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MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

DISCLOSEABLE TRANSACTION
ENTERING INTO THE JV AGREEMENT

THE JOINT VENTURE AGREEMENT

On 18 November 2026 (after trading hours), the Company entered into the JV Agreement with the JV Partner in relation to the cooperation in a renewable energy project operated through the JV Company.

Pursuant to the terms of the JV Agreement, the capital requirement of the JV Company is an aggregate of US$4.5 million (equivalent to approximately HK$35.1 million). Each of BVI Newco (upon incorporation) and the JV Partner has committed to contribute up to approximately US$2.2 million (equivalent to approximately HK$17.1 million) and US$2.3 million (equivalent to approximately HK$18.0 million) to the JV Company respectively under the JV Agreement, representing 49% and 51% respectively of the initial aggregate capital requirement of the JV Company.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the total capital requirement of the Company pursuant to the JV Agreement (i.e. US$2.2 million (equivalent to approximately HK$17.1 million)) is more than 5% but is less than 25%, the entering into of the JV Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is, therefore, subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

On 18 November 2026, the Company entered into the JV Agreement with the JV Partner in relation to the cooperation in a renewable energy project operated through the JV Company.

THE JV AGREEMENT

The principal terms of the JV Agreement are summarised below:

Date

18 November 2026 (after trading hours)

Parties

(i) The Company;
(ii) New Progress Group LLC; and
(iii) Western Solar Energy LLC

Basic information of the JV Company

Name:	Western Solar Energy LLC
Place of incorporation:	Mongolia

Incorporation of the BVI Newco

As soon as practicable after the signing of the JV Agreement, the Company shall procure the incorporation of BVI Newco as a wholly-owned subsidiary of the Company for the purpose of taking up all the Company's interest, rights and obligations under the JV Agreement and becoming a shareholder of the JV Company; and BVI Newco will execute an accession agreement in favour of New Progress Group , under which BVI Newco will agree to comply with and to be bound by all of the provisions of the JV Agreement in all respects as if it were a party to the JV Agreement and were named as a shareholder of the JV Company.

The parties agree that, upon the fulfilment of the above condition each of New Progress Group and the JV Company shall not have any claim pursuant to or in respect of the JV Agreement or the arrangement contemplated thereunder against the Company.

Purpose of the JV Company

The principal business activities of the JV Company include developing, constructing and operating solar photovoltaic ("**PV**") power plants, battery energy storage systems ("**BESS**") and electric vehicle ("**EV**") charging stations at three locations along the approximately 330-km Khushuut Road connecting the coal mine to the Xinjiang border, with a view to supplying green energy to the truck fleets of the Mongolian shipping contractors by generating and storing solar power and selling electricity to electric heavy-duty trucks at the proposed charging stations, thereby supporting the electrification of freight transportation along the route.

Capital contribution

The initial capital requirement of the JV Company is an aggregate of US$4.5 million. (equivalent to approximately HK$35.1 million) Each of BVI Newco (upon incorporation) and the JV Partner has committed to contribute up to US$2,205,000 (equivalent to approximately HK$17.1 million) and US$2,295,000 (equivalent to approximately HK$18.0 million) to the JV Company respectively under the JV Agreement, representing 49% and 51% respectively of the initial aggregate capital requirement of the JV Company.

The initial capital requirement of the JV Company shall be paid by the shareholders of the JV Company to the JV Company (i) in accordance with their respective shareholding proportion for subscribing the share of the JV Company and (ii) the remaining capital to be paid by each shareholder of the JV Company by way of shareholder's loan which shall also be paid by New Progress Group and BVI Newco in accordance with the financing proportion. The financing proportion shall be as follows:

Name of Shareholder	**Capital commitment and financing proportion**
New Progress Group	US$2.295 million (51%)
BVI Newco	US$2.205 million (49%)
Total:	US$4.5 million (100%)

As at the date of this announcement, the initial costs in the total amount of US$210,000 (equivalent to approximately HK$1.6 million) in relation to procurement of land rights for use as charging stations (which is held by the JV Company), fees involving in obtaining permits and licenses for the JV Company, technical conditions, design and other administration fees have been paid by New Progress Group, and New Progress Group shall be entitled to

reimbursement of the same amount from the JV Company.

For the purpose of fulfilling requirements applicable to the subscription of the shares of the JV Company by BVI Newco under the applicable laws and the charter of the JV Company, the subscription money payable by BVI Newco for the subscription of the shares of the JV Company shall be at least US$100,000.

Upon completion of the JV Agreement (including the transfer of the existing shares of the JV Company (currently held by a nominee of the JV Partner) and the allotment and issue of new shares of the JV Company by the JV Company), the shareholding structure of the JV Company shall be as follows:

Name of JV Parties	**Percentage of share held**
BVI Newco	49%
New Progress Group	51%
Total:	100%

Such capital contribution was determined after negotiations conducted at arm's length between the parties, with reference to the estimated initial capital requirement of the JV Company for the development of its business.

