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MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

DISCLOSEABLE TRANSACTION

CONSTRUCTION OF A THREE -STOREY OFFICE BUILDING AT THE KHUSHUUT COAL MINE

Construction Contract

On 25 August 2026, MoEnCo entered into the Construction Contract with the Contractor for the construction of a three-storey office building, including the masonry works, thermal insulation, heating, plumbing, fire protection systems, ventilation systems and other ancillary works, at the Khushuut Coal Mine, at the consideration of MNT 4,750,786,681 (equivalent to approximately HK\$9,976,700).

Implication under the Listing Rules

Due to time constraints and the urgency of the three-storey office building project, MoEnCo entered into the Construction Contract (foundation) with the Contractor for the earthworks and structural framing works on 4 August 2026. As the highest applicable percentage ratio (as defined under the Listing Rules) for the Construction Contract (foundation) was below 5% at the time of entering into the contract, the Construction Contract (foundation) did not constitute a notifiable transaction for the Company.

As the Construction Contract (foundation) and the Construction Contract relate to the same building construction project and are carried out by the same Contractor, the transactions contemplated thereunder are required to be aggregated pursuant to Chapter 14 of the Listing Rules.

Upon aggregation, the highest applicable percentage ratio (as defined under the Listing Rules) for the Construction Contracts exceed 5% but less than 25%, the entering into the Construction Contracts constitute a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Construction Contract

On 25 August 2026, MoEnCo entered into the Construction Contract with the

Contractor for the construction of a three-storey office building, including the masonry works, thermal insulation, heating, plumbing, fire protection systems, ventilation systems and other ancillary works, at the Khushuut Coal Mine, at the consideration of MNT 4,750,786,681 (equivalent to approximately HK\$9,976,700).

The principal terms of the Construction Contract are set out as follows:

Date: 25 August 2026
Parties: (1) MoEnCo, as the client; and
(2) “AGGS” LLC, as the contractor

Scope of work

Pursuant to the Construction Contract, the Contractor is responsible for the Construction in full compliance with the relevant Mongolian construction regulations and standards.

The Contractor shall be responsible for the construction work including the provision of all materials, equipment, tools, machinery and labour. It shall perform all services and effort necessary to complete the construction, testing, inspection, technical and state commissioning and acceptance of the construction work in respect of the Construction in full compliance with applicable Mongolia laws and regulations, construction standards, approved design drawing, and other requirements stated in the Construction Contract.

Construction Period

The Contractor shall commence the construction work from the date of notice by MoEnCo and shall complete the Construction within 190 calendar days from the date of commencement. The Contractor shall provide progress update to the Client after the Construction Contract has become effective.

Performance guarantee

The Contractor shall provide 5% of the total contract price to MoEnCo within 7 days after the Construction Contract is executed by the parties to the Construction Contract as a performance guarantee.

The performance guarantee shall be returned to the Contractor within 10 days after the full completion of the Construction and commissioning of use by the respective Mongolian authorities.

Consideration

The consideration payable by MoEnCo to the Contractor under the Construction Contract is MNT 4,750,786,681 (equivalent to approximately HK\$9,976,700), which shall be payable in the following manner:

- a) 25% of the total contract price shall be paid within 10 working days upon the receipt of the performance guarantee and also after the receipt of the down payment invoice together with e-tax invoice from the Contractor;
- b) 30% of the total contract price shall be paid within 10 working days after the receipt of the Contractor's invoice, e-tax invoice and the original confirmation in written form, which is signed and approved by the parties, certifying the 50% of

the works specified under the Construction Contract are completed with high quality;

- c) 30% of the total contract price shall be paid within 10 working days after the receipt of the Contractor's invoice, e-tax invoice and the original confirmation in written form, which is signed and approved by the parties, certifying all the works specified under the Construction Contract are fully completed with high quality;
- d) 10% of the total contract price shall be paid within 10 working days upon the receipt of the Contractor's invoice and e-tax invoice after the Construction has been fully completed and a note of acceptance is issued by the State Commission; and
- e) Retention: upon completion of the warranty period of forty-eight months, with no defect and consequential work issue to be followed up and no deduction of the contract amount by MoEnCo is required, the retention of 5% of the total contract price shall be released within 30 calendar days upon receipt of the approved invoice.

