MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

(1) CONNECTED TRANSACTION IN RELATION TO SUBSCRIPTION OF THE 2025 GI CONVERTIBLE NOTE; (2) SUBSCRIPTION OF THE 2025 CTF CONVERTIBLE NOTE; (3) CHANGE IN BOARD LOT SIZE; AND (4) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

THE SUBSCRIPTIONS

The 2025 GI Subscription

On 6 March 2025, the Company entered into the 2025 GI Subscription Agreement with Golden Infinity pursuant to which Golden Infinity has agreed to subscribe for the 2025 GI Convertible Note.

The subscription price of the 2025 GI Convertible Note will be used by the Company for full settlement of the outstanding principal amount and accrued interest of the Existing GI Convertible Note on the GI Completion Date. If the completion of the 2025 GI Subscription take place on 30 May 2025 (being the Long Stop Date), the outstanding principal amount and accrued interest of the Existing GI Convertible Note as at the GI Completion Date will be HK$727,035,580.20.

As Golden Infinity is a substantial Shareholder and wholly-owned by an executive Director, the 2025 GI Subscription constitutes a connected transaction of the Company and is subject to reporting, announcement and independent Shareholders' approval requirements under the Listing Rules. The 2025 GI Conversion Shares to be allotted and issued pursuant to the 2025 GI Convertible Note are proposed to be issued pursuant to a specific mandate to be granted by the Independent Shareholders by way of poll at the SGM. An application will be made to the Stock Exchange for the listing of and permission to deal in the 2025 GI Conversion Shares.

The 2025 CTF Subscription

On 6 March 2025, the Company entered into the 2025 CTF Subscription Agreement with CTF, pursuant to which CTF has agreed to subscribe for the 2025 CTF Convertible Note.

The subscription price of the 2025 CTF Convertible Note will be used by the Company for full settlement of the outstanding principal amount and accrued interest of the Existing CTF Convertible Note on the CTF Completion Date. If the completion of the 2025 CTF Subscription takes place on 30 May 2025 (being the Long Stop Date), the outstanding principal amount and accrued interest of the Existing CTF Convertible Note as at the CTF Completion Date will be HK$3,250,750,918.52.

The 2025 CTF Conversion Shares to be allotted and issued pursuant to the 2025 CTF Convertible Note are proposed to be issued pursuant to a specific mandate to be granted by the Independent Shareholders by way of poll at the SGM. An application will be made to the Stock Exchange for the listing of and permission to deal in the 2025 CTF Conversion Shares.

CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Shares are traded on the Stock Exchange in board lots of 3,000 Shares. It is proposed that the board lot size for trading on the Stock Exchange be changed from 3,000 Shares to 6,000 Shares. Based on the closing price of HK$0.53 per Share as at the date of this announcement, the value per board lot of 6,000 Shares is HK$3,180.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Somerley Capital Limited has been appointed as the independent financial adviser to make recommendations to the Independent Shareholders and the Independent Board Committee which comprises all independent non-executive Directors, namely Mr. Tsui Hing Chuen, William *JP*, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank, as to whether the Subscriptions are fair and reasonable and to advise the Independent Shareholders on how to vote on the proposed resolutions in respect thereof at the SGM, and such appointment has been approved by the Independent Board Committee.

GENERAL

A circular containing, among other things (i) details of the Subscriptions and the 2025 Convertible Notes; (ii) recommendations from the Independent Board Committee in respect of the Subscriptions; (iii) the advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscriptions; and (iv) the notice of the SGM, is expected to be despatched to the Shareholders on or around 8 April 2025.

Shareholders and the potential investors should note that the completions of the Subscription Agreements are conditional upon satisfaction of the respective conditions as set out in this announcement and therefore, the Subscriptions may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

THE SUBSCRIPTIONS

After trading hours on 6 March 2025, the Company entered into (i) the 2025 GI Subscription Agreement with Golden Infinity pursuant to which the Company conditionally agreed to issue and Golden Infinity conditionally agreed to subscribe for the 2025 GI Convertible Note; and (ii) the 2025 CTF Subscription Agreement with CTF pursuant to which the Company conditionally agreed to issue and CTF conditionally agreed to subscribe for the 2025 CTF Convertible Note.

The principal terms of each of the Subscription Agreements are set out below.

2025 GI Subscription Agreement

Date:	6 March 2025
Parties:	The Company, as issuer Golden Infinity, as subscriber

Golden Infinity is an investment holding company, it is wholly and beneficially owned by Mr. Lo and it is a substantial Shareholder. As at the date of this announcement, Golden Infinity and its associates (excluding CTF, Dragon Noble Group Limited and their respective associates) hold 30,319,707 Shares, representing approximately 16.1% of the existing issued share capital of the Company.

Subject

The Company conditionally agreed to issue and Golden Infinity conditionally agreed to subscribe for the 2025 GI Convertible Note at the subscription price which will be used for full settlement of the outstanding principal amount and accrued interest of the Existing GI Convertible Note due and owing by the Company to Golden Infinity on the GI Completion Date. The outstanding sum under the Existing GI Convertible Note (including principal and interest) was HK$722,645,476.65 as at the date of the 2025 GI Subscription Agreement and will be HK$727,035,580.20 as at the Long Stop Date.

The principal amount of 2025 GI Convertible Note to be issued will be determined based on the outstanding principal amount and accrued interest of the Existing GI Convertible Note due and owing by the Company to Golden Infinity on the GI Completion Date.

Conditions precedent

Completion of the 2025 GI Subscription Agreement is conditional upon the following being satisfied or fulfilled on or before the Long Stop Date:–

(a) the Listing Committee granting or agreeing to grant the listing of, and permission to deal in the 2025 GI Conversion Shares to be issued pursuant to the 2025 GI Convertible Note and such grant remaining in full force and effect;

(b) all necessary consents, approvals (or waivers), authorisation, permission or exemption from any third parties, including but not limited to government or regulatory authorities, having been obtained by the Company in connection with the 2025 GI Subscription and the issue of the 2025 GI Convertible Note and the 2025 GI Conversion Shares upon exercise of the Conversion Rights thereunder and such consents, approvals (or waivers), authorisation, permission or exemption remaining in full force and effect;

(c) the compliance by the Company with all legal and other requirements under the Listing Rules and the laws of Bermuda applicable to the transactions contemplated under the 2025 GI Subscription Agreement;

(d) the passing of the requisite respective resolutions by the Board and the Shareholders at a general meeting (other than those persons who are precluded from voting under the Listing Rules) approving, inter alia, the respective transactions contemplated under the 2025 GI Subscription Agreement and the 2025 CTF Subscription Agreement (including but not limited to the issue of the 2025 GI Convertible Note and the 2025 CTF Convertible Note and the allotment and issue of new Shares upon exercise of the respective Conversion Rights); and

(e) the 2025 CTF Subscription Agreement having become unconditional in all respects, except for the condition therein relating to the 2025 GI Subscription Agreement having become unconditional.