Governance and Operations of the JV Company

(a) Board of directors

Pursuant to the JV Agreement, the maximum number of persons comprising the board of the JV Company shall be three (3), unless otherwise agreed by the shareholders of the JV Company in writing.

So long as the shareholding proportion of the JV Company is maintained in the above agreed equity proportion, the number of directors of the JV Company which each shareholder of the JV Company is entitled to appoint to the board of the JV Company shall be in accordance with the following proportion:

Name of JV Parties	**No. of directors**
BVI Newco	1

New Progress Group	2
Total:	3

The chairman of the board of the JV Company shall be nominated by New Progress Group. The chairman of the board of the JV Company shall not be entitled to a second or casting vote.

Each director shall have one vote at each board meeting. Except as otherwise stated in the JV Agreement, all decisions of the board shall be passed by a simple majority vote of the directors.

(b) Shareholders' meeting

Pursuant to the JV Agreement, general matters shall be approved by shareholders representing a majority of the voting rights in the JV Company, whereas certain matters, including among others, any transaction, arrangement or contract involving a conflict of interest, setting up of new businesses or discontinuance of existing business, adoption, approval, amendment of or variation from business plans or budgets, acquisition or sales of certain assets, entering into contracts exceeding US$300,000, commencement of legal or arbitration proceeding, appointment and dismissal of senior employees of the JV Company, amendment of corporation document, allotment, issue and redemption of shares of the JV Company, grant of options or warrants over any shares or share capital of the JV Company or reorganisation of the capital of the JV Company, shall require the prior written consent of all shareholders of the JV Company.

For matters to be decided by a simple majority or matters requiring unanimous approval of shareholders of the JV Company in the event that a simple majority or a unanimous vote is not achieved, the relevant matter shall be referred for consideration and resolution in accordance with the deadlock resolution procedures set out in the JV Agreement, whereby shareholders of the JV Company shall first use their respective reasonable endeavours to resolve and handle the dispute amicably, and if not agreed, either shareholder may request the dispute be referred to mediation or (if either shareholder does not wish for the dispute to be referred to mediation or the mediation is abandoned or the dispute is not resolved) arbitration.

Transfer of shares

Pursuant to the JV Agreement, none of the shareholders may dispose of any interest in or create any encumbrance over any of its shares and the corresponding shareholders' loan to the JV Company without the written consents of the other shareholder.

Before the transfer of any shares, the transferring shareholder shall give a notice in writing to

the other shareholder (the "**Remaining Shareholder**") and the JV Company, stating its desire to transfer the shares and the offer price per share. The Remaining Shareholder shall have the right of first refusal to purchase the relevant equity interest on the same terms within 30 days.

Each of the parties to the JV Agreement shall use its reasonable endeavours (so far as it lies within its respective powers to do so) to secure the satisfaction (or waiver) of the conditions precedent referred to in the relevant clause of the JV Agreement including the appointment of the directors to the JV Company on or before 31 December 2026 (or such later date as the parties hereto may agree), failing which the JV Agreement shall automatically terminate and none of the parties shall have any claims against the other parties.

INFORMATION OF THE PARTIES

BVI Newco

A company to be incorporated in the British Virgin Islands with limited liability and will be a wholly-owned subsidiary of the Company. BVI Newco will be an investment holding company and will hold as to 49% interest in the JV Company.

The Company

The Company will be the ultimate holding company of the BVI Newco, an investment holding company. The Group's principal business is coal mining and exploration through its indirect wholly-owned subsidiary in Mongolia, MoEnCo. MoEnCo operates the Khushuut Coal Mine in Mongolia which is about 311 km from the Xinjiang Takeshiken border, connecting by the Khushuut Road built by the Group.

JV Partner

New Progress Group is a company incorporated in Mongolia with limited liability. Established in 2000, New Progress Group has over 26 years of operating experience and is one of the leading private conglomerates in western Mongolia. New Progress Group comprises 12 subsidiaries and employs more than 1,500 staff. Its operations span a diversified range of industries, including energy infrastructure, mining services, cement and building materials, fuel distribution, construction and real estate development, and food production.

Its subsidiary Altai Trest Co., Ltd. is currently constructing a substation and transmission line connecting the 30 MW Baganuur solar power plant to a 50 MW battery energy storage station,

which is scheduled for completion in December 2026.

The JV Partner also possesses direct experience in the renewable energy sector. It developed a 4 MW solar photovoltaic power plant at the Hovd Eco Cement Plant, which has subsequently been expanded to an installed capacity of 8 MW and is currently in operation. A battery energy storage system at the same site is scheduled to be commissioned in December 2026.

