

**NOT FOR DISTRIBUTION TO ANY PERSON LOCATED OR RESIDENT IN ANY JURISDICTION
WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT**

January 16, 2023



GOVERNMENT OF MONGOLIA

The Government of Mongolia (the “**Government**”) refers to its announcements on January 9, 2023 and January 10, 2023 (the “**January 10 Announcement**”) in connection with its offers (the “**Offers**”) (i) to purchase for cash any-and-all of the 2023 Notes; (ii) subject to the Maximum Exchange Acceptance Amount, to exchange 2023 Notes for New Notes; (iii) subject to the Maximum Exchange Acceptance Amount, to exchange 2024 Notes for New Notes; and (iv) to purchase for cash up to the Maximum 2024 Tender Acceptance Amount of 2024 Notes; held by Eligible Holders, for, at the election of each Eligible Holder, the relevant Offer Consideration. All capitalized terms used but not defined in this announcement have the respective meanings specified in the exchange and tender offer memorandum dated January 9, 2023 (the “**ETOM**”), which is available, subject to eligibility and registration, on the Offer Website: <https://projects.morrowsodali.com/mongolia>.

Debt Neutrality; Extension and Amendment of the Offers

The New Notes Issuance that priced on January 10, 2023, in satisfaction of the Financing Condition, was consummated with the primary objective of refinancing the 2023 Notes via the concurrent 2023 Tender Offer to sustain a debt neutral position for the Government. At the original Expiration Date, instructions received in the 2023 Exchange Offer far exceeded the US\$200,000,000 Maximum Exchange Acceptance Amount that the Government announced following the pricing of the New Notes Issuance, and the acceptance of these instructions would have prevented the Government from achieving its objective of the Offers being debt neutral.

In light of these developments, the Government hereby announces the following amendments to the terms and conditions of the Offers:

- the Expiration Date is hereby extended to 5:00 p.m. New York time on January 19, 2023 (such date and time, as the same may be further extended, the “**Extended Expiration Date**”);
- the Government anticipates that the Settlement Date will occur on or about the second Business Day following the Extended Expiration Date, being January 23, 2023;
- the Government expects to give preference to 2024 Notes tendered in the 2024 Exchange Offer over 2023 Notes tendered in the 2023 Exchange Offer (while reserving its absolute right to accept any combination of Old Notes tendered for exchange in the 2023 Exchange Offer and/or 2024 Exchange Offer in its sole discretion);
- the granting of withdrawal rights for instructions given in the 2023 Exchange Offer, the 2024 Exchange Offer and the 2024 Tender Offer, as further described below. Instructions given in the any-and-all 2023 Tender Offer remain irrevocable and may not be withdrawn; and

- as the New Money Notes (as defined below) and the New Notes will no longer be closing on the same day, the Exchange Consideration is amended, as described below under Revised Timetable, to provide that the New Notes will be fungible with the New Money Notes.

For the avoidance of doubt, the Maximum Exchange Acceptance Amount remains unchanged at US\$200,000,000. The Maximum 2024 Tender Acceptance Amount also remains unchanged (other than adjustments to accommodate accrued interest on the New Notes described below), being such amount that results in the aggregate 2024 Tender Consideration equalling the aggregate gross proceeds of the New Notes Issuance (i.e., US\$444,654,000) *less* Accrued Interest (net of adjustment for the New Notes Accrued Interest (as defined below)) and Cash Rounding Amount (if any) in relation to the Exchange Offers *plus* the aggregate principal amount of 2023 Notes accepted by the Government for exchange pursuant to the 2023 Exchange Offer *minus* US\$517,230,000 (being the aggregate principal amount of 2023 Notes outstanding as of the date of the ETOM). “**New Notes Accrued Interest**” refers to interest accrued on the notes issued pursuant to the New Notes Issuance (the “**New Money Notes**”) from the settlement date of the New Money Notes, which is expected to be January 19, 2023, to (but excluding) the Settlement Date of the Exchange Offers. The Government reserves the right to increase the Maximum 2024 Tender Acceptance Amount in its sole and absolute discretion. Unless expressly amended in this announcement, all other terms and conditions of the Offers remain unchanged. Instructions submitted prior to the release of this announcement remain valid.

Revised Timetable

The following summarizes the amended, now-current schedule for the Offers. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in the ETOM. In relation to the times and dates indicated below, Eligible Holders of the Old Notes should note the particular practices and policies of the relevant Clearing System regarding their communications deadlines, which will determine the latest time at which tenders of the Old Notes for exchange or purchase may be delivered to the relevant Clearing System (which may be earlier than the deadlines set forth below) so that they are received by the Information, Exchange and Tender Agent within the deadlines set forth below.

All notices to Eligible Holders of the Old Notes will be released through delivery to the Clearing Systems for communication to direct participants, via SGX-ST and the Offer Website.

