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

References are 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**") and the announcements of the Company dated 2 July 2025, 11 September 2025 and 12 December 2025 (the "**Announcements**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those used in the 2025 Annual Report and the Announcements.

As disclosed in the 2025 Annual Report, the Auditor did not express an opinion on the consolidated financial statements of the Group for FY2025 (i.e. 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 wishes to provide progress update on the implementation of the Action Plan in addressing the Disclaimer of Opinion 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. Up to the date of this announcement, MoEnCo has settled all instalments in accordance with the terms of the Proposal.

2. In relation to the TDRC's ruling that MoEnCo has to pay the reassessment tax for the tax years 2017 to 2020 in the sum of approximately MNT 412.3 billion (approximately HK$902.6 million), on 22 August 2025, MoEnCo initiated the legal process by filing relevant claims with the Administrative Court of Mongolia (the "**Court**") against the General Tax Office of Mongolia ("**GTO**") to annul the entirety of the said reassessment tax under the TDRC's ruling.

As disclosed in the Company's announcement dated 3 March 2026, on 24 February 2026, MoEnCo received the written judgment in respect of its claims from the Court, which was ruled in favour of GTO, and MoEnCo's claims were dismissed. MoEnCo has the right to appeal the decision within 14 days from the date of receipt of the written judgment, i.e. on or before 10 March 2026. As at the date of this announcement, MoEnCo has lodged an appeal with the Appellate Court of Mongolia.

Notwithstanding the legal proceedings above, the management is formulating plans to meet the government officials of the relevant Mongolian authorities for an amicable solutions on the outstanding tax issues.

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 March 2026

As at the date of this announcement, the Board comprises eleven 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 and Mr. Choi Man Yu, Frankie as non-executive Directors, and Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu, Mr. Lee Kee Wai, Frank and Mr. Wei, Chi Kuan Kenny as independent non-executive Directors.