All conditions above are non-waviable, except that condition (e) above is waivable at the discretion of Golden Infinity.

Standstill

Golden Infinity has further agreed that, among other things, (i) the Company is not obliged to make payment or repayment of any outstanding sum and further interest accrued on the principal amount of the Existing GI Convertible Note during the moratorium period which commences on the date of maturity of the Existing GI Convertible Note (being 6 March 2025) and expires on the earlier of (a) 30 June 2025; (b) the GI Completion Date (or such other date as the Company and Golden Infinity may agree in writing); and (c) the Long Stop Date in the event that the conditions precedent under the 2025 GI Subscription Agreement has not been satisfied or fulfilled in accordance with the 2025 GI Subscription Agreement; (ii) the delay in payment of the outstanding sum under the Existing GI Convertible Note or any part thereof shall not be treated as a default on the part of the Company, and default interest chargeable on the outstanding sum under the Existing GI Convertible Note shall not apply during such moratorium period; (iii) the conversion rights under the Existing GI Convertible Note was extinguished on 5 March 2025 in accordance with the terms of the Existing GI Convertible Note; (iv) the interest on the principal amount of the Existing GI Convertible Note shall continue to accrue at a rate of 3% per annum; and (v) the outstanding sum and further interest accrued on the principal amount of the Existing GI Convertible Note will be fully repaid and set off by the subscription price of the 2025 GI Convertible Note payable by Golden Infinity upon the completion of the 2025 GI Subscription.

Completion

Completion of the 2025 GI Subscription shall take place simultaneously with the completion of the 2025 CTF Subscription on the GI Completion Date, while Golden Infinity shall not be obliged to complete the 2025 GI Subscription unless the 2025 CTF Subscription is completed simultaneously.

Rescission

If any of the following events occurs at any time prior to the completion of the 2025 GI Subscription Agreement, Golden Infinity may, by giving a written notice to the Company, rescind the 2025 GI Subscription Agreement:

(a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may materially and adversely affect the business or the financial position of the Group as a whole;

(b) the occurrence of any local, national or international event or change, whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the 2025 GI Subscription Agreement, of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may materially and adversely affect the business or the financial position of the Group as a whole;

(c) there shall have occurred any of the following: (i) a suspension or material limitation in trading in the Company's securities or the Shares on the Stock Exchange (other than any temporary suspension for clearance of (1) this announcement; or (2) any other announcement for no more than ten consecutive trading days); (ii) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities, or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong; (iii) a change or development involving a prospective change in taxation in Bermuda or Hong Kong materially and adversely affecting the Company, the Shares, the 2025 GI Convertible Note or the transfer thereof; (iv) the outbreak or escalation of hostilities involving Hong Kong or the declaration by Hong Kong of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions or currency exchange rates or controls, which would have a material adverse effect;

(d) any breach of the representations, warranties and undertakings given by the Company under the 2025 GI Subscription Agreement or any failure by the Company to perform any of the agreements set forth in the 2025 GI Subscription Agreement where any such breach or failure would have a material adverse effect; or

(e) in connection with the 2025 GI Subscription, any of the conditions precedent set out in the 2025 GI Subscription Agreement has not been satisfied or waived by Golden Infinity by the Long Stop Date.

Upon the giving of such notice by Golden Infinity, all obligations of the Company and Golden Infinity under the 2025 GI Subscription Agreement shall cease and determine and no party to the 2025 GI Subscription Agreement shall have any claim against the other in respect of any matter or thing arising out of or in connection with the 2025 GI Subscription Agreement.

2025 CTF Subscription Agreement

Date:	6 March 2025
Parties:	The Company, as issuer CTF, as subscriber

CTF is an investment holding company and its controlling shareholder is Chow Tai Fook (Holding) Limited. As at the date of this announcement, CTF and its associates (including Dragon Noble Group Limited and its associates but excluding Golden Infinity and its associates) hold 15,366,750 Shares, representing approximately 8.2% of the existing issued share capital of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, CTF and its ultimate beneficial owner are not connected with the Company under the meaning of the Listing Rules.

Subject

The Company conditionally agreed to issue and CTF conditionally agreed to subscribe for the 2025 CTF Convertible Note at the subscription price which will be used for full settlement of the outstanding principal amount and accrued interest of the Existing CTF Convertible Note due and owing by the Company to CTF on the CTF Completion Date. The outstanding sum under the Existing CTF Convertible Note (including principal and interest) was HK$3,231,121,709.80 as at the date of the 2025 CTF Subscription Agreement and will be HK$3,250,750,918.52 as at the Long Stop Date.

The principal amount of 2025 CTF Convertible Note to be issued will be determined based on the outstanding principal amount and accrued interest of the Existing CTF Convertible Note due and owing by the Company to CTF on the CTF Completion Date.

Conditions precedent

Completion of the 2025 CTF Subscription Agreement is conditional upon the following being satisfied or fulfilled on or before the Long Stop Date:–

(a) the Listing Committee granting or agreeing to grant the listing of, and permission to deal in the 2025 CTF Conversion Shares to be issued pursuant to the 2025 CTF Convertible Note and such grant remaining in full force and effect;

(b) all necessary consents, approvals (or waivers), authorisation, permission or exemption from any third parties, including but not limited to government or regulatory authorities, having been obtained by the Company in connection with the 2025 CTF Subscription and the issue of the 2025 CTF Convertible Note and the 2025 CTF Conversion Shares upon exercise of the Conversion Rights thereunder and such consents, approvals (or waivers), authorisation, permission or exemption remaining in full force and effect;

(c) the compliance by the Company with all legal and other requirements under the Listing Rules and the laws of Bermuda applicable to the transactions contemplated under the 2025 CTF Subscription Agreement;

(d) the passing of the requisite respective resolutions by the Board and the Shareholders at a general meeting (other than those persons who are precluded from voting under the Listing Rules) approving, inter alia, the respective transactions contemplated under the 2025 CTF Subscription Agreement and the 2025 GI Subscription Agreement (including but not limited to the issue of the 2025 CTF Convertible Note and the 2025 GI Convertible Note and the allotment and issue of new Shares upon exercise of the respective Conversion Rights); and

(e) the 2025 GI Subscription Agreement having become unconditional in all respects, except for the condition therein relating to the 2025 CTF Subscription Agreement having become unconditional.

