

# **INTERIM RESULTS PRESENTATION 2024**

28 Aug 2024



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All numbers in this presentation are approximate rounded values for particular items.

# Company overview

**HKEX** 975

**Fitch Ratings** 'B', Stable

**MOODY'S** 'B3', Stable

**MSCI** 'BBB'

**CDP** Climate change: 'D'  
Supplier engagement: 'C'



## Coking Coal

The Group is the sole fully integrated washed coking coal producer and exporter in Mongolia.

UHG mine, producing since 2009, is owned and operated by ER, an indirect wholly owned subsidiary of MMC.

BN mine, producing since 2012, is owned and operated by KEX. On 2 June 2024, 20% divestment of KEX was completed and KEX remains a subsidiary of the Company.

## Coal Resources and Reserves <sup>1</sup>

Total resources <sup>2</sup>	Above 300 m	<b>714 Mt</b>
<b>1,052 Mt</b>	Below 300 m	<b>338 Mt</b>
Total reserves <sup>3</sup>	Coking	<b>601 Mt</b>
<b>630 Mt</b>	Thermal	<b>29 Mt</b>
Total marketable reserves <sup>3</sup>	Coking	<b>277 Mt</b>
<b>382 Mt</b>	Middling/Thermal	<b>105 Mt</b>

## Gold & Metals

On 25 January 2024, the Company became 50% equity holder in EM, which holds two mining licenses, including BKH, and one exploration license.

BKH mine is currently under development and first gold production is expected to start from 2Q 2025.

## Gold & Silver Resources and Reserves <sup>4</sup>

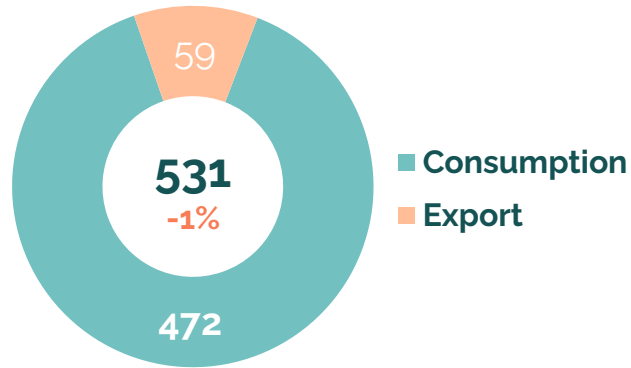
Total gold resources	Total silver resources
<b>1,192 Koz</b>	<b>3,542 Koz</b>
Total gold reserves	Total silver reserves
<b>514 Koz</b>	<b>221 Koz</b>

### Notes:

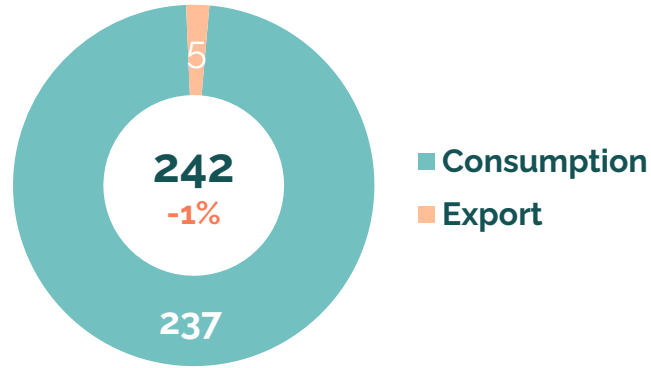
1. Pro-forma total resources and ROM coal reserves. Due to rounding, discrepancy may exist between sub-totals and totals. Rounding rules refer to 'Clause 25 of the JORC Code (2012).
2. Includes Measured, Indicated and Inferred Resource category as at 31 December 2023.
3. Includes Proved and Probable Reserve category as at 1 January 2024.
4. Pro-forma total resources and reserves prepared in accordance with NI 43-101 and CIM standards. Sources: (i) Bayan Khundii Project Updated Feasibility Study NI 43-101 Technical Report, 2023 ([erdene.com](http://erdene.com)), (ii) Altan Nar Project NI 43-101 Technical Report, 2021 ([erdene.com](http://erdene.com)).

