor is a general obligation of such Subsidiary Guarantor. The related subsidiary guarantee of each Subsidiary Guarantor: (i) is effectively subordinated to secured obligations of such Subsidiary Guarantor (if any), to the extent of the value of the assets serving as security therefor; (ii) is senior in right of payment to all future obligations of such Subsidiary Guarantor expressly subordinated in right of payment to such related subsidiary guarantee; (iii) ranks at least *pari passu* with all other unsecured, unsubordinated indebtedness of such Subsidiary Guarantor (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); and (iv) is effectively subordinated to all existing and future obligations of any subsidiaries of the Company other than ER and the Subsidiary Guarantors.

Events of Default

The events of default under the Senior Notes include, among other things, default in the payment of principal, premium or interest and default in the performance or the breach of certain covenants under the Senior Notes, the Indenture or where any subsidiary guarantor denies or disaffirms its obligations under its subsidiary guarantee or, except as permitted by the Indenture, any subsidiary guarantee is determined to be unenforceable or invalid or shall for any reason cease to be in full force and effect.

Covenants

The Senior Notes, the Indenture and the related subsidiary guarantees will limit the Company's ability and the ability of its certain restricted subsidiaries to, among things:

- (a) incur additional indebtedness;
- (b) make investments or other restricted payments;
- (c) enter into agreements that restrict the Company's restricted subsidiaries' ability to pay dividends;
- (d) issue or sell capital stock of restricted subsidiaries;
- (e) guarantee indebtedness;
- (f) enter into certain transactions with shareholders or affiliates;
- (g) create liens;
- (h) enter into certain sale and leaseback transactions;
- (i) sell assets;
- (j) effect a consolidation or merger; and
- (k) engage in different business activities.

All of these limitations are subject to certain qualifications and exceptions.

Governing Law

The Senior Notes, the related subsidiary guarantees and the Indenture will be governed by and will be construed in accordance with the laws of the State of New York.

Optional Redemption for Senior Notes

At any time and from time to time on or after 3 April 2027, the Issuers may at their option redeem the Senior Notes, in whole or in part, at the redemption prices equal to the percentage of the principal amount of the Senior Notes redeemed set forth below plus accrued and unpaid interest (if any) to (but not including) the redemption date, if redeemed during the twelve-month period beginning on 3 April of each year set forth below:

Period	Redemption Price
2027	104.220%
2028	102.110%
2029	100.000%

At any time and from time to time prior to 3 April 2027, the Issuers may at their option redeem the Senior Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the Senior Notes plus the applicable premium as of, plus accrued and unpaid interest on the Senior Notes redeemed, if any, to (but not including) the redemption date.

At any time and from time to time prior to 3 April 2027, the Issuers may at their option redeem up to 35% of the aggregate principal amount of the Senior Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 108.440% of the principal amount of the Senior Notes, plus accrued and unpaid interest on the Senior Notes redeemed, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the Senior Notes issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

Mandatory Redemption of Senior Notes

Not later than 30 days following the date on which the mining license for the Ukhaa Khudag mine ceases to be valid and effective, the Issuers will give notice (the “**Mandatory Redemption Notice**”) to the holders of the Senior Notes and the Trustee that the Issuers will redeem all outstanding Notes (the “**Mandatory Redemption**”), in whole and not in part, on the date that is a Business Day no earlier than 30 days nor later than 60 days from the date of the Mandatory Redemption Notice (the “**Mandatory Redemption Date**”) at a redemption price equal to 102% of the principal amount thereof plus accrued and unpaid interest on the Notes redeemed, if any, to (but not including), the Mandatory Redemption Date.

PROPOSED USE OF PROCEEDS

The Company intends to use the net proceeds from the proposed issue of the Senior Notes to repurchase and/or redeem outstanding 2026 Notes as permitted under the indenture governing the 2026 Notes. Any remaining funds are expected to be used for working capital and general corporate purposes.

