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MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

VOLUNTARY ANNOUNCEMENT

NEW DRY COAL PROCESSING PLANT PROJECT

This announcement is made by Mongolia Energy Corporation Limited (the “**Company**”, together with the subsidiaries, the “**Group**”) on a voluntary basis to provide its shareholders and potential investors with information relating to the latest business development of the Group.

The coal processing system of the Group currently comprises two components: the dry coal processing plant (“**DPP**”) located at the Khushuut mine site, and the coal washing plant located at Xinjiang near the border ports between Bulgan, Mongolia and Takeshiken, Xinjiang, People’s Republic of China.

The DPP in our mine site was put to formal operation in late 2014. It could preliminary process the run-of-mine (“**ROM**”) coal, eliminating the unwanted rubbles and other materials to enhance quality of our raw coking coal for export purpose, and also reducing our transportation costs. Our current DPP could process up to a maximum of two million tonnes ROM coal per annum.

Since our commercial coal production in 2015, the quantity of coal produced and processed have increased in folds. In order to cope with the increased production and developments of our mine, the management of the Company has planned to build a new dry coal processing plant on the mine site, with a processing capacity of five million tonnes per annum to replace the existing set up. The Company’s preliminary estimation on the costs for building a new DPP system will be over RMB150 million, subject to the final design of the new DPP system.

The Company is planning to invite tender for the preliminary design of the new DPP system within this month. The Company will comply with the requirements of the applicable Listing Rules where appropriate when the formal agreement(s) in respect of the development of the new DPP system is entered into.

There is no assurance that if the construction of the new DPP system would be implemented or when it would be implemented, and the construction of the new

DPP system may or may not proceed. Shareholders and investors of the Company are reminded to exercise caution when dealing in the shares of the Company.

By order of the Board
Mongolia Energy Corporation Limited
Tang Chi Kei
Company Secretary

Hong Kong, 26 September 2023

As at the date of this announcement, the board of directors of the Company comprises nine directors, including Mr. Lo Lin Shing, Simon, Ms. Yvette Ong, Mr. Lo, Rex Cze Kei and Mr. Lo, Chris Cze Wai as executive directors, Mr. To Hin Tsun, Gerald and Mr. Lo, James Cze Chung as non-executive directors, and Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank as independent non-executive directors.