# Industry overview – Coking coal <sup>1</sup>

## Crude steel production



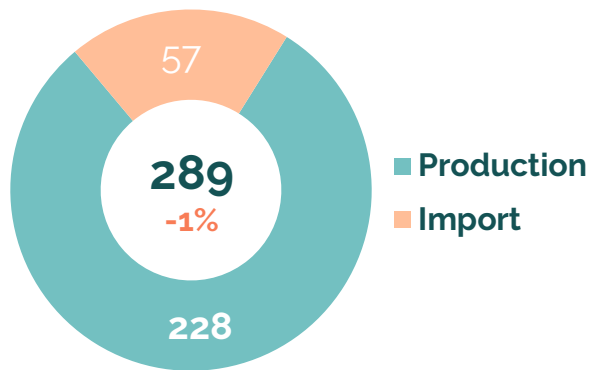
## Coke production



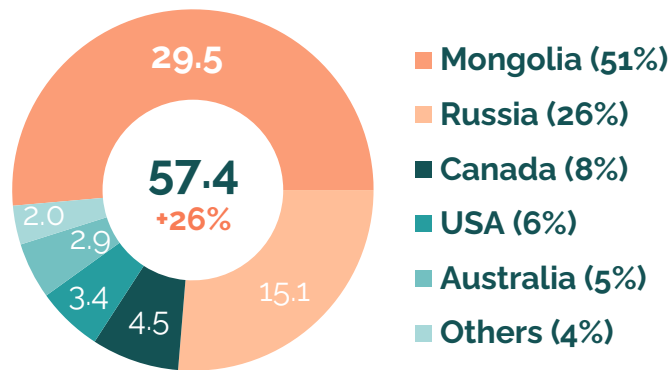
## China coking coal prices



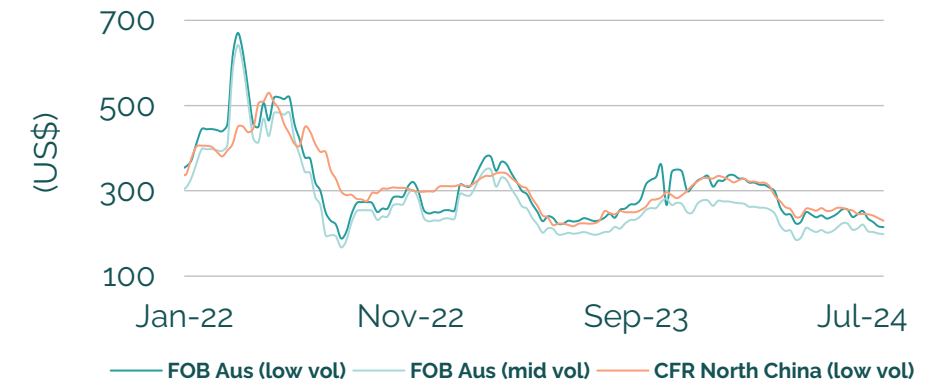
## Coking coal consumption



## Coking coal import



## Seaborne coking coal prices

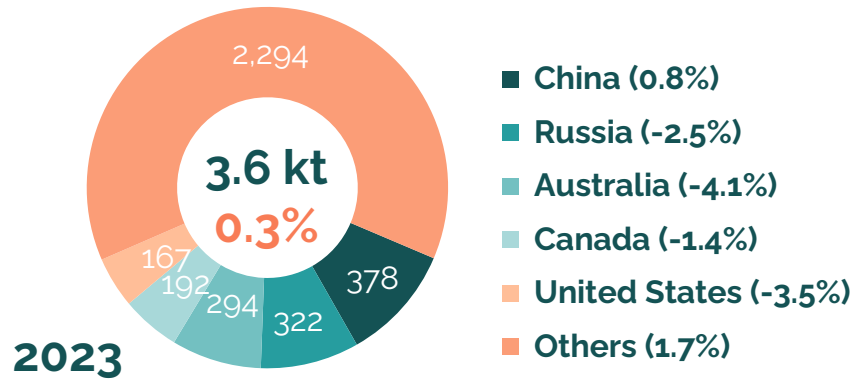


Notes:

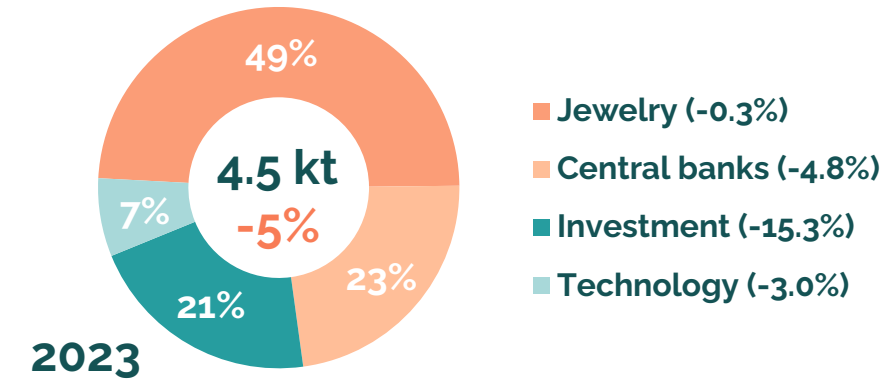
1. China 1H2024 industry figures expressed in million tonnes.

# Industry overview - Gold

## Global gold production



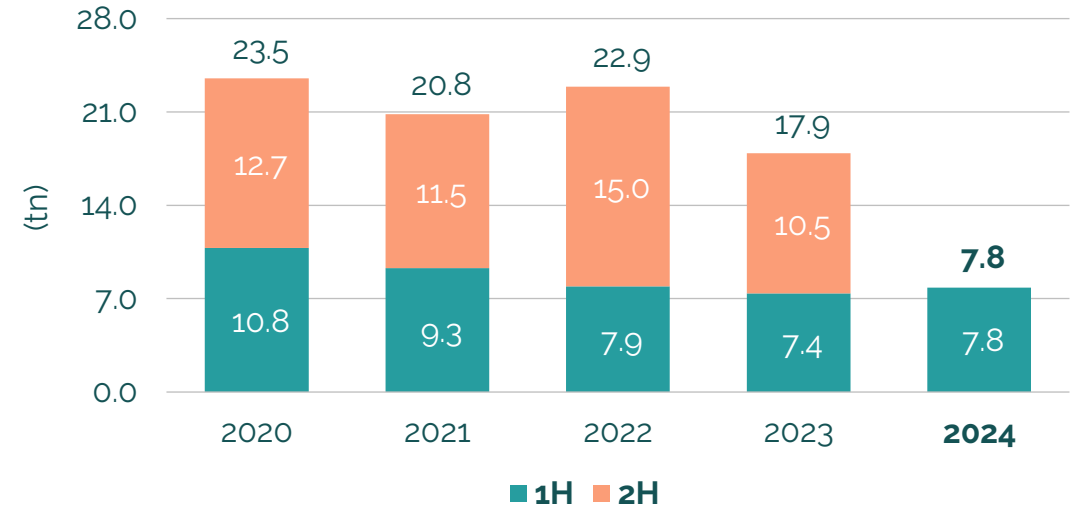
## Global gold consumption



## Gold price

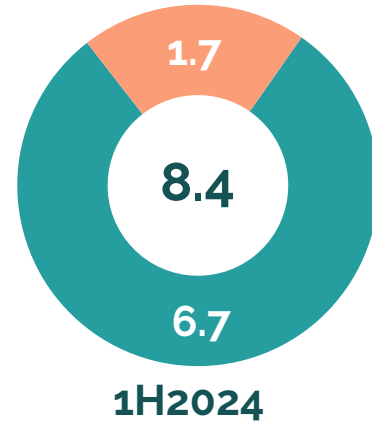