LISTING

Approval in-principle has been received for the listing of the Senior Notes on the SGX-ST. 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, and the listing and quotation of the Senior Notes on the SGX-ST are not to be taken as an indication of the merits of the Company, ER, the Subsidiary Guarantors, any of their respective subsidiaries and/or associated companies, the Senior Notes or the related guarantees. No listing of the Senior Notes has been sought in Hong Kong.

GENERAL

This announcement is not an offer to purchase, a solicitation of an offer to purchase, an offer to sell or a solicitation of an offer to sell, securities in the United States or elsewhere. No securities of the Company, ER or any of its subsidiaries are being, or will be, registered under the Securities Act or the securities laws of any state of the United States, and no such securities may be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any applicable state or local securities laws. No public offering of securities is being or will be made in the United States or any other jurisdiction. Nothing in this communication shall constitute an offer to sell or the solicitation of an offer to buy securities in any jurisdiction in which such offer or sale would be unlawful. The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions.

FORWARD-LOOKING STATEMENTS

Forward-looking statements in this announcement, including, among others, those statements relating to the proposed issuance of Senior Notes are based on the Company's and ER'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 Senior Notes; changes in the business and financial condition of the Group; changes in the debt markets in general.

DEFINITIONS

“Board”	means	the board of directors of the Company
“Company”	means	Mongolian Mining Corporation
“ER”	means	Energy Resources LLC, an indirect wholly-owned subsidiary of the Company
“Group”	means	the Company and its subsidiaries
“Indenture”	means	the indenture, to be entered into among the Company, ER, the Subsidiary Guarantors and the Senior Notes Trustee, pursuant to which the Senior Notes will be issued
“Initial Purchasers”	means	Morgan Stanley & Co. International plc and The Hongkong and Shanghai Banking Corporation Limited
“Issuers”	means	the Company and ER
“Listing Rules”	means	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Offering Memorandum”	means	the offering memorandum issued by the Issuers dated 26 March 2025

“Purchase Agreement”	means	the purchase agreement dated 26 March 2025 entered into among the Issuers, the Subsidiary Guarantors and the Initial Purchasers
“Regulation S”	means	Regulation S under the Securities Act
“Rule 144A”	means	Rule 144A under the U.S. Securities Act
“Securities Act”	means	U.S. Securities Act of 1933, as amended
“Senior Notes”	means	Senior Notes to be issued jointly by the Company and ER as co-issuers, and guaranteed by the Subsidiary Guarantors
“Senior Notes Trustee”	means	The Bank of New York Mellon, London Branch
“SGX-ST”	means	Singapore Exchange Securities Trading Limited
“Shareholders”	means	shareholders of the Company
“Subsidiary Guarantors”	means	Mongolian Coal Corporation Limited, Mongolian Coal Corporation S.à.r.l., Energy Resources Corporation LLC, Tavan Tolgoi Airport LLC, United Power LLC, Ukhaa Khudag Water Supply LLC, Baruun Naran S.à.r.l. and Khangad Exploration LLC, being the initial subsidiary guarantors of the Notes
“United States”	means	the United States of America, its territories and possessions and all areas subject to its jurisdiction
“2026 Notes”	means	the 12.50% guaranteed senior notes due 2026 issued by the Issuers pursuant to an indenture dated as of September 13, 2023, among the Company, ER, the subsidiary guarantors named therein and The Bank of New York Mellon, London Branch, as trustee

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

Hong Kong, 27 March 2025

As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts and Dr. Battengel Gotov, being the executive directors of the Company, Mr. Od Jambaljamts, Ms. Enkhtuvshin Gombo and Mr. Myagmarjav Ganbyamba, being the non-executive directors of the Company, and Dr. Khashchuluun Chuluundorj, Mr. Unenbat Jigjid, Mr. Chan Tze Ching, Ignatius, Ms. Delgerjargal Bayanjargal and Dr. Tsend-Ayush Tuvshintur being the independent non-executive directors of the Company.