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MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLAN TO RESOLVE DISCLAIMER OF AUDIT OPINION

Reference is made to the annual report of Mongolia Energy Corporation Limited (the "**Company**", and including its subsidiaries, the "**Group**") for the year ended 31 March 2025 ("**FY2025**") published on 24 July 2025 (the "**2025 Annual Report**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those used in the 2025 Annual Report and the announcement of the Company dated 2 July 2025.

As disclosed in the 2025 Annual Report, the Company's auditor (the "**Auditor**") did not express an opinion on the consolidated financial statements of the Group for FY2025 (the "**Disclaimer of Opinion**") due to multiple uncertainties relating to the Group's ability to continue as a going concern, the details of which are set out on pages 57 to 58 of the 2025 Annual Report.

The Company planned to implement the action plan as set out on pages 15 and 38 of the 2025 Annual Report that the Group will place all tax disputes under legal processes to be resolved by the Mongolian Court and, in parallel, to engage constructively with the MTA for amicable resolution and continue to seek supports from, among others, the Mongolian government officials in relation to the ongoing tax disputes (the "**Action Plan**") to address the Disclaimer of Opinion.

The Company wishes to provide updates on the implementation of the Action Plan as follows:

1. As disclosed in the Company's announcement dated 2 July 2025, MoEnCo agreed to make the Settlement Amount to the MTA in a total sum of MNT 120.8 billion (approximately HK$279 million), representing mostly the royalty tax payables for the tax years 2022 and 2023 by way of six (6) instalments within six (6) months. In this regard, up to the date of this announcement, MoEnCo has made instalment payments in accordance with the Proposal.

2. As disclosed in the Company's announcement dated 25 July 2025, the TDRC ruled that MoEnCo has to pay the reassessment tax for the tax years 2017 to 2020 in the sum of MNT 412.3 billion (approximately HK$902.6 million), and in accordance with the applicable Mongolian laws, MoEnCo is entitled to file a claim against the TDRC's decision to the Administrative Court of Mongolia within 30 days from the date of receiving the decision resolution. In this regard, on 22 August 2025, MoEnCo initiated the legal process by filing relevant claims with the Administrative Court against TDRC to annul the entire reassessment tax.

3. Since July 2025, the senior management of the Group has travelled extensively in China and Mongolia to meet the respective government officials to seek their supports and to explore possible settlement avenues with the MTA in relation to our Mongolian tax issues.

The Group will continue to use its best endeavours to implement the Action Plan with an aim to resolving the Disclaimer of Opinion as soon as possible. The Company will publish further announcement(s) to keep the Company's shareholders and potential investors informed of the status of implementation of the Action Plan as and when appropriate.

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

Hong Kong, 11 September 2025

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