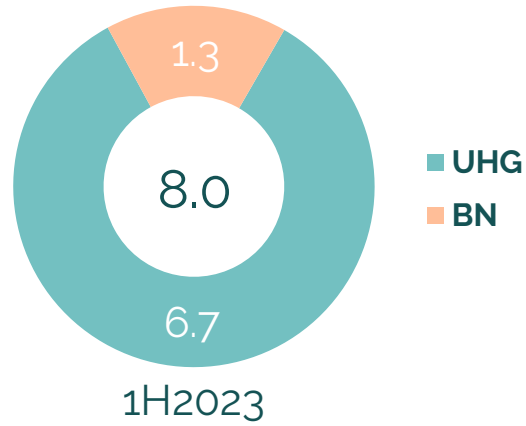


## Bank of Mongolia gold purchase

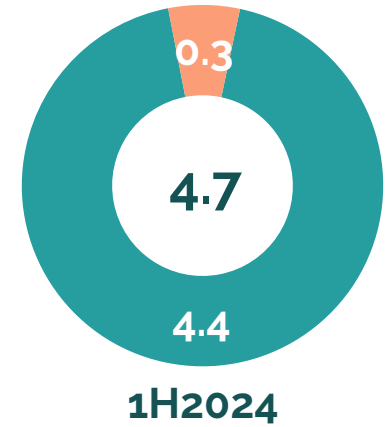
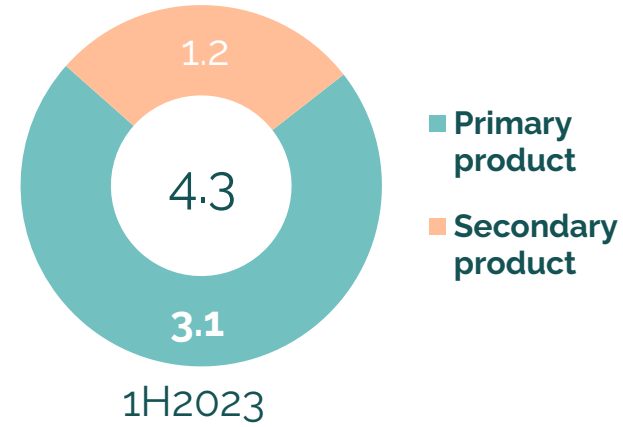


# Operational performance <sup>1</sup>

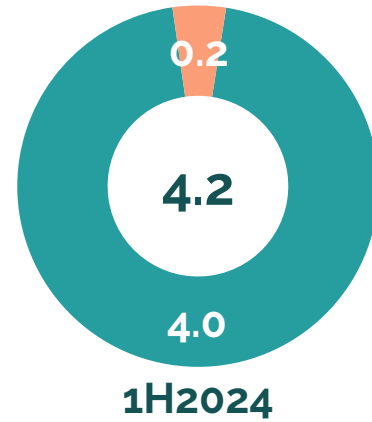
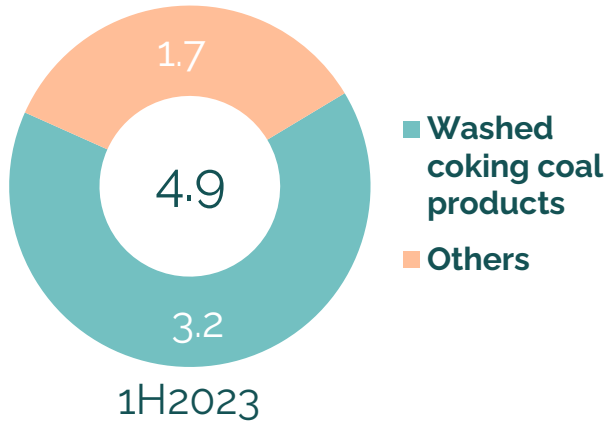
## ROM coal production



