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## **MONGOLIAN MINING CORPORATION**

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

**(Stock Code: 975)**

### **GRANT OF SHARE OPTIONS**

This announcement is made pursuant to Rules 17.06A, 17.06B and R17.06C of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Director(s)**”) of Mongolian Mining Corporation (the “**Company**”) and together with its subsidiaries, the “**Group**”) hereby announces that on 3 April 2023, the Company has granted to certain eligible participants (the “**Grantees**”), subject to acceptance by the Grantees, a total of 33,250,000 share options (the “**Share Options**”), which include (i) 10,000,000 Share Options to Dr. Battengel Gotov, executive Director and chief executive officer of the Company (the “**CEO**”); and (ii) 23,250,000 Share Options to certain employees of the Company (the “**Employees**”), pursuant to the Share Option Scheme adopted by the Company on 16 June 2021 (the “**Share Option Scheme**”).

Details of the Share Options granted are as follows:

Date of grant:	3 April 2023 (the “ <b>Date of Grant</b> ”)
Exercise price:	HK\$3.260 <sup>(Note)</sup> to subscribe for one ordinary share of nominal value of US\$0.10 each in the share capital of the Company (the “ <b>Share</b> ”)
Closing price of the Shares on the Date of Grant:	HK\$3.260 per Share
Number of Share Options granted:	33,250,000 Share Options (each Share Option shall entitle the Grantee to subscribe for one Share)
Exercise period:	3 April 2024 to 3 April 2028
Vesting period of Share Options:	In respect of each Grantee, the Share Options granted shall be exercisable during the relevant periods set out below subject to vesting scale in four (4) tranches:  (i) the first 25% tranche of the Share Options shall be exercisable from 3 April 2024 to 3 April 2028;

- (ii) the second 25% tranche of the Share Options shall be exercisable from 3 April 2025 to 3 April 2028;
- (iii) the third 25% tranche of the Share Options shall be exercisable from 3 April 2026 to 3 April 2028; and
- (iv) the fourth 25% tranche of the Share Options shall be exercisable from 3 April 2027 to 3 April 2028.

The Share Options shall lapse at the end of five (5) years after the Date of Grant.

*Note:* The exercise price is the highest of (i) the closing price of HK\$3.260 per Share as stated in the daily quotations sheet issued by The Stock Exchange of Hong Kong Limited on the Date of Grant; (ii) the average closing price of HK\$3.018 per Share as stated in the daily quotations sheet issued by The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Share.

Performance targets: There is no performance target attached to the Share Options.

The purpose of the Share Option Scheme is to enable the Company to grant share options to eligible participants as incentive or reward for their contribution to the Group to subscribe for the Shares thereby linking their interest with that of the Group.

Having considered that (i) the Grantees are either Director and/or employees of the Group who contribute directly to the operational performance and business development of the Group; the grant of Share Options will give the Grantees opportunity to share the results of the Group and be incentivised to work towards sustainable growth of the Group and shareholder value creation; and (ii) the grant of Share Options is a recognition for the past contributions of the Grantees and such rewards could increase their loyalty to the Group, the remuneration committee of the Company and the Board are of the view that without additional performance target, the grant of the Share Options could align the interests of the Grantees with incentive to the Grantees to work towards successes of the Group, and reinforce their commitment to the Group, which is in line with the purpose of the Share Option Scheme.

Clawback/lapse mechanism: Where the Grantee ceases to be an employee thereof by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Share Options in full or at all, the Grantee or, if appropriate his or her lawful personal representative(s) may exercise the Share Options in whole or in part (to the extent not already exercised) within a period of 12 months following the date of cessation of employment (or such longer period as the Board may determine), failing which it will lapse.

If the Grantee leaves the service of the Group by the reason of serious misconduct or on certain other grounds on which an employer would be entitled to lawfully terminate his/her employment, his/her Share Options (to the extent not already exercised) will thereupon lapse forthwith and will not in any event be exercisable on or after the date of cessation of employment.

No financial assistance: The Group has not provided any financial assistance to the Grantees to facilitate the purchase of Shares under the Share Option Scheme.

The Share Options were granted to the executive Director and CEO and the Employees of the Company, details of which are as follows:

<b>Grantees</b>	<b>Position/Capacity</b>	<b>Number of Share Options Granted</b>
Dr. Battengel Gotov	executive Director and CEO	10,000,000
Employees	employees	23,250,000
Total:		<u>33,250,000</u>

The granting of the Share Options to Dr. Battengel Gotov, executive Director and CEO, has been approved by the independent non-executive Directors of the Company in accordance with Rule 17.04(1) of the Listing Rules.

None of the grant will be subject to approval by the shareholders of the Company. Save as disclosed above, to the best knowledge of the Directors, as of the date of this announcement, none of the Grantees is (i) a Director, a chief executive, a substantial shareholder of the Company, or an associate (as defined in the Listing Rules) of any of them; (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under Rule 17.03D of the Listing Rules; or (iii) a related entity participant or service provider (as defined in the Listing Rules) with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares.

#### **Number of Shares Available for Future Grants**

After the grant of the Share Options, a total of 69,668,678 Shares will be available for future grant pursuant to the Share Option Scheme.

By order of the Board  
**Mongolian Mining Corporation**  
**Odjargal Jambaljamts**  
*Chairman*

Hong Kong, 3 April 2023

*As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts and Dr. Battengel 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 and Mr. Chan Tze Ching, Ignatius, being the independent non-executive directors of the Company.*