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MONGOLIAN MINING CORPORATION
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 975)

**OPERATIONAL UPDATE
FOR THE QUARTER ENDED 31 DECEMBER 2020**

The COVID-19 virus outbreak since early 2020 has brought uncertainties in the Group’s operating environment. The Group has been closely monitoring the impact of the developments on the Group’s businesses and has put in place contingency measures, such as temporary adjustment to levels of production. The Group will continue to keep contingency measures under review as the situation evolves.

The board of directors (the “**Board**”) of Mongolian Mining Corporation (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) wishes to announce the unaudited operational update for the quarter ended 31 December 2020. The comparative figures for the quarter ended 31 December 2019 and the quarter ended 30 September 2020 are also disclosed in this announcement.

During the year ended 31 December 2020, the Group has (i) mined approximately 7.7 million tonnes (“**Mt**”) of run-of-mine (“**ROM**”) coal; (ii) processed approximately 7.5 Mt of ROM coking coal to produce approximately 3.6 Mt of washed coking coal products; and (iii) sold approximately 3.5 Mt of washed coking coal products.

The Group’s ROM coal mining output was 2,954.5 thousand tonnes (“**kt**”), representing 26% quarter-on-quarter (“**QoQ**”) increase compared to the previous quarter ended 30 September 2020, while remaining virtually flat on year-on-year (“**YoY**”) basis compared to the corresponding period ended 31 December 2019.

A total of 3,007.0 kt of ROM coking coal was processed in the fourth quarter of 2020, representing 34% QoQ increase and 8% YoY increase compared to the corresponding quarters, respectively.

Over the same quarter, 1,390.4 kt of washed coking coal was produced, representing 31% QoQ increase and 2% YoY decrease compared to the corresponding quarters, respectively.

During the quarter ended 31 December 2020, the Group sold a total of 950.0 kt of washed coking coal products, which represents 21% QoQ decrease compared to the previous quarter ended 30 September 2020. This represents 22% YoY decrease compared to the corresponding period of 2019.

The main operational data summarized and shown below in Table 1 are all rounded and derived from the internal records of the Group and are intended to give investors an overview of the Group's operations in a timely manner and may differ from the data disclosed in periodic reports of the Company.

Table 1. Main operational data for the quarter ended 31 December 2020:

Item	Unit	The quarter ended 31 December 2020	The quarter ended 30 September 2020	QoQ change (%)	The quarter ended 31 December 2019	YoY change (%)
ROM coal mined	kt	2,954.5	2,350.3	+26%	2,942.7	0%
ROM coking coal processed	kt	3,007.0	2,238.0	+34%	2,793.1	+8%
Washed coking coal produced	kt	1,390.4	1,063.5	+31%	1,425.7	-2%
Washed coking coal sold	kt	950.0	1,207.6	-21%	1,220.6	-22%

The aforesaid operational data are not an express or implied forecast or guarantee in respect of the Company's future operating conditions.

In addition, various factors may affect results, including (but not limited to) force majeure events, changes in market conditions and regulatory interferences, as such material differences may exist in the operational data published from quarter to quarter.

Investors should note that undue reliance on or use of the above information may cause investment risks.

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

Hong Kong, 27 January 2021

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, Mr. Od Jambaljamts, Ms. Enkhtuvshin Gombo and Mr. Enkhtuvshin Dashtseren, 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.