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

JV Company

The JV Company is incorporated in Mongolia with limited liability. It is established to implement solely for this project. The entire issued share capital of the JV Company is currently held by a nominee of the JV Partner. Pursuant to the JV Agreement, the existing shares held by the nominee of the JV Partner shall be transferred to the JV Partner, and new shares in the JV Company will subsequently be subscribed by and allotted to the BVI Newco and the JV Partner, such that their respective shareholdings will be 49% and 51%.

The principal business activities of the JV Company include developing, constructing and operating PV power plants, BESS and EV charging stations at three locations along the Khushuut Road with a view to supplying green energy to the truck fleets of the Mongolian shipping contractors by generating and storing solar power and selling electricity to electric heavy-duty trucks at the proposed charging stations, thereby supporting the electrification of freight transportation along the route. As at the date of this announcement, pursuant to the development plan of the JV Company, 3 charging stations with 4 connectors each will be build and operated by JV Company with an output of 3MV for each PV and 7.5MWh for each BESS.

The capital contribution by BVI Newco will be financed by internal financial resources of the Group. Saved as the above, as at the date of this announcement, no further capital commitment will be required by BVI Newco.

The JV Company will be owned as to 49% by BVI Newco and 51% by the JV Partner, thus the Group will not have control over the JV Company and the JV Company will not be a subsidiary of the Company and its financial results will not be consolidated into the consolidated financial statements of the Group.

REASONS FOR AND BENEFITS OF THE FORMATION OF THE JV COMPANY

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 the PRC and Mongolia.

Mongolia government has been promoting the use of renewable energy with a vision of increasing the renewable energy share of up to 30% by 2030. Government promotional policies included value added tax exemptions and customs duty relief have been implemented by the Mongolia government to encourage the usage of renewable energy equipment.

Given coal mined from the Khushuut Coal Mine of the Group will need to be transported to coal processing plants in the PRC for further processing via Khushuut Road by heavy-duty trucks, the Group is exploring opportunities to encourage the adoption of electric heavy-duty trucks by its logistics service providers through the provision of renewable energy and related charging infrastructure, with a view to improving environmental performance and supporting the sustainable development of its logistics operations.

Given the nature of the JV Company's business and the experience of the JV Partner in mining and energy sectors, the Group considers that the investment in the JV Company will create synergies with its existing business by facilitating access to logistics service providers that utilize electric heavy trucks which may in turn reduce the Group's logistics costs in the long-run. In addition, the investment in the JV Company has the potential to provide an additional source of income for the Group in the future, subject to the performance and profitability of the JV Company's business operations.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the formation of the JV Company and the terms of the JV Agreement are on normal commercial terms, fair and reasonable, and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the total capital requirement of the Company pursuant to the JV Agreement (i.e. US$2.205 million (equivalent to approximately HK$17.1 million)) is more than 5% but is less than 25%, the entering into of the JV Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is, therefore, subject to the reporting and announcement requirements but exempt from shareholders' approval requirement 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
"BVI Newco"	a company be incorporated in the British Virgin Islands as a wholly-owned subsidiary of the Company for the purpose of taking up all the Company's interest, rights and obligations under the JV Agreement and becoming a Shareholder of the JV Company
"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
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"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
"JV Agreement"	the joint venture agreement dated 18 November 2026 entered into by the Company, the JV Partner and the JV Company
"JV Company"	Western Solar Energy LLC, a company incorporated in Mongolia with limited liability with entire issued share capital held by Mr. Enkhbat Batchuluun as at the date of this announcement and will be held as to 49% by BVI Newco and 51% by the JV Partner upon completion of the JV Agreement
"JV Partner" or	New Progress Group LLC, a company incorporated in Mongolia,

"New Progress Group"	will hold as to 51% equity interest in the JV Company. The controlling shareholders of New Progress Group are Mr. Baljinnyam Sandag, Mr. Bilguun Byambatsogt, Mr. Nyamdavaa Maamuu, Mr. Bayanchuluun Sandag, Mr. Bayanmunkh Sandag.
"JV Parties"	BVI Newco (upon incorporation) and New Progress Group LLC, the shareholders of the JV Company pursuant to the JV Agreement
"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
"Khushuut Road"	the 330 km resource road connecting Khushuut Coal Mine to the Xinjiang Takeshiken border of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"MoEnCo"	MoEnCo LLC, an indirect wholly-owned subsidiary of the Company, a company incorporated in Mongolia with limited liability
"percentage ratios"	shall have the meaning as ascribed to it under Chapter 14 of the Listing Rules
"PRC" or "China"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"US$"	United States dollars, the lawful currency of the United States of America
"%"	per cent.

(For the purposes of illustration only, amounts denominated in US$ in this announcement have been converted into HK$ at the rate of US$1.00 = HK$7.8

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, 18 November 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.