Events

Times and Dates

Withdrawal Deadline (applicable to the Exchange Offers and the 2024 Tender Offer)	5:00 p.m. (New York Time), January 19, 2023
Extended Expiration Date	5:00 p.m. (New York Time), January 19, 2023
Announcement of the Results of the Offers and the Maximum 2024 Tender Acceptance Amount	As soon as practicable following the Extended Expiration Date, expected to be January 20, 2023
	Any New Notes issued pursuant to the Exchange Offers will form a single series with New Money Notes.
	To allow the New Notes to be fully fungible and trade interchangeably with the New Money Notes, the New Notes will be issued with New Notes Accrued Interest. The Exchange Consideration will accordingly be adjusted by deducting New Notes Accrued Interest from Accrued Interest in respect of tenders accepted in the Exchange Offers.

Settlement Date of the Offers

Expected to be January 23, 2023

Listing of the New Notes on the SGX-ST

As soon as practicable after the Settlement Date, any New Notes issued in the Exchange Offers will be listed on the SGX-ST.

Withdrawal Rights

In connection with the Extended Expiration Deadline, the Government hereby announces the granting of withdrawal rights for instructions given in the 2023 Exchange Offer, the 2024 Exchange Offer and the 2024 Tender Offer. Instructions given in the 2023 Tender Offer remain irrevocable and may not be withdrawn.

Validly tendered Old Notes in the 2023 Exchange Offer, the 2024 Exchange Offer and/or the 2024 Tender Offer may be withdrawn prior to or at, but not after, 5:00 P.M. New York time on January 19, 2023 (such date and time, as it may be extended the “**Withdrawal Deadline**”).

Prior to the Withdrawal Deadline, an Eligible Holder may validly withdraw previously tendered Old Notes in an Offer that is subject to withdrawal rights and validly re-tender them in any other Offer, including the 2023 Tender Offer. After the Withdrawal Deadline, an Eligible Holder’s tendered Old Notes may not be withdrawn and re-tendered, and therefore such Holder’s instructions may not be changed after that time.

Each Eligible Holder wishing to exercise withdrawal rights and re-tender its Old Notes must submit its execution instructions through the ATOP procedures of DTC. If your Old Notes are held by a custodial entity, such as a bank, broker, dealer, trust company or other nominee, you must instruct that custodial entity to exercise withdrawal rights and re-tender your Old Notes on your behalf pursuant to the procedures of that custodial entity. Custodial entities that are DTC participants must tender or exchange Old Notes to participate in the Offers through ATOP. Beneficial owners of Old Notes held through Euroclear or Clearstream who are not direct participants in Euroclear or Clearstream must contact their broker, dealer, bank, custodian, trust company or other nominee to arrange for their participant in Euroclear or Clearstream, as the case may be, to submit instructions (including withdrawal and re-tender of instructions) to such Clearing System in accordance with its requirements, and ensure that the Old Notes in the relevant Clearing System are blocked in accordance with the requirements and deadlines of such Clearing System.

Before making a decision with respect to the Offers, Holders should carefully consider all of the information in the ETOM, the January 10 Announcement and this announcement. Subject to eligibility and registration, you may request a copy of the ETOM and the January 10 Announcement from the Information, Exchange and Tender Agent at the addresses, and telephone numbers set forth below, or you may download these documents at the Offer Website: <https://projects.morrowsodali.com/mongolia>.

THE OFFERS WILL EXPIRE AT 5:00 P.M., NEW YORK TIME, ON 19 JANUARY, 2023, UNLESS EXTENDED OR TERMINATED BY THE GOVERNMENT AT THE GOVERNMENT’S SOLE DISCRETION (SUCH DATE AND TIME, AS THE SAME MAY BE EXTENDED, THE “**EXTENDED EXPIRATION DATE**”). THE DEADLINES SET BY ANY INTERMEDIARY OR CLEARING SYSTEM MAY BE EARLIER THAN THE DEADLINE SET OUT IN THIS ANNOUNCEMENT.

The Information, Exchange and Tender Agent for the Offers is:

Morrow Sodali Limited

In London:
103 Wigmore Street
W1U 1QS London
United Kingdom
Telephone: +44 20 4513 6933

In Stamford:
333 Ludlow Street
South Tower, 5th Floor
Stamford, CT 06902
United States of America
Telephone: +1 203 609 4910

In Hong Kong:
The Hive
33-35 Hillier Street
Sheung Wan
Hong Kong
Telephone: +852 2319 4130

Email: mongolia@investor.morrowsodali.com
Offer Website: <https://projects.morrowsodali.com/mongolia>

The Dealer Managers for the Offers are:

Credit Suisse (Hong Kong) Limited
Attention: Legal – Investment
Banking and Capital Markets
Level 88, International Commerce
Centre
1 Austin Road West
Kowloon, Hong Kong
Telephone: +852 2101 6000
Fax: +852 2284 7184
Email:
liabilitymanagementasia@credit-suisse.com

J.P. Morgan Securities plc
Attention: Liability Management
Desk
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom
Telephone:
+852 2800 8219 (Hong Kong)
+852 2800 7632 (Hong Kong)
E-mail:
liability_management_hk@jpmorgan.com