All conditions above are non-waviable, except that condition (e) above is waivable at the discretion of CTF.

Standstill

CTF has further agreed that, among other things, (i) the Company is not obliged to make payment or repayment of any outstanding sum and further interest accrued on the principal amount of the Existing CTF Convertible Note during the moratorium period which commences on the date of maturity of the Existing CTF Convertible Note (being 6 March 2025) and expires on the earlier of (a) 30 June 2025; (b) the CTF Completion Date (or such other date as the Company and CTF may agree in writing) and (c) the Long Stop Date in the event that the conditions precedent under the 2025 CTF Subscription Agreement has not been satisfied or fulfilled in accordance with the 2025 CTF Subscription Agreement; (ii) the delay in payment of the outstanding sum under the Existing CTF Convertible Note or any part thereof shall not be treated as a default on the part of the Company, and default interest chargeable on the outstanding sum under the Existing CTF Convertible Note shall not apply during such moratorium period; (iii) the conversion rights under the Existing CTF Convertible Note was extinguished on 5 March 2025 in accordance with the terms of the Existing CTF Convertible Note; (iv) the interest on the principal amount of the Existing CTF Convertible Note shall continue to accrue at a rate of 3% per annum; and (v) the outstanding sum and further interest accrued on the principal amount of the Existing CTF Convertible Note will be fully repaid and set off by the subscription price of the 2025 CTF Convertible Note payable by CTF upon the completion of the 2025 CTF Subscription.

Completion

Completion of the 2025 CTF Subscription shall take place simultaneously with the completion of the 2025 GI Subscription on the CTF Completion Date, while CTF shall not be obliged to complete the 2025 CTF Subscription unless the 2025 GI Subscription is completed simultaneously.

Rescission

If any of the following events occurs at any time prior to the completion of the 2025 CTF Subscription Agreement, CTF may, by giving a written notice to the Company, rescind the 2025 CTF Subscription Agreement:

(a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may materially and adversely affect the business or the financial position of the Group as a whole;

(b) the occurrence of any local, national or international event or change, whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the 2025 CTF Subscription Agreement, of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may materially and adversely affect the business or the financial position of the Group as a whole;

(c) there shall have occurred any of the following: (i) a suspension or material limitation in trading in the Company's securities or the Shares on the Stock Exchange (other than any temporary suspension for clearance of (1) this announcement; or (2) any other announcement for no more than ten consecutive trading days); (ii) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities, or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong; (iii) a change or development involving a prospective change in taxation in Bermuda or Hong Kong materially and adversely affecting the Company, the Shares, the 2025 CTF Convertible Note or the transfer thereof; (iv) the outbreak or escalation of hostilities involving Hong Kong or the declaration by Hong Kong of a national emergency or war; or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions or currency exchange rates or controls, which would have a material adverse effect;

(d) any breach of the representations, warranties and undertakings given by the Company under the 2025 CTF Subscription Agreement or any failure by the Company to perform any of the agreements set forth in the 2025 CTF Subscription Agreement where any such breach or failure would have a material adverse effect; or

(e) in connection with the 2025 CTF Subscription, any of the conditions precedent set out in the 2025 CTF Subscription Agreement has not been satisfied or waived by CTF by the Long Stop Date.

Upon the giving of such notice by CTF, all obligations of the Company and CTF under the 2025 CTF Subscription Agreement shall cease and determine and no party to the 2025 CTF Subscription Agreement shall have any claim against the other in respect of any matter or thing arising out of or in connection with the 2025 CTF Subscription Agreement.

Principal terms of the 2025 Convertible Notes

Principal amount	2025 GI Convertible Note:	equivalent to the aggregate outstanding amount (including the principal amount and any outstanding accrued interest up to the GI Completion Date) owing by the Company to Golden Infinity under the Existing GI Convertible Note, which is expected to be not more than HK$727,035,580.20 (being the aggregate outstanding amount calculated up to the Long Stop Date).
	2025 CTF Convertible Note:	equivalent to the aggregate outstanding amount (including the principal amount and any outstanding accrued interest up to the CTF Completion Date) owing by the Company to CTF under the Existing CTF Convertible Note, which is expected to be not more than HK$3,250,750,918.52 (being the aggregate outstanding amount calculated up to the Long Stop Date).

Maturity

Third anniversary of the date of issue of the 2025 Convertible Notes (or such later date as consented by the respective holders of the 2025 Convertible Notes).

Interest rate

Interest shall accrue from day to day and shall be calculated on the basis of the actual number of days elapsed in a year of 365 days, at the rate of 3% per annum on the principal amount of the 2025 Convertible Notes from time to time outstanding, and, unless previously redeemed, repaid or converted into Shares, payable in arrears on the maturity date of the 2025 Convertible Notes (as the case may be).

Denomination for conversion

With a minimum aggregate amount of HK$1,000,000 and integral multiples of HK$1,000 save that if at any time the aggregate outstanding amount of the 2025 Convertible Notes held by a holder of the 2025 Convertible Notes is less than HK$1,000,000, the whole (but not part only) of such aggregate outstanding amount may be converted.

Conversion rights

A holder of the 2025 Convertible Notes shall have the right to convert the whole or any part (comprising the outstanding principal amount and any accrued but unpaid interest thereon and in the denomination as stated above) of the 2025 Convertible Notes into Conversion Shares at the Conversion Price (subject to adjustments) on any Business Day from the date of issue of the 2025 Convertible Notes and up to the Business Day immediately prior to the maturity date of the 2025 Convertible Notes.