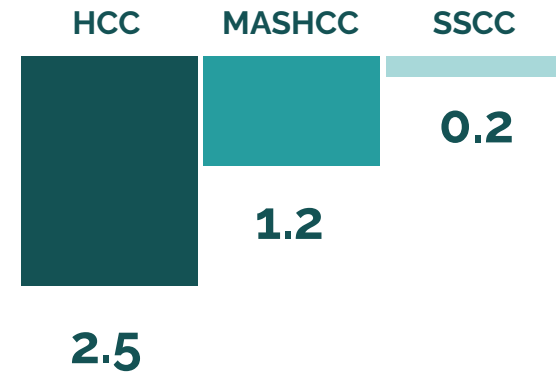
## Coal processing



## Sales volume



## Washed coking coal products



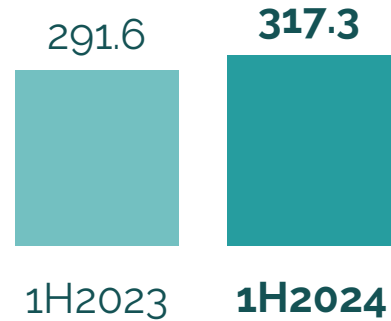
Notes:

1. Operational figures expressed in million tonnes.

# Cost metrics & ASP

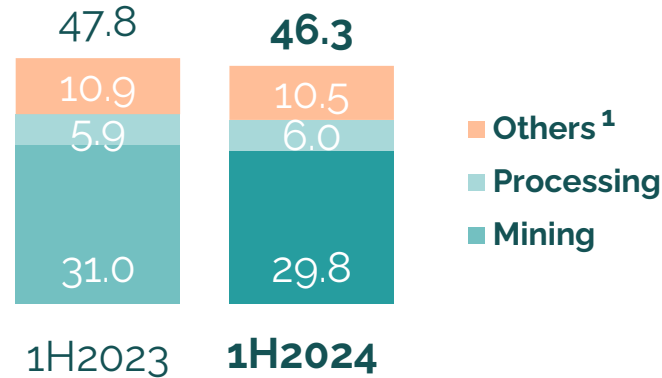
## Cost of revenue

(US\$ m)



## HCC mine gate cash cost

(US\$/t)



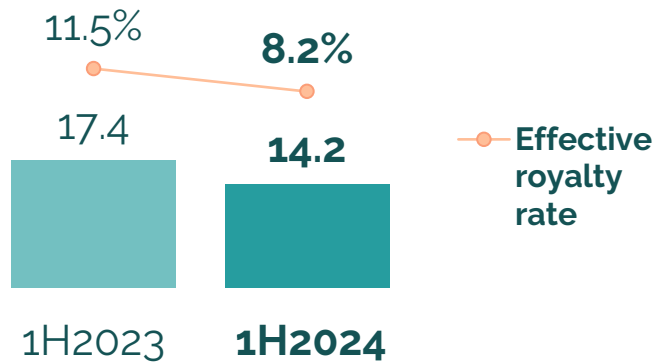
## Transportation cost<sup>2</sup>

(US\$/t)



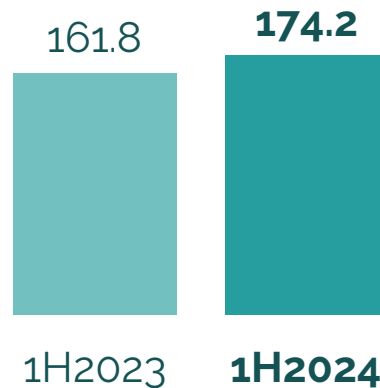
## HCC royalty

(US\$/t)



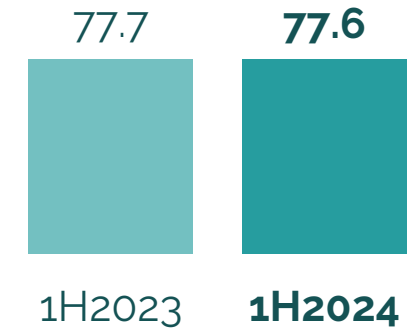
## HCC ASP<sup>3</sup>

(US\$/t)



