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## **MONGOLIAN MINING CORPORATION**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 975)**

### **RECENT DEVELOPMENT**

This announcement (the “**Announcement**”) is made by Mongolian Mining Corporation (the “**Company**”) pursuant to Rule 13.09(2) and Rule 13.19 of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Long Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 26 January 2016 in relation to the potential restructuring the Company is seeking for its US\$600,000,000 8.875% senior notes due 2017 (the “**Notes**”).

Reference is also made to the announcement of the Company dated 14 March 2016 in relation to formation of the Steering Committee of the holders (the “**Noteholders**”) of the Notes (the “**Steering Committee**”) and appointment of legal and financial advisers to the Steering Committee.

Reference is also made to the announcement of the Company dated 23 March 2016 and the 2015 annual results announcement of the Company dated 24 March 2016 in relation to a cross default under the Notes triggered by an event of default under the facilities agreement, as amended from time to time, dated 5 March 2014 entered into by the Company as borrower with, amongst others, BNP Paribas Hong Kong Branch as agent, BNP Paribas Singapore branch and Industrial and Commercial Bank of China Limited as lenders.

The Company notes that on 29 March 2016, which was an interest payment date under the Notes, it was obligated to pay accrued semi-annual interests totaling US\$26,625,000 (the “**Coupon Payment**”). Given that the Company has been in discussion with the Steering Committee and its legal and financial advisers, and taking into account of the Company’s current financial situation under continuing depressed market conditions, the Company was neither able to make the Coupon Payment nor secure any waiver or forbearance from the Noteholders in this regard. This will constitute an event of default under the Notes if it continues for a period of 30 consecutive calendar days.

The Company has proposed to enter a forbearance agreement with the Steering Committee. The Company is in discussion with and intends to continue dialogue with the Steering Committee and its legal and financial advisers.

**THERE CAN BE NO ASSURANCE THAT ANY DISCUSSIONS WITH ANY NOTEHOLDER WILL LEAD TO A PROPOSAL ACCEPTABLE TO THE NOTEHOLDERS MORE GENERALLY OR THAT DISCUSSIONS WITH THE NOTEHOLDERS CAN BE PROGRESSED TO ANY POSITIVE CONCLUSION. ACCORDINGLY, THE COMPANY OFFERS NO ASSURANCE THAT THE PROPOSED RESTRUCTURING OF THE NOTES WILL BE SUCCESSFULLY CONCLUDED. SHAREHOLDERS OF THE COMPANY, THE NOTEHOLDERS, HOLDERS OF OTHER SECURITIES OF THE COMPANY AND POTENTIAL INVESTORS IN THE SECURITIES OF THE COMPANY ARE ADVISED TO EXERCISE EXTREME CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY.**

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

Hong Kong, 30 March 2016

*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, Dr. Oyungerel Janchiv, Mr. Od Jambaljamts and Mr. Gankhuyag Adilbish, 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.*