Construction Contract (foundation)

The principal terms of the Construction Contract (foundation) are set out as follows:

Date: 4 August 2026
Parties: (1) MoEnCo, as the client; and
(2) "AGGS" LLC, as the contractor

Scope of work

Pursuant to the Construction Contract (foundation), the Contractor is responsible for the construction of earthworks, structural framing, door and window works, and roofing works of a three-storey office building in full compliance with the relevant Mongolian construction regulations and standards.

The Contractor shall be responsible for the construction work including the provision of all materials, equipment, tools, machinery and labour. It shall perform all services and effort necessary to complete the construction, testing, inspection, technical and state commissioning and acceptance of the construction work in respect of the construction in full compliance with applicable Mongolia laws and regulations, construction standards, approved design drawing, and other requirements stated in the Construction Contract (foundation).

Construction Period

The Contractor shall commence the construction work from the date of notice by MoEnCo and shall complete the construction within 190 calendar days from the date of commencement. The Contractor shall provide progress update to the Client after the Construction Contract (foundation) has become effective.

Performance guarantee

The Contractor shall provide 5% of the total contract price to MoEnCo within 7 days after the Construction Contract (foundation) is executed by the parties to the Construction Contract (foundation) as a performance guarantee.

The performance guarantee shall be returned to the Contractor within 10 days after the full completion of the construction and commissioning of use by the respective Mongolian authorities.

Consideration

The consideration payable by MoEnCo to the Contractor under the Construction Contract (foundation) is MNT 1,828,234,872 (equivalent to approximately HK\$3,839,300), which shall be payable in the following manner:

- a) 45% of the total contract price shall be paid within 10 working days upon the receipt of the performance guarantee and also after the receipt of the down payment invoice together with e-tax invoice from the Contractor;
- b) 25% of the total contract price shall be paid within 10 working days after the receipt of the Contractor's invoice, e-tax invoice and the original confirmation in written form, which is signed and approved by the parties, certifying the 50% of the works specified under the Construction Contract (foundation) are completed with high quality;
- c) 15% of the total contract price shall be paid within 10 working days after the receipt of the Contractor's invoice, e-tax invoice and the original confirmation in written form, which is signed and approved by the parties, certifying all the works specified under the Construction Contract (foundation) are fully completed with high quality;
- d) 10% of the total contract price shall be paid within 10 working days upon the receipt of the Contractor's invoice and e-tax invoice after construction has been fully completed and a note of acceptance is issued by the State Commission; and
- e) Retention: upon completion of the warranty period of forty-eight months, with no defect and consequential work issue to be followed up and no deduction of the contract amount by MoEnCo is required, the retention of 5% of the total contract price shall be released within 30 calendar days upon receipt of the approved invoice.

The Contractor was selected through an open tender in which three bidders including the Contractor submitted their bids for MoEnCo's consideration. The selection criteria of the contractors included technical evaluation, legal and financial aspects and the commercial terms offered. Due to their own respective reasons, two bidders withdrew their bids in the subsequent rounds of the selection process. The contract price of the Contractor was the median bid among all bidders which is within the construction budget of MoEnCo.

The consideration was determined via open tender and after arm's length negotiations between MoEnCo and the Contractor. The contract price of the Construction Contracts price will be settled by the Group by way of internal resources.

Information on the Contractor

The Contractor is a company incorporated in Mongolia with limited liabilities and is principally engaged in the provision of construction services.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Contractor and its ultimate beneficial owner are Independent Third Parties.

Information of MoEnCo

MoEnCo is an indirect wholly-owned subsidiary of the Company which operates the Khushuut Coal Mine in Mongolia. The Khushuut Coal Mine is located approximately 1,350 km west of Ulaanbaatar in the Khovd Province of Western Mongolia. It is about 311 km from the Xinjiang Takeshiken border, connecting by the Khushuut Road built by the Group.

Reasons for and benefits of the Construction and the entering into the Construction Contract

The Company is an investment holding company. The Group's principal business is coal mining and exploration which is operated by the Company's indirect wholly-owned subsidiary, MoEnCo, in Mongolia. The Group's principal project is the Khushuut Coking Coal Project in Western Mongolia. The Group sells coking coal and thermal coal to customers in PRC and Mongolia.