Conversion price	Initially, HK$0.65 per Conversion Share, subject to adjustments in certain events, including, among others, share consolidation, share subdivision, capitalisation issues, capital distribution, rights issue of Shares or options (other than share options of the Company under its share option schemes) or warrants or other rights over Shares, and other equity or equity derivatives issues.
Transferability	Subject to the consent of the holder of the 2025 CTF Convertible Note (in the case of any transfer in relation to the 2025 GI Convertible Note) or the 2025 GI Convertible Note (in the case of any transfer in relation to the 2025 CTF Convertible Note) being obtained and the terms of the 2025 Convertible Notes (as the case may be), the 2025 Convertible Notes are freely transferrable, in whole or in part (being an authorised denomination) of the outstanding principal amount, to any person, subject to the Listing Rules and all applicable laws and regulations.
Listing	No application will be made for the listing of the 2025 Convertible Notes on the Stock Exchange or any other stock exchange. Application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Conversion Shares to be issued upon the exercise of the Conversion Rights.
Ranking	Obligations of the Company under the 2025 Convertible Notes are unsecured. The Conversion Shares to be issued upon the exercise of the Conversion Rights will be credited as fully paid and will rank pari passu in all respects with all other Shares outstanding at the date of exercise of the Conversion Rights and be entitled to all dividends and other distributions the record date of which falls on a date on or after the date of exercise of the Conversion Rights.
Voting	A holder of the 2025 Convertible Notes will not be entitled to receive notices of, attend or vote at any meetings of the Company by reason only of it being a holder of the 2025 Convertible Notes.
Redemption and repurchase	The Company shall redeem at 100% of the outstanding principal amounts of the 2025 Convertible Notes (as the case may be) on the third (3rd) anniversary of the issue date of the 2025 Convertible Notes or such later date as consented by the holder of the 2025 Convertible Notes. The Company or any of its subsidiaries may at any time and from time to time repurchase the 2025 Convertible Notes or any part thereof at any price, in the open market or otherwise, as may be agreed between the Company or such subsidiary and the holder(s) of the 2025 Convertible Note(s) (as the case may be). The 2025 Convertible Note(s) or any part thereof so purchased shall forthwith be cancelled by the Company.

The Company may, at any time after the issue date of the 2025 GI Convertible Note or the 2025 CTF Convertible Note (as the case may be) on giving not less than ten (10) Business Days' notice in writing to the holder of the 2025 GI Convertible Note or the 2025 CTF Convertible Note (as the case may be), elect to redeem the whole or any part the relevant 2025 Convertible Notes (in authorised denominations) then outstanding.

Status

The obligations of the Company arising under the 2025 Convertible Notes constitute general, unconditional, unsubordinated obligations of the Company and rank, and shall rank equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable laws.

Restriction on the exercise of the Conversion Rights

The holders of the 2025 Convertible Notes agree and undertake to the Company that it shall not exercise any of the Conversion Rights to such an extent that results or will result in the holders of the 2025 Convertible Notes (or any of its parties acting in concert with it within the meaning of the Takeovers Code) being obliged to make a mandatory offer for all the Shares under the Takeovers Code unless (i) the mandatory offer obligations under the Takeovers Code have been complied with; or (ii) prior approval or waiver from the Executive, and (where so required) approval of the whitewash waiver by the Shareholders, have been obtained in accordance with the requirements of the Takeovers Code (and where any conditions to which such approval or waiver is subject are duly complied with).

If the issue of the Conversion Shares pursuant to the exercise of the Conversion Right would result in the Company failing to meet its obligation under the Listing Rules to maintain the minimum prescribed percentage of the Shares which must at all times remain in public hands (as defined in the Listing Rules) (the "**Public Float Requirement**"), then such Conversion Right shall be deemed to have been exercised pursuant to such conversion notice such that the Company shall issue the maximum number of Conversion Shares under such conversion notice without breaching the Public Float Requirement. Any limitation on a Conversion Right with respect to a conversion notice shall be without prejudice whatsoever to any later exercise of the Conversion Rights pursuant to a subsequent conversion notice.

The restriction provision on exercise of the Conversion Rights under the 2025 Convertible Notes are all the same.

Events of default

Any holder of the 2025 Convertible Notes may give notice in writing that the relevant 2025 Convertible Notes is immediately due and payable at its principal amount then outstanding together with any accrued and unpaid interest calculated up to and excluding the date of payment upon the occurrence of any of the events including, inter alia, (1) the listing of the Shares on the main board of the Stock Exchange ceasing permanently or is suspended for a continuous period of 21 Business Days (on each of which the Stock Exchange is generally open for trading) (due to the default of the Company or any of its Directors, officers or employees); (2) change of control of the Company; (3) the Company fails to pay in accordance with the terms of the 2025 Convertible Note, any sums hereunder when due unless non-payment of such sums is due solely to administrative or technical error and such failure is not remedied for seven Business Days after the holder of the 2025 Convertible Notes has given notice thereof to the Company; (4) an order is made or an effective resolution passed for the winding-up or dissolution, judicial management or administration of the Company or any of its material subsidiaries (except for a members' voluntary solvent winding up of a material subsidiary), or the Company or any of its material subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the holder of the 2025 Convertible Notes, or (ii) in the case of a material subsidiary, whereby the undertaking and assets of such subsidiary are transferred to or otherwise vested in the Company or another of its subsidiaries; (5) any decree or order is made by any competent court adjudging the Company or any of its material subsidiaries insolvent or bankrupt under the insolvency or bankruptcy laws of any jurisdiction to which it may be subject or any order or application is made for the appointment of any liquidator, receiver, trustee, curator or sequestrator or other similar official of the Company or any of its material subsidiaries in respect of all or substantial part of its or their respective assets and which is not discharged within thirty days (save for the purposes of an amalgamation, merger or reconstruction not involving insolvency); (6) the Company or any of its material subsidiaries is unable to pay its debts as they fall due; stops payment to creditors generally or ceases or threatens to cease to carry on its business or any substantial part thereof; proposes or enters into any composition, arrangement with or any assignment for the benefit of its creditors generally; (7) any consent, licence, approval or authorisation of any governmental agency of any country or state or political subdivision thereof required for or in connection with the execution, delivery, performance, legality, validity, enforceability or admissibility in evidence of the 2025 Convertible Notes is revoked or withheld or materially modified in a manner which, shall materially and adversely affect the ability of the Company to perform its obligations under the 2025 Convertible Notes or otherwise ceases to be in full force and effect; (8) if it is or becomes impossible or unlawful in Hong Kong for the Company to fulfill any of its payment obligations contained in the 2025 Convertible Notes; (9) any failure by the Company to deliver any Shares as and when the Shares are required to be delivered following conversion of the 2025 Convertible Notes; (10) the Company does not perform or comply with any one or more of its other obligations in the 2025 Convertible Notes which default is incapable of remedy or, if capable of remedy, is not remedied within 45 days after written notice of such default shall have been given to the Company by the holder of the 2025 Convertible Notes; (11) (A) any other present or future indebtedness of the Company or any of its material subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual default or event of default or the like (howsoever described), or (B) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or (C) the Company or any of its material subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events under (A) to (C) mentioned above in this condition have occurred equals or exceeds HK$50,000,000 or its equivalent (as reasonably determined on the basis of the middle spot rate for the relevant currency against the HK dollar as quoted by any leading bank on the day on which such indebtedness becomes due and payable or is not paid or any such amount becomes due and payable or is not paid under any such guarantee or indemnity); (12) a distress, attachment, execution or other legal process is levied or enforced against any material part of the property, assets or revenues of the Company or any of its material subsidiaries and is not discharged or stayed within sixty (60) days; or (13) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Company or any of its material subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and such enforcement is not discharged or stayed within sixty days, provided that notwithstanding the foregoing, if the Company shall fail to issue the Conversion Shares in accordance with the conditions of the 2025 Convertible Notes, the holder of the 2025 Convertible Notes shall be entitled to bring an action against the Company for specific performance.