MUFG Securities Asia Limited
Attention: Liability Management
Group
11/F AIA Central, 1 Connaught
Road, Central, Hong Kong
Telephone: +33 1709 14279
+852 2860 1678
Email:
liability.management@mufgsecurities.com

The Hongkong and Shanghai Banking Corporation Limited
Attention: Liability Management
Level 17, HSBC Main Building
1 Queen's Road Central
Hong Kong
Telephone:
US Toll Free: 1-888-HSBC-4LM
+852 3941 0223 (Hong Kong)
+44 207 992 6237 (London)
+1 212 525 5552 (New York)
E-mail:
liability.management@hsbcib.com

This announcement is not an offer or a solicitation of offers. The Offers are made solely by means of the ETOM, as amended by the January 10 Announcement and hereby. The Offers do not constitute, and may not be used in connection with, an offer or solicitation by anyone in any jurisdiction where an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any New Notes and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The 2023 Tender and 2024 Tender are being made pursuant to exemptions from the U.S. tender offer rules provided for in Rule 3a12-3 of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”). Accordingly, the Offers will be subject to disclosure and other procedural requirements, including with respect to the offer timetable, settlement procedures and timing of payments that are different from those applicable to tender offers subject to Section 14 of the Exchange Act.

The Old Notes and the New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Pursuant to this offering, the securities may only be offered or sold to investors who are either (a) QIBs or (b) outside the United States in offshore transactions in reliance on Regulation S. The communication of this announcement and any other document or materials relating to the

Offers are not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended (the "FSMA").

Accordingly, the announcement and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom, save in circumstances where section 21(1) of the FSMA does not apply, and are only for circulation to and directed at persons outside the United Kingdom or to persons within the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**")) or within Article 43(2) of the Order, or to other persons to whom the ETOM and such other documents and/or materials may lawfully be communicated in accordance with the Order (all such persons together being referred to as "**Relevant Persons**"). Any investment or investment activity to which the ETOM and/or such other documents and/or materials relates is available only to and will be engaged in only with Relevant Persons, and any person who is not a Relevant Person should not rely on them. It is a condition of you receiving such documents and/or materials that you represent and warrant to the Government and its professional advisers and contractors that (i) you are a Relevant Person; and (ii) you have read and agree to comply with the contents of this notice.

Neither this announcement nor any other documents or materials relating to the Offers have been submitted to or will be submitted for approval or recognition to the FSMA (*Autorité des services et marchés financiers / Autoriteit financiële diensten en markten*) and, accordingly, the Offers may not be made in Belgium by way of a public offering, as defined in Articles 3, §1, 1° and 6 of the Belgian Takeover Law as amended or replaced from time to time. Accordingly, the Offers may not be advertised and the Offers will not be extended, and neither the ETOM nor any other documents or materials relating to the Offers (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than (i) to "qualified investors" in the sense of Article 10 of the Belgian Law of June 16, 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on their own account; or (ii) in any circumstances set out in Article 6, §4 of the Belgian Takeover Law. The ETOM has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Offers. Accordingly, the information contained in the ETOM may not be used for any other purpose or disclosed to any other person in Belgium.

This announcement is not being distributed in the context of a public offer in France and has accordingly not been submitted to the *Autorité des marchés financiers* for prior approval and clearance. This announcement is not to be further distributed or reproduced (in whole or in part) by the recipients.

The Offers have not been and will not be made, directly or indirectly, to the public in France and neither this announcement nor any offering material relating to the Offers will be distributed or caused to be distributed to the public in France. Offers, sales and distributions have been and shall only be made in France to (i) qualified investors other than individuals acting for their own account or (ii) providers of investment services relating to portfolio management for the account of third parties as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

With respect to persons in Hong Kong, the Offers are only made (a) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), or (b) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under the SFO; or (c) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the New Notes (including this announcement) has been issued or been in the possession of the Dealer Managers for the purposes of issue, and will not be issued or be in the possession of the Dealer Managers for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if

permitted to do so under the securities laws of Hong Kong) other than with respect to New Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under that Ordinance.

Neither this announcement nor any other documents or materials relating to the Offers have been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* (the “**CONSOB**”) pursuant to Italian laws and regulations. The Offers are being carried out in Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of February 24, 1998, as amended (the “**Financial Services Act**”) and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of May 14, 1999, as amended (the “**Issuers’ Regulation**”), as the case may be. The Offers are also being carried out in compliance with article 35-bis, paragraph 7 of the Issuers’ Regulation.

A Holder located in Italy can tender the Old Notes through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Consolidated Financial Act, the CONSOB Regulation No. 20307 of 15 February 2018, as amended, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the New Notes or the Offers.

The Offers are made in Switzerland to Holders only. Neither this announcement nor any other document related to the Offers constitute a prospectus within the meaning of Art. 652a or Art. 1156 of the Swiss Code of Obligations.