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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 MARCH 2024**

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 March 2024. The comparative figures for the quarter ended 31 March 2023 and the quarter ended 31 December 2023 are also disclosed in this announcement (if applicable).

The Group is the largest producer and exporter of washed coking coal products in Mongolia. Energy Resources LLC (“**ER**”) owns and operates Ukhaa Khudag (“**UHG**”) coking coal mine and Khangad Exploration LLC (“**KEX**”) owns and operates Baruun Naran (“**BN**”) coking coal mine, both located in Umnugobi aimag (province), Mongolia.

The Group is 50% equity holder in Erdene Mongol LLC (“**EM**”), which is currently developing Bayan Khundii (“**BKH**”) gold mine located in Bayankhongor aimag (province), Mongolia, and gold production is expected to commence from 2025.

#### **Coking (metallurgical) coal operations**

During the quarter ended 31 March 2024, the Group’s run-of-mine (“**ROM**”) coal mining combined output from UHG and BN mines was 3,563.7 thousand tonnes (“**kt**”), representing 8% year-on-year (“**YoY**”) decrease and 16% quarter-on-quarter (“**QoQ**”) increase compared to the corresponding period ended 31 March 2023 and the previous quarter ended 31 December 2023, respectively.

The Group processed a total 3,694.6 kt of ROM coking coal to produce 2,161.7 kt of washed coking coal products, representing 47% YoY increase compared to the corresponding period ended 31 March 2023 and 26% QoQ increase compared to the previous quarter ended 31 December 2023.

The Group’s operating subsidiaries ER and KEX sold a total of 1,650.3 kt of washed coking coal products in the first quarter of 2024, which represents 3% YoY increase compared to the corresponding period of 2023. This represents 5% QoQ decrease compared to the previous quarter ended 31 December 2023.

The main operational data for coking (metallurgical) coal operations summarised 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 March 2024:**

Item	Unit	The quarter ended 31 March 2024	The quarter ended 31 March 2023	YoY change (%)	The quarter ended 31 December 2023	QoQ change (%)
ROM coal mined	kt	3,563.7	3,872.2	-8%	3,080.3	+16%
ROM coking coal processed	kt	3,694.6	3,142.8	+18%	3,366.8	+10%
Washed coking coal produced	kt	2,161.7	1,470.7	+47%	1,712.3	+26%
Washed coking coal sold	kt	1,650.3	1,601.9	+3%	1,744.1	-5%

### Gold and metals operations

On 25 January 2024, all conditions precedent to the closing under the investment agreement dated 10 January 2023 entered into by and among the Company, Erdene Resource Development Corporation and EM have been fulfilled. Accordingly, closing has taken place, and the strategic alliance agreement has become effective. Please refer to the announcements of the Company dated 11 January 2023 and 25 January 2024 for further details.

The Group has continued with project development to advance progress for construction work at BKH mine, which has an expected life-of-mine total production of 476 thousand ounces of recovered gold according to the updated feasibility study prepared in 2023 in line with the National Instrument 43-101, Standards of Disclosure for Mineral Projects (NI 43-101).

During the quarter ended 31 March 2024, EM completed early works and site establishment, including installation of temporary facilities and completion of process plant civils and footings, which represents approximately 14.5% of total construction work according to project development schedule. Also, long lead and critical equipment orders for processing plant were progressed according to project development schedule, with first batch of equipment delivered at BKH mine construction site.

Simultaneously, the Group continued with work initiated in 2023 to prepare the workforce for BKH mine operations and a total of 100 trainees selected from residents of Bayankhongor aimag (province) attended mining equipment operator training program at UHG mine as of 31 March 2024. Overwhelming majority of trainees successfully completed the training program and were employed by ER to gain further work experience at UHG mine before being deployed to BKH mine once its operations commence in 2025.

## **Important notice**

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, 22 April 2024

*As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts and Dr. Battsengel Gotov, being the executive Directors, Mr. Od Jambaljamts, Ms. Enkhtuvshin Gombo and Mr. Myagmarjav Ganbyamba, being the non-executive Directors, and Dr. Khashchuluun Chuluundorj, Mr. Unenbat Jigjid and Mr. Chan Tze Ching, Ignatius, being the independent non-executive Directors.*