## HCC operating cash cost at DAP GM<sup>4</sup>

(US\$/t)

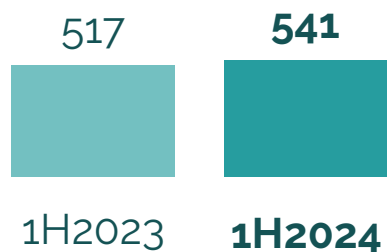


Notes:

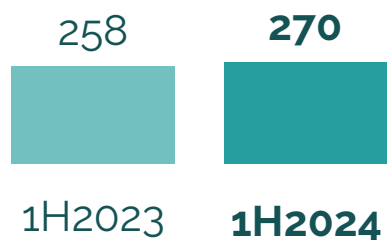
1. Includes handling, logistics and other costs.
2. Total transportation costs divided by washed coking coal products sold.
3. Blended average selling price under all delivery terms.
4. Includes mining, processing, handling, transportation, logistics, fees, royalty and other costs.

# Financial statements <sup>1</sup>

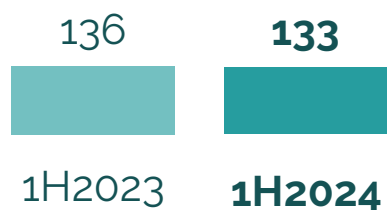
## Revenue



## EBITDA <sup>2</sup>



## Net profit



Balance Sheet	As at 30 June 2024
Cash	\$279
Net Current Assets	\$107
Total Assets	\$2,234
Total Equity	\$1,403

Investing Activities	\$(94)
Pre-stripping	\$(55)
Gold CAPEX	\$(30)
Maintenance CAPEX	\$(17)

Financing Activities	\$40
Divestment	\$89
Perpetual Notes repayment	\$(20)
SN and PN Interest	\$(28)

- Notes:
- Expressed in US\$ million.
  - Earnings before interest, taxes, depreciation and amortisation adjusted by share option expenses, one-off items and other non-cash items.



# Sustainability - TSM Verification <sup>1</sup>

The Mining Association of Canada's Towards Sustainable Mining (TSM) standard is a globally recognized sustainability program that supports mining companies in managing key environmental and social risks.

The Group became the first international company to publicly submit the TSM self-assessments through a subscription service independent of a national mining association in 2023. In July 2024, the Group underwent an external verification of its self-assessment scores. The verified scores are shown below and is also reported publicly at the website of the Mining Association of Canada.