Negative pledge	So long as any of the 2025 Convertible Notes remains outstanding, the Group will not, and will ensure that none of its subsidiaries will create, or have outstanding, any mortgage, charge, lien, pledge or other security interest upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock, bearer participation certificates, depositary receipts, certificates of deposit or other similar securities or instruments which for the time being are, or are intended to be or are capable of being, quoted, listed, dealt in or traded on any stock exchange or over-the-counter or other securities market, or any guarantee or indemnity in respect of any such indebtedness, without at the same time or prior thereto according to the 2025 Convertible Notes the same security as is created or subsisting to secure any such indebtedness, guarantee or indemnity or such other security as shall be approved by the holder of the 2025 Convertible Notes.
Most favoured treatment	The Company shall not amend the pari passu ranking tenor, interest rate, conversion price, adjustment provisions to the conversion price, the conversion right, negative pledge and the events of default provisions under any of the 2025 Convertible Notes or insert any additional provisions which are, in the opinion of any holder of the 2025 Convertible Notes, on terms and conditions more favourable to the 2025 GI Convertible Note or the 2025 CTF Convertible Note (as the case may be) unless at the same time: (a) the Company offers to amend the 2025 GI Convertible Note or the 2025 CTF Convertible Note (as the case may be) the effect of which is to give the benefit of such more favourable terms and conditions to the holders of the 2025 Convertible Notes; and (b) to the extent that the holders of the 2025 Convertible Notes accept such offer.

Upon full conversion of the principal amount of the 2025 GI Convertible Note of HK$727,035,580.20 (being the maximum amount equivalent to the aggregate outstanding amount of the principal and accrued interest thereon under the Existing GI Convertible Note calculated up to the Long Stop Date) and the accrued interest thereon of HK$65,433,202.22 (calculated from the date of issue of the 2025 GI Convertible Note until its maturity assuming the date of issuance of the 2025 GI Convertible Note is the Long Stop Date) at the initial Conversion Price, a total of maximum 1,219,182,742 Conversion Shares with aggregate nominal value of HK$24,383,654.84 will be issued, representing approximately 648.1% of the total existing issued share capital of the Company, approximately 86.6% of the Company's total issued share capital as enlarged by the issue of the 2025 GI Conversion Shares and approximately 17.8% of the Company's total issued share capital as enlarged by the issue of the 2025 GI Conversion Shares and the 2025 CTF Conversion Shares assuming full conversion thereof.

Upon full conversion of the principal amount of the 2025 CTF Convertible Note of HK$3,250,750,918.52 (being the maximum amount equivalent to the aggregate outstanding amount of the principal and accrued interest thereon under the Existing CTF Convertible Note calculated up to the Long Stop Date) and the accrued interest thereon of HK$292,567,582.67 (calculated from the date of issue of the 2025 CTF Convertible Note until its maturity assuming the date of issuance of the 2025 CTF Convertible Note is the Long Stop Date) at the initial Conversion Price, a total of maximum 5,451,259,232 Conversion Shares with aggregate nominal value of HK$109,025,184.64 will be issued, representing approximately 2,897.7% of the total existing issued share capital of the Company, approximately 96.7% of the Company's total issued share capital as enlarged by the issue of the 2025 CTF Conversion Shares and approximately 79.5% of the Company's total issued share capital as enlarged by the issue of the 2025 GI Conversion Shares and the 2025 CTF Conversion Shares assuming full conversion thereof.

Investors shall note that the conversion of the 2025 Convertible Notes is subject to the conversion restrictions under the 2025 Convertible Notes as set out above.

Conversion Price

The initial Conversion Price, being HK$0.65 per Conversion Share, represents:

(i) a premium of 25.0% over the closing price of HK$0.52 per Share (based on the closing price of the Shares as quoted on the Stock Exchange on the Last Trading Day);

(ii) a premium of approximately 22.2% over the average closing price of HK$0.532 per Share (based on the closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day); and

(iii) a premium of approximately 20.6% over the average closing price of HK$0.539 per Share (based on the closing prices of the Shares as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day).

The Conversion Price was arrived at after arm's length negotiation between the Company, Golden Infinity and CTF after taking into account of the prevailing market price of the Shares, the operation and financial performance of the Group, the current market conditions and the consolidated net current liabilities and net liabilities positions of the Company as at 30 September 2024.

REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Group is principally engaged in mining, exploration, processing and sale of coal. The principal project of the Group is the Khushuut Coking Coal Project in Western Mongolia.

Although the Group recorded net cash generated from operating activities for the years ended 31 March 2023 and 2024 and the six months ended 30 September 2024 of approximately HK$827.5 million, HK$562.9 million and HK$227.3 million, respectively, the Group still recorded net liabilities of approximately HK$3,121.2 million and net current liabilities of approximately HK$4,751.8 million as at 30 September 2024 according to its interim report for the six months ended 30 September 2024 (the "**2024 Interim Report**"). As further stated in the 2024 Interim Report, the Directors' opinion that "the Group will be able to meet its financial obligations as they fall due for the foreseeable future" was mainly based on, among other things, the support from Mr. Lo and the assumption that the Company will exercise its endeavor to reach an agreement with the holders of the convertible notes and loan notes on a debt refinancing plan before the respective maturity dates.

The Company has been exercising its best endeavor to engage in negotiations with the holders of the Existing Convertible Notes and Existing RP Loan Notes for the refinancing arrangement prior to the expiry of the respective notes and has entered into standstill agreements with the holder of the Existing RP Loan Notes to extend the time for repayment of the indebtedness under the Existing RP Loan Notes until the expiry of 30 June 2025. As a result of the negotiations, the Company, Golden Infinity and CTF reached a mutually acceptable debt restructuring plan by entering into the Subscription Agreements. The Company shall use all its reasonable endeavor (and it is in the interest of the Company) to procure that the parties could enter into a new loan note subscription agreement to repay the outstanding sum of the Existing RP Loan Notes and with the completion to take place on or before the completion of the Subscription Agreements.

