

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.



MONGOLIAN MINING CORPORATION

(In Provisional Liquidation)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 975)

RECENT DEVELOPMENT

This announcement (the “**Announcement**”) is made by Mongolian Mining Corporation (In Provisional Liquidation) (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of 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 3 November 2016 that the key commercial terms of the proposed debt restructuring (the “**Debt Restructuring**”) in the form of a term sheet (the “**Term Sheet**”) have received the support of (i) the steering committee of holders of US\$600,000,000 8.875% senior notes due 2017 issued by the Company (the “**Notes**”, and the holders of the Notes, the “**Noteholders**”), (ii) the lenders under the facilities agreement dated 5 March 2014 with the Company (the “**Lenders**”) and (iii) QGX Holdings Ltd. (“**QGX**”) which holds certain promissory notes issued by the Company.

Reference is also made to the announcement of the Company dated 21 December 2016 that (i) certain of the Noteholders have entered into a restructuring support agreement with, amongst others, the Company and the joint provisional liquidators of the Company (the “**JPLs**”) with respect to the Debt Restructuring (the “**Noteholder RSA**”), (ii) the Lenders have entered into a restructuring support agreement with, amongst others, the Company and the JPLs with respect to the Debt Restructuring (the “**Lenders RSA**”) and (iii) QGX has entered into a restructuring support agreement with, amongst others, the Company and the JPLs with respect to the Debt Restructuring (the “**QGX RSA**” and together with the Noteholder RSA and the Lenders RSA, the “**RSAs**”).

Reference is also made to the announcement of the Company dated 22 December 2016 confirming that all conditions to the effectiveness of each of the RSAs have been satisfied and, accordingly, all provisions of the RSAs have become effective in accordance with their terms. Each creditor that enters into and/or accedes to a RSA undertakes, amongst other things, to work in good faith with the Company to implement the Debt Restructuring as soon as possible.

Pursuant to the terms of the Noteholder RSA, Noteholders who accede to the Noteholder RSA on or before 13 January 2017 are entitled to receive an early consent fee as set forth in the Noteholder RSA. Pursuant to the terms of the Lenders RSA, if, by 4:00 p.m. (New York time) on 20 January 2017 (or such later date as may be agreed), the Noteholders who had entered into or acceded to the Noteholder RSA do not hold supporting Notes (the “**Supporting Notes**”) constituting an aggregate of 50% or more of the principal amount of the Notes, the Lenders RSA may be terminated with respect to a Lender’s obligations thereunder by such Lender.

After reconciling and verifying the holding positions of the Noteholders who have acceded to the Noteholder RSA on or before 13 January 2017, the Company is pleased to announce that, holders of Supporting Notes which in aggregate constitute approximately 94.1% of the principal amount of the Notes have entered into the Noteholder RSA on or before 13 January 2017.

The Company will publish further announcements to update the shareholders and potential investors on progress of the Debt Restructuring as and when necessary.

For and on behalf of
Mongolian Mining Corporation
(In Provisional Liquidation)
Simon Conway
Joint Provisional Liquidator
who acts without personal liability

Hong Kong, 19 January 2017

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, 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.