Based on the mining plan of the Group in the Khushuut Coal Mine, MoEnCo could shorten the distances for soil dumping and export shipping; hence maximizing the economic benefits from the cost perspective on coal production and operation in the whole life of the coal mine.

Upon the above mentioned mining plan, MoEnCo will use the present office and administration areas as soil dumping site by 2027. Accordingly, MoEnCo is required to relocate the existing office and ancillary facilities to new areas within the mine site, and to construct, among others, the new office administration buildings, industrial office and a series of supporting facilities including the paving of the surrounding roads and the new customs bonded yard in the new areas.

The new three-storey office building to be constructed under the Construction Contract will be used for office and administration purposes at the mine site to replace the present mine office.

Given (i) the Contractor was selected through an open tender; (ii) the total consideration payable under the Construction Contracts was determined via open tender under arm's length negotiations between MoEnCo and the Contractor; and (iii) the need for relocation of supporting facilities to new areas within the mine site is part of the mining plan, the Board considers that the construction of the three-storey office building is in the ordinary and usual course of business of the Group and the terms of the Construction Contracts are on normal commercial terms, fair and reasonable and the entering into the Construction Contracts and the respective transactions contemplated thereunder are in the interests of the Company and its Shareholders as a whole.

Implication of the Listing Rules

Due to time constraints and the urgency of the three-storey office building project, MoEnCo entered into the Construction Contract (foundation) with the Contractor for the earthworks and structural framing works on 4 August 2026 at a consideration of MNT1,828,234,872 (equivalent to approximately HK\$3,839,300). As the highest applicable percentage ratio (as defined under the Listing Rules) for the Construction Contract (foundation) was below 5% at the time of entering the contract, the Construction Contract (foundation) did not constitute a notifiable transaction for the Company.

As the Construction Contract (foundation) and the Construction Contract relate to the same building construction project and are carried out by the same Contractor, thus the transactions contemplated under the Construction Contract (foundation) and the Construction Contract are required to be aggregated pursuant to Chapter 14 of the Listing Rules. The total contract price upon aggregation for the Construction Contracts is MNT6,579,021,553 (equivalent to approximately HK\$13,816,000).

As the highest applicable percentage ratio (as defined under the Listing Rules) for the Construction Contract upon aggregation with the Construction Contract (foundation) is more than 5% but less than 25%, the entering into the Construction Contracts constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“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 meaning ascribed thereto in the Listing Rules
“Construction”	the construction of a three-storey office building, including the masonry works, thermal insulation, heating, plumbing, fire protection systems, ventilation systems and other ancillary works, at the Khushuut Coal Mine
“Construction Contract”	the construction contract dated 25 August 2026 and entered into between MoEnCo and the Contractor in relation to the Construction
“Construction Contract (foundation)”	the construction contract dated 4 August 2026 and entered into between MoEnCo and the Contractor in relation to the foundation construction of a three-storey office building including the earthworks and structural framing works
“Construction Contracts”	the Construction Contract and the Construction Contract (foundation)
“Contractor”	“AGGS” LLC, a company incorporated in Mongolia with limited liabilities with Mongolia company certificate number 5333229, and is beneficially owned by Mr. Bazarguruu Davaakhuu, an Independent Third Party
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the

People's Republic of China

“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Khushuut Coal Mine”	the coal mine of the Group which is located approximately 1,350 km west of Ulaanbaatar in Khovd province of Western Mongolia.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MNT”	Mongolian Tugrik, the lawful currency of Mongolia
“MoEnCo” or “Client”	MoEnCo LLC, an indirect wholly-owned subsidiary of the Company in Mongolia. MoEnCo is also the client for the purpose of the Construction Contract
“percentage ratios”	shall have the meaning as ascribed to it under Chapter 14 of the Listing Rules
“Share(s)”	Shares of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

For the purposes of illustration only, amounts denominated in MNT in this announcement have been converted into HK\$ at the rate of MNT1.00 = HK\$0.0021

Such conversion should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.

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

Hong Kong, 25 August 2026

As at the date of this announcement, the Board comprises ten 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, Mr. Lee Kee Wai, Frank and Mr. Wei, Chi Kuan Kenny as independent non-executive directors.