The subscription money from the Subscriptions will be used by the Company for full settlement of the outstanding principal amount and accrued interest of the Existing GI Convertible Note and Existing CTF Convertible Note on the respective completion dates. Based on the maximum subscription money from the Subscriptions of approximately HK$3,977.8 million (assuming the completion of the 2025 GI Subscription and the 2025 CTF Subscription will both take place on 30 May 2025, being the Long Stop Date), the estimated expenses attributable to the Subscriptions and the initial Conversion Price of HK$0.65 per Conversion Share and assuming that there is no adjustment to the initial Conversion Price, the net price per Conversion Share is approximately HK$0.65.

After taking into account that: (i) the full settlement of the outstanding principal amounts and accrued interest of the Existing Convertible Notes with the issue of the 2025 Convertible Notes will not exert immediate cash outflow burden on the Group; (ii) the 2025 Convertible Notes bear the same interest rate of 3% per annum as compared to the Existing Convertible Notes of 3% per annum; (iii) the Subscriptions will secure the continuing financial support from the Subscribers to the Group's business development and operation; (iv) the prevailing market prices and trading volume of the Shares, and the net current liabilities and net liabilities positions of the Group may not be favourable to a fund raising exercise for substantial amount by way of issue of new Shares to independent third party(ies) or to existing Shareholders on a pro rata basis (e.g. rights issue and open offer) where considerable discount to the market prices of the Shares would be required after the Company's enquiry of certain brokerage houses with no favourable response; and (v) upon conversion of the 2025 Convertible Notes, the financial position of the Group would be improved, the executive Directors consider that the issue of the 2025 Convertible Notes is an appropriate debt restructuring plan for the Company.

In view of the above, the Board (excluding the independent non-executive Directors whose views will be included in the Company's circular to be despatched to the Shareholders in connection with, among other things, the Subscriptions) considers that the terms of the Subscription Agreements are on normal commercial terms and fair and reasonable, and the transactions contemplated under the Subscription Agreements are in the interests of the Group and the Shareholders as a whole.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, other than the Existing GI Convertible Note and the Existing CTF Convertible Note, the Company also has share options granted under its share option schemes entitling the holders thereof to subscribe for an aggregate of 16,300,000 Shares (the "**Outstanding Share Options**"). Save as disclosed above, as at the date of this announcement, there are no other outstanding options, warrants, derivatives, or other securities which carry rights to subscribe for or be converted into Shares.

The table below illustrates the shareholding structures of the Company as at the date of this announcement under the following scenarios (assuming there is no other change in the issued share capital and shareholding structure of the Company from the date of this announcement up to the occurrence of the relevant events mentioned below):

Scenario I: immediately upon full conversion of the principal amount of the 2025 GI Convertible Note of HK$727,035,580.20 (being the maximum amount equivalent to the aggregate outstanding amount of the principal and accrued interest thereon under the Existing GI Convertible Note calculated up to the Long Stop Date) and the interest to be accrued thereon of HK$65,433,202.22 (calculated from the date of issue of the 2025 GI Convertible Note until its maturity assuming the date of issuance of the 2025 GI Convertible Note is the Long Stop Date) at the initial Conversion Price only;

Scenario II: immediately upon full conversion of the principal amount of the 2025 CTF Convertible Note of HK$3,250,750,918.52 (being the maximum amount equivalent to the aggregate outstanding amount of the principal and accrued interest thereon under the Existing CTF Convertible Note calculated up to the Long Stop Date) and the interest to be accrued thereon of HK$292,567,582.67 (calculated from the date of issue of the 2025 CTF Convertible Note until its maturity assuming the date of issuance of the 2025 CTF Convertible Note is the Long Stop Date) at the initial Conversion Price only;

Scenario III: for illustration purpose only, occurrence of scenarios I and II above; and

Scenario IV: for illustration purpose only, occurrence of scenarios I and II above, and exercise of all Outstanding Share Options.

	As at the date of this announcement		Scenario I		Scenario II		Scenario III		Scenario IV	
	Number of Shares	*Approximate %*	*Number of Shares (Notes 4 & 5)*	*Approximate %*	*Number of Shares (Notes 4 & 5)*	*Approximate %*	*Number of Shares (Notes 4 & 5)*	*Approximate %*	*Number of Shares (Notes 4 & 5)*	*Approximate %*
Golden Infinity and its associates *(Note 1)*	30,319,707	16.1	1,249,502,449	88.8	30,319,707	0.5	1,249,502,449	18.2	1,254,802,449	18.2
CTF and its associates	5,500,000	2.9	5,500,000	0.4	5,456,759,232	96.8	5,456,759,232	79.6	5,456,759,232	79.4
Dragon Noble Group Limited and its associates *(Note 2)*	9,866,750	5.3	9,866,750	0.7	9,866,750	0.2	9,866,750	0.1	9,866,750	0.1
Other directors of the Group *(Note 3)*	179,780	0.1	179,780	0.0	179,780	0.0	179,780	0.0	3,979,780	0.1
Other public Shareholders	142,259,612	75.6	142,259,612	10.1	142,259,612	2.5	142,259,612	2.1	149,459,612	2.2
Total	**188,125,849**	**100.0**	**1,407,308,591**	**100.0**	**5,639,385,081**	**100.0**	**6,858,567,823**	**100.0**	**6,874,867,823**	**100.0**

Notes:

1. Among the 30,319,707 Shares held as at the date of this announcement, 124,000 Shares represent interest of Mr. Lo on an individual basis; while 30,151,957 Shares represent interest of Golden Infinity. The balance of 43,750 Shares represent interest of Ms. Ku Ming Mei, Rouisa, the spouse of Mr. Lo.

2. Dragon Noble Group Limited is a company wholly and beneficially owned by Dr. Cheng Kar Shun. Dr. Cheng Kar Shun is deemed to be interested in 7,889,250 Shares held by Dragon Noble Group Limited and 1,977,500 Shares owned by Ms. Ip Mei Hing (the spouse of Dr. Cheng Kar Shun) through her controlled corporation Brighton Management Limited.

3. Other directors of the Group include Ms. Yvette Ong, Mr. To Hin Tsun, Gerald, Mr. Tsui Hing Chuen, William *JP*, Mr. Lau Wai Piu, and Mr. Lee Kee Wai, Frank.