## Verified Scorecard 2024

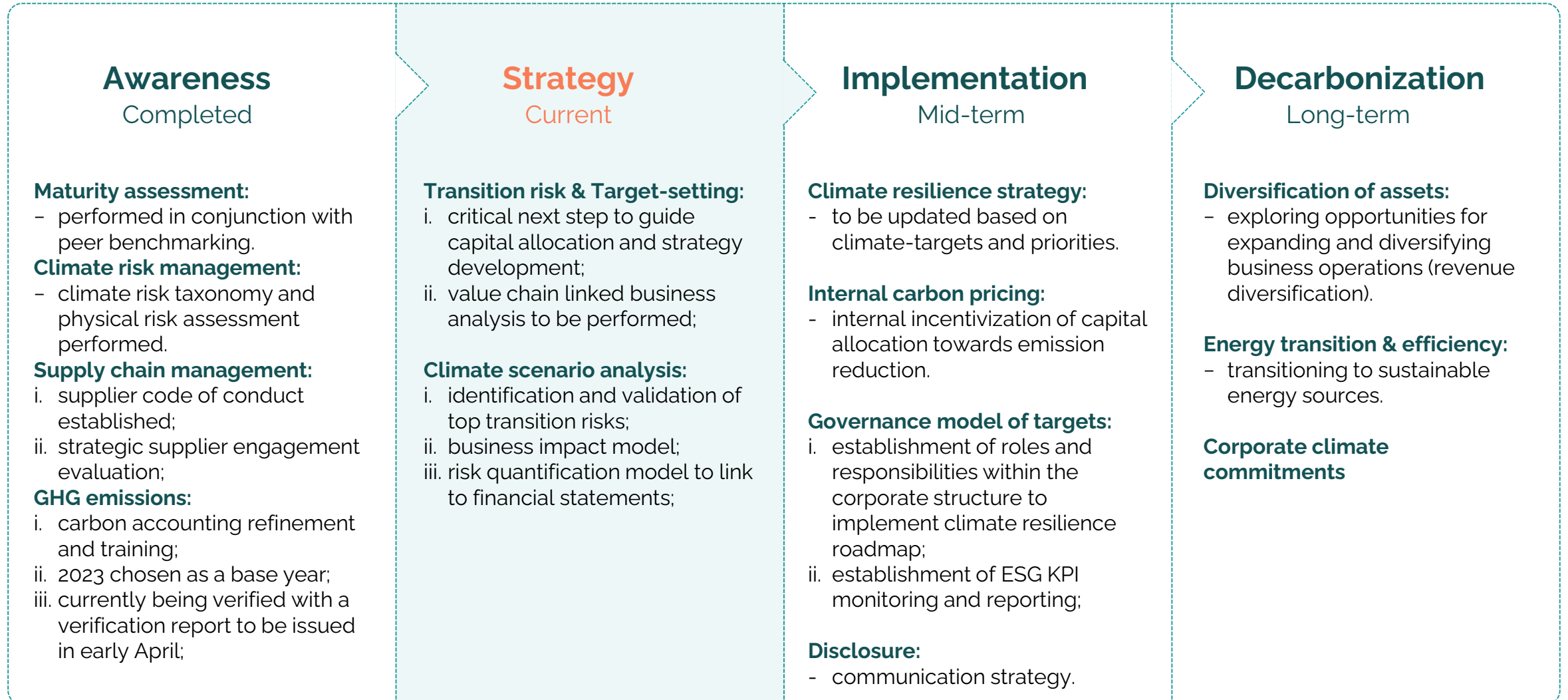
	Protocols	Scores
<b>Safety &amp; Health</b>	Commitments & accountability	AAA
	Planning & implementation	AAA
	Training, behaviour & culture	AAA
	Monitoring & reporting	AAA
	Performance	B
<b>Biodiversity</b>	Commitments & accountability	AAA
	Planning & implementation	AAA
	Reporting	AAA
<b>Water Stewardship</b>	Governance	A
	Management	AA
	Watershed-scale planning	AA
	Reporting & performance	A
<b>Climate Change</b>	Corporate Management	A
	Facility Management	AA
	Facility performance targets & reporting <sup>2</sup>	C
<b>Preventing Child &amp; Forced Labour</b>	Preventing forced labour	Y
	Preventing child labour	Y

	Protocols	Scores	
<b>Indigenous &amp; Community</b>	COI Identification	B	
	Effective COI engagement & dialogue	AA	
	Indigenous <sup>3</sup>	-	
	Impact & benefit management	B	
	COI response mechanism	AA	
<b>Crisis Management &amp; Communication Planning</b>	Facility	Management & preparedness	Y
		Review	Y
		Training	Y
	Corporate	Management & preparedness	Y
		Review	Y
		Training	N
<b>Tailings Management</b>	Policy & Commitment	C	
	Accountability & Responsibility	C	
	System & Emergency Preparedness	C	
	OMS Manual	C	
	Management Review	C	

Notes:

1. TSM published results: <https://mining.ca/companies/mongolian-mining-corporation/>
2. The "C" score is result of not having GHG emissions targets. The Company is currently in process of setting science based Interim and Carbon Neutrality targets.
3. Indigenous section was not scored, as the Company's operations do not affect any Indigenous populations.

# Sustainability - Carbon neutrality roadmap



# THANK YOU

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