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## **MONGOLIAN MINING CORPORATION**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 975)**

### **EARLY TERMINATION OF CONTINUING CONNECTED TRANSACTIONS**

This announcement is made by Mongolian Mining Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 14A.35 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the announcement of the Company dated 22 December 2022 (the “**Announcement**”) in relation to, among other things, the continuing connected transactions under the Security Services Agreement pursuant to which M-Armor agreed to provide security services to the Group for the period from 1 January 2023 to 31 December 2025 (the “**Service Period**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

### **REASONS FOR EARLY TERMINATION OF THE SECURITY SERVICES AGREEMENT**

The board of directors (the “**Board**”) of the Company announces that the Group has received a termination notice from M-Armor, indicating its intention to cease providing security services under the Security Services Agreement due to its internal reasons. Pursuant to the Security Services Agreement, either party is entitled to terminate the Security Services Agreement by giving not less than 10 days’ written notice to the other party at any time during the term of the Security Services Agreement.

In light of the above, Energy Resources, an indirect wholly-owned subsidiary of the Company, has entered into an agreement (the “**New Agreement**”) with an independent third-party service provider (the “**Other Service Provider**”), effective from 1 June 2025, to assume the same scope and quality of security services previously rendered by M-Armor, thereby ensuring the Group’s business continuity and preventing service disruptions for the remainder of the Service Period. Consequently, the Security Services Agreement with M-Armor will be terminated on the same date (i.e. 1 June 2025) (the “**Termination**”).

The Board has reviewed the terms of the New Agreement, including, but not limited to, the fees, scope of work, staff expertise and other service conditions, and considers that the terms of the New Agreement are reasonable and no less favourable than the Security Services Agreement. The Board further considers that the Other Service Provider is capable of fulfilling the Group’s service requirements.

Upon the Termination and subject to the settlement of all outstanding service fees payable by the Group in respect of the services provided by M-Armor prior to the Termination, the parties shall be released and discharged from their respective liabilities and obligations under the Security Services Agreement, except that: (i) the Termination shall not affect any antecedent rights, liabilities or claims of either the Company or M-Armor arising prior to the Termination; and (ii) the rights and obligations that survive the Termination (including those related to confidentiality) shall remain in full force and effect.

The Company confirms that the actual transaction amounts incurred and payable to M-Armor under the Security Services Agreement as of the date of the Termination are not expected to exceed the proposed annual cap as disclosed in the Announcement. As at the date of this announcement, there has been no breach of the terms of the Security Services Agreement by either the Company or M-Armor, and no material disputes or disagreements between the parties in relation to the Security Services Agreement during its term.

## **LISTING RULES IMPLICATIONS**

M-Armor is a wholly-owned subsidiary of MCS Holding which is in turn wholly-owned and controlled by MCS Mongolia LLC. MCS Mongolia LLC directly holds 100% shareholding interest in MCS Mining Group LLC, a substantial Shareholder holding approximately 31.29% of the issued share capital of the Company as at the date of this announcement. As such, M-Armor is a connected person of the Company within the meaning of the Listing Rules, and the transactions contemplated under the Security Services Agreement prior to the Termination constituted continuing connected transactions of the Company.

As the continuing connected transactions under the Security Services Agreement have been terminated early, the Company is subject to the announcement requirement under Rule 14A.35 of the Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Other Service Provider and its ultimate beneficial owner(s) are third parties independent of the Company.

## **APPROVAL BY THE BOARD**

Each of Mr. Odjargal Jambaljamts, Mr. Od Jambaljamts and Ms. Enkhtuvshin Gombo, being a Director and a director of MCS Holding, abstained from voting on the relevant Board resolution, for good corporate governance, to approve the early termination of the Security Services Agreement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, apart from the aforementioned Directors who abstained from voting, none of the other Directors has a material interests in the Termination and all of them are entitled to vote on the relevant Board resolution relating to the Termination of the Security Services Agreement.

The Board (including the independent non-executive Directors but excluding the abstained Directors) considers that the arrangement for Termination is fair and reasonable, on normal commercial terms, conducted in the ordinary and usual course of business of the Company, in the interests of the Company and its Shareholders as a whole, and is expected to have no material adverse effect on the operations and financial position of the Group.

For and on behalf of the Board  
**Mongolian Mining Corporation**  
**Odjargal Jambaljamts**  
*Chairman*

Hong Kong, 30 May 2025

*As at the date of this announcement, the board of directors of the Company consists of Mr. Odjargal Jambaljamts and Dr. Battsengel Gotov, being the executive directors of the Company, Mr. Od Jambaljamts, Ms. Enkhtuvshin Gombo and Mr. Myagmarjav Ganbyamba, being the non-executive directors of the Company, and Dr. Khashchuluun Chuluundorj, Mr. Unenbat Jigjid, Mr. Chan Tze Ching, Ignatius, Ms. Delgerjargal Bayanjargal and Dr. Tsend-Ayush Tuvshintur, being the independent non-executive directors of the Company.*