4. Pursuant to the terms of the 2025 Convertible Notes, each of the holders of the 2025 Convertible Notes agree and undertake to the Company that it shall not exercise any of the Conversion Rights to such an extent that results or will result in the holders of the 2025 Convertible Notes (or any of its parties acting in concert with it within the meaning of the Takeovers Code) being obliged to make a mandatory offer for all the Shares under the Takeovers Code unless (i) the mandatory offer obligations under the Takeovers Code have been complied with; or (ii) prior approval or waiver from the Executive, and (where so required) approval of the whitewash waiver by the Shareholders, have been obtained in accordance with the requirements of the Takeovers Code (and where any conditions to which such approval or waiver is subject are duly complied with). Accordingly, scenarios above are shown for illustrative purpose only.

5. Pursuant to the terms of the 2025 Convertible Notes, if the issue of the Conversion Shares pursuant to the exercise of the Conversion Right would result in the Company failing to meet the public float requirements as prescribed under the Listing Rules from time to time, such Conversion Right shall be deemed to have been exercised pursuant to such conversion notice such that the Company shall issue the maximum number of Conversion Shares under such conversion notice without breaching the then public float requirement. Accordingly, scenarios above are shown for illustrative purpose only.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The Company has not conducted any fund raising activities in the 12 months prior to the date of this announcement.

CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Shares are traded on the Stock Exchange in board lots of 3,000 Shares. It is proposed that the board lot size for trading on the Stock Exchange be changed from 3,000 Shares to 6,000 Shares. Based on the closing price of HK$0.53 per Share as at the date of this announcement, the value per board lot of 6,000 Shares is HK$3,180. The change in board lot size will be effective on 27 March 2025.

The change in board lot size will not result in any change in the relative rights of the Shareholders. Pursuant to the requirements set out in "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by Hong Kong Exchanges and Clearing Limited, the expected board lot value per board lot should be greater than HK$2,000 taking into account the minimum transaction costs for a securities trade. In view of the fact that the Shares were trading at under HK$2,000 per board lot based on the recent closing prices per Share, the Board proposes to implement the Change in Board Lot Size in order to comply with the trading requirements under the Listing Rules. The Board considers that, other than the fulfillment of the aforesaid regulatory requirements, the Change in Board Lot Size will also reduce the transaction costs of the investors for dealing in the Shares, including those fees which are charged with reference to the number of board lots. As such, the Board is of the view that the Change in Board Lot Size is in the interests of the Company and the Shareholders as a whole.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the Shares arising from the Change in Board Lot Size, the Company has appointed Halcyon Securities Limited as an agent to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Shares to make up a full board lot, or to dispose of their holding of odd lots of the Shares during the period from 9:00 a.m. on 27 March 2025 to 4:00 p.m. on 17 April 2025 (both days inclusive). Shareholders who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots of the Shares to a full new board lot may directly or through their broker contact Mr. Terence Chung of Halcyon Securities Limited at 3401, 34/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (telephone: (852) 3970 0963 and facsimile: (852) 3970 0998) during the aforesaid period. The Shareholders should note that successful matching of the sale and purchase of odd lots of the Shares is not guaranteed. The Shareholders are recommended to consult their professional advisers if they are in doubt about the above facility.

All existing share certificates in board lot of 3,000 Shares will remain good evidence of the legal title to the Shares and continue to be valid for delivery, transfer, trading and settlement purposes. No new share certificates for existing Shareholders will be issued as a result of the Change in Board Lot Size, and therefore no arrangement for free exchange of the existing share certificates in board lot of 3,000 Shares to new share certificate in board lot of 6,000 Shares is necessary.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Golden Infinity holds 30,151,957 Shares, representing approximately 16.03% of the existing issued share capital of the Company. As Golden Infinity is a substantial Shareholder and its sole beneficial owner is an executive Director, Golden Infinity is a connected person of the Company and the 2025 GI Subscription constitutes a connected transaction for the Company and is subject to reporting, announcement and independent Shareholders' approval requirements under the Listing Rules.

The 2025 Conversion Shares to be allotted and issued pursuant to the 2025 Convertible Notes are proposed to be issued pursuant to a specific mandate to be granted by the Independent Shareholders by way of poll at the SGM.

Given that each of the Subscription Agreements is conditional to one another, all the transactions contemplated under the Subscription Agreements will be subject to the approval of the Independent Shareholders by way of poll at the SGM. Golden Infinity, CTF and their respective associates will abstain from voting on the proposed resolution(s) to approve the Subscriptions at the SGM.

An application will be made to the Listing Committee for the listing of, and permission to deal in, not more than 6,670,441,974 Conversion Shares. Upon completion of the Subscriptions, an announcement regarding the respective principal amounts of the 2025 Convertible Notes and the number of Conversion Shares issuable thereunder will be made by the Company.

Shareholders and investors should note that no shareholders' approval is required for the Change in Board Lot Size.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Somerley Capital Limited has been appointed as the independent financial adviser to make recommendation to the independent Shareholders and the Independent Board Committee which comprises all independent non-executive Directors, namely Mr. Tsui Hing Chuen, William *JP*, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank, as to whether the Subscriptions are fair and reasonable and to advise the independent Shareholders on how to vote on the proposed resolutions in respect thereof at the SGM, and such appointment has been approved by the Independent Board Committee.

EXPECTED TIMETABLE

	Hong Kong Date and Time
	2025
Effective date of the Change in Board Lot Size	Thursday, 27 March
Designated broker starts to provide matching services for odd lots of Share	9:00 a.m. on Thursday, 27 March
Despatch of circular with notice and proxy form of the SGM	Tuesday, 8 April
Designated broker ceases to provide matching services for odd lots of Shares	4:00 p.m. on Thursday, 17 April
Latest time for lodging transfer documents and relevant share certificates to be eligible to attend and vote at the SGM	4:30 p.m. on Wednesday, 23 April
Closure of register of members of the Company for the purpose of ascertaining Shareholders' eligibility to attend and vote at the SGM from	Thursday, 24 April to Monday, 28 April (both days inclusive)
Latest time for lodging the proxy form of the SGM	11:00 a.m. on Saturday, 26 April
Expected date and time of the SGM	11:00 a.m. on Monday, 28 April
Announcement of the results of the SGM	Monday, 28 April

This timetable is indicative only and any subsequent changes to the expected timetable will be announced by the Company as and when appropriate.

GENERAL

The SGM will be convened by the Company at which resolutions will be proposed to seek approval of the Shareholders in respect of (i) the 2025 GI Subscription Agreement and the transactions contemplated thereunder (including but not limited to the issue of the 2025 GI Convertible Note and the issue and allotment of the 2025 GI Conversion Shares upon exercise of the Conversion Rights); and (ii) the 2025 CTF Subscription Agreement and the transactions contemplated thereunder (including but not limited to the issue of the 2025 CTF Convertible Note and the issue and allotment of the 2025 CTF Conversion Shares upon exercise of the Conversion Rights).

