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MONGOLIAN MINING CORPORATION

(In Provisional Liquidation)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 975)

PROGRESS OF THE SCHEMES OF ARRANGEMENTS

This announcement (the “**Announcement**”) is made by Mongolian Mining Corporation (In Provisional Liquidation) (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong 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 21 July 2016 in relation to the appointment by the Grand Court of the Cayman Islands (the “**Cayman Court**”) of Mr. Simon Conway of PwC Corporate Finance Recovery (Cayman) Limited and Mr. Christopher So Man Chun of PricewaterhouseCoopers Ltd. as joint provisional liquidators (the “**JPLs**”) of the Company on a soft touch basis to assist the Company and its existing board of directors with the implementation of the proposed debt restructuring on an expedited basis (the “**Debt Restructuring**”).

References are also made to the announcements dated 3 November 2016, 21 December 2016, 19 January 2017 and 23 January 2017 that the key commercial terms of the Debt Restructuring have been supported by each of (a) certain holders (the “**Noteholders**”) of US\$600,000,000 8.875% senior notes due 2017 issued by the Company (the “**Notes**”), (b) the lenders (the “**Lenders**”) under the facilities agreement dated 5 March 2014 with the Company (the “**Senior Secured Facilities**”) and (c) QGX Holdings Ltd. in relation to certain promissory notes issued by the Company.

The Debt Restructuring insofar as it relates to the Notes will be implemented through parallel inter-conditional schemes of arrangements (the “**Schemes**”) in the Cayman Islands and Hong Kong (the “**Cayman Scheme**” and the “**Hong Kong Scheme**”, respectively). Reference is also made to the announcement of the Company dated 14 March 2017 in which it was announced that (a) the High Court of Hong Kong (the “**Hong Kong Court**”) had granted leave for the Company to convene a meeting of the Noteholders (the “**Hong Kong Scheme Meeting**”) for the purpose of considering, and if thought fit, approving (with or without modification) the Hong Kong Scheme (the “**Hong Kong Convening Order**”) and (b) the Cayman Court had granted leave for the Company to convene a meeting of the Noteholders (the “**Cayman Scheme Meeting**”) for the purpose of considering, and if thought fit, approving (with or without modification) the Cayman Scheme after the Lenders have confirmed that the restructuring documents relating to the Senior Secured Facilities are in agreed form or after an order has been granted by the Cayman Court permitting the dissemination of the Scheme Documents (as defined below) (the “**Cayman Convening Order**”).

The Company is pleased to announce that on 20 March 2017, the Cayman Court granted an order by way of consent authorising the Company to proceed with the dissemination of the Scheme Documents (as defined below) and convene the Cayman Scheme Meeting. Accordingly, copies of the Cayman Scheme, the Hong Kong Scheme, the explanatory statement (which explains the effect of the Cayman Scheme and the Hong Kong Scheme in detail) and the solicitation packet (which includes the account holder letter and form of proxy to be completed by all the scheme creditors in order to vote at the scheme meetings) (collectively, the “**Scheme Documents**”), together with certain other documents concerning the Debt Restructuring, are now available to access and download from the scheme website (<http://www.lynchpinbm.com/project/mongolian-mining/>) or by contacting the information agent on +852 2526 5406 or by email to mminfo@lynchpinbm.com.

The Cayman Scheme Meeting is expected to be held at the offices of Walkers at 190 Elgin Avenue, George Town, Grand Cayman KY1-9001, Cayman Islands commencing at 9:00 p.m. on 10 April 2017 (Cayman Islands time), the equivalent time being 10:00 a.m. on 11 April 2017 (Hong Kong time), with any adjournment as may be appropriate. The Hong Kong Scheme Meeting is expected to be held at the offices of Walkers at 15th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong, commencing at 10:00 a.m. on 11 April 2017 (Hong Kong time), the equivalent time being 9:00 p.m. on 10 April 2017 (Cayman Islands time), with any adjournment as may be appropriate. A telephone dial in facility for the Cayman Scheme Meeting and the Hong Kong Scheme Meeting is available to Noteholders by contacting the information agent on +852 2526 5406 or by email to mminfo@lynchpinbm.com. In addition, the Cayman Scheme Meeting and Hong Kong Scheme Meeting will be connected via video-link between the Walkers’ Cayman Islands and Hong Kong office addresses noted above. Attendance and voting at the Cayman Scheme Meeting and the Hong Kong Scheme Meeting can either be in person or by proxy in accordance with the voting instructions set out in the Scheme Documents.

If the Cayman Scheme and the Hong Kong Scheme are approved at the Cayman Scheme Meeting and the Hong Kong Scheme Meeting (respectively), the Cayman Scheme and the Hong Kong Scheme will be subject to subsequent applications seeking the sanction of the Cayman Court and the Hong Kong Court (each, a “**Sanction Hearing**”, and collectively the “**Sanction Hearings**”). The Sanction Hearing in respect of the Cayman Scheme is expected to be heard at 10:00a.m. (Cayman Islands time) on 24 April 2017 or as soon as practicable thereafter as it may be heard. The Sanction Hearing in respect of the Hong Kong Scheme is expected to be heard at 10:00 a.m. (Hong Kong time) on 25 April 2017 or as soon as practicable thereafter as it may be heard. Any scheme creditor will have the right to attend and be heard at the Sanction Hearings, through legal counsel, to support or oppose the sanction of the Cayman Scheme and the Hong Kong Scheme.

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, 21 March 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.