A circular containing, among other things (i) details of the Subscriptions and the 2025 Convertible Notes; (ii) recommendations from the Independent Board Committee in respect of the Subscriptions; (iii) the advice from the independent financial adviser to the Independent Board Committee and the independent Shareholders in respect of the Subscriptions; and (iv) the notice of the SGM, is expected to be despatched to the Shareholders on or around 8 April 2025, taking into account of the time required for the preparation of the abovementioned information.

Shareholders and the potential investors should note that the completions of the Subscription Agreements are conditional upon satisfaction of the respective conditions as set out in this announcement and therefore, the Subscriptions may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

"2025 Convertible Notes"	collectively, the 2025 GI Convertible Note and the 2025 CTF Convertible Note
"2025 CTF Conversion Shares"	the Conversion Shares to be issued by the Company upon exercise of the Conversion Rights attaching to the 2025 CTF Convertible Note
"2025 CTF Convertible Note"	the 3% convertible note to be subscribed by CTF under the 2025 CTF Subscription Agreement
"2025 CTF Subscription"	the subscription of the 2025 CTF Convertible Note by CTF pursuant to the 2025 CTF Subscription Agreement
"2025 CTF Subscription Agreement"	the conditional subscription agreement dated 6 March 2025 entered into between the Company and CTF pursuant to which the Company has agreed to issue, and CTF has agreed to subscribe for, the 2025 CTF Convertible Note

"2025 GI Conversion Shares"	the Conversion Shares to be issued by the Company upon exercise of the Conversion Rights attaching to the 2025 GI Convertible Note
"2025 GI Convertible Note"	the 3% convertible note to be subscribed by Golden Infinity under the 2025 GI Subscription Agreement
"2025 GI Subscription"	the subscription of the 2025 GI Convertible Note by Golden Infinity pursuant to the 2025 GI Subscription Agreement
"2025 GI Subscription Agreement"	the conditional subscription agreement dated 6 March 2025 entered into between the Company and Golden Infinity pursuant to which the Company has agreed to issue, and Golden Infinity has agreed to subscribe for, the 2025 GI Convertible Note
"associate(s)"	has the same meaning ascribed thereto under the Listing Rules
"Board"	the board of the Directors
"Business Day"	a day (excluding Saturday, Sunday, any public holiday and any day on which a tropical cyclone warning no.8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
"BVI"	the British Virgin Islands
"Change in Board Lot Size"	the change in board lot size for trading of the Shares from 3,000 Shares to 6,000 Shares
"Company"	Mongolia Energy Corporation Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the Stock Exchange
"connected person(s)"	has the same meaning ascribed thereto under the Listing Rules
"Conversion Price"	the initial conversion price of HK$0.65 per Conversion Share (subject to adjustment as set out in the 2025 Convertible Notes, from time to time, if any)
"Conversion Right(s)"	the right(s) attaching to the 2025 Convertible Notes to convert the respective principal amounts and any accrued but unpaid interest thereon or any part thereof into the Conversion Share(s)
"Conversion Share(s)"	the Share(s) to be issued by the Company as a result of the exercise of the Conversion Rights attaching to the 2025 Convertible Notes

"CTF Completion Date"	the third Business Day after fulfillment of the conditions precedent set out in the 2025 CTF Subscription Agreement or such other date as the parties to the 2025 CTF Subscription Agreement may agree in writing, and in any event no later than the Long Stop Date
"CTF"	Chow Tai Fook Nominee Limited, a company incorporated in Hong Kong with limited liability and the controlling shareholder of which is Chow Tai Fook (Holding) Limited
"Director(s)"	the director(s) of the Company
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
"Existing Convertible Notes"	collectively, the Existing GI Convertible Note and the Existing CTF Convertible Note
"Existing CTF Convertible Note"	3% convertible note due 6 March 2025 issued by the Company to CTF, the outstanding principal amount of which is HK$2,809,671,052 as at the date of this announcement
"Existing GI Convertible Note "	3% convertible note due 6 March 2025 issued by the Company to Golden Infinity, the outstanding principal amount of which is HK$628,387,371 as at the date of this announcement
"Existing RP Loan Notes"	3% notes due 21 November 2019 (and will not be payable until the expiry of the period on 30 June 2025 as agreed by the holder thereof) issued by the Company to Ruby Pioneer Limited, a company incorporated in the BVI and controlled by Mr. Lo
"GI Completion Date"	the third Business Day after fulfillment of the conditions precedent set out in the 2025 GI Subscription Agreement or such other date as the parties to the 2025 GI Subscription Agreement may agree in writing, and in any event no later than the Long Stop Date
"Golden Infinity"	Golden Infinity Co., Ltd., a company incorporated in the BVI with limited liability and wholly-owned by Mr. Lo
"Group"	the Company and its subsidiaries
"HK" or "Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong

"Independent Board Committee"	the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Tsui Hing Chuen, William *JP*, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank, established for the purpose of advising the independent Shareholders in relation to the Subscriptions
"Independent Shareholders"	Shareholders other than the Subscribers and their respective associates, and those who are interested in the Subscriptions
"Last Trading Day"	5 March 2025, being the last full trading day prior to the date of publication of this announcement
"Listing Committee"	has the meaning ascribed to it under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	30 May 2025 or such other date as the Company, Golden Infinity and CTF may agree in writing
"Mr. Lo"	Mr. Lo Lin Shing, Simon, an executive Director and the chairman of the Company
"PRC"	the People's Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
"SGM"	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Subscription Agreements and the transactions contemplated thereunder
"Share(s)"	the ordinary share(s) of HK$0.02 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscribers"	collectively, Golden Infinity and CTF
"Subscription Agreements"	collectively, the 2025 GI Subscription Agreement and the 2025 CTF Subscription Agreement
"Subscriptions"	collectively, the 2025 GI Subscription and the 2025 CTF Subscription

"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"%"	per cent.

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

Hong Kong, 6 March 2025

As at the date of this announcement, the Board comprises nine Directors, of which Mr. Lo Lin Shing, Simon, Ms. Yvette Ong, Mr. Lo, Rex Cze Kei, Mr. Lo, Chris Cze Wai and Mr. Lo, James Cze Chung are executive Directors, Mr. To Hin Tsun, Gerald is a non-executive Director, and Mr. Tsui Hing Chuen, William $_{JP}$, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank are independent non-executive Directors.