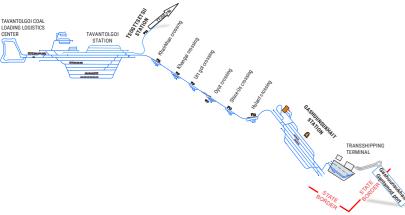


TAVANTOLGOI - GASHUUNSUKHAIT RAILWAY **COMPLEX PROJECT**

The Tavantolgoi-Gashuunsukhait railway will cover the territory of Tsogttsetsii, Bayan-Ovoo and Khanbogd soums of Umnugovi province and with length of 233.6 km from the Tavantolgoi mine to the Gashuunsukhait port. Within the framework of the project, for the first time in Mongolia, a first-class, heavy haul railway with a capacity of 30 million tons of coal per year is built, and new innovations are introduced in all areas such as signaling, interlocking system, flash butt welding technology, and rolling

Transportation of the railway began on September 9, 2022, and the infrastructure of the project was put into permanent use in May 2023.

TAVANTOLGOI-GASHUUNSUKHAIT RAILWAY SCHEME



TECHNICAL SPECIFICATION



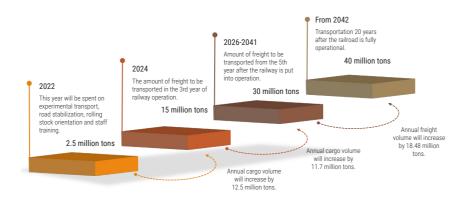
21,9 KM RAILWAY CONNECTION OF TAVANTOLGOI-GASHUUNSUKHAIT AND TAVANTOLGOI- ZUUNBAYAN

The Tavantolgoi-Gashuunsukhait Railway is connected to the 416.1 km rail line Tavantolgoi-Zuunbayan by a 21.9 km rail line, thus connecting the port of Gashuunsukhait to the unified rail network of Mongolia and allowing rail transportation to Russia and China. It also opened the second railway crossing between Mongolia and China. As a result, mining products can not only be delivered to Chinese seaports such as Huanghua, Tianjin, Qingdao, and Jinzhou, but also sold through them to third country markets.

The Tavantolgoi Coal Loading Logistics Center is a loading facility designed to receive the products mined from the Tayantolgoi coal deposit from the loading roundabout next to the Tavantolgoi station into wagons and containers with an automatic bunker system, crush and transport, sort and mix, and continuously load for rail transportation.



AMOUNT OF FREIGHT DURING TRANSPORT



Source: "Railway Transport Development Plan 2050" approved by Resolution No. 03 of February 2021 of

GASHUUNSUKHAIT TRANSSHIPPING TERMINAL

Gashuunsukhait Transshipment Terminal is a one-stop service for transshipment of containerized cargo transported by rail from Tavantolgoi Group of deposits from wagons to cars, from wagon to wagon, storage in the field, preparation of documents related to export transportation, and payments, offices, etc. A 24-hour facility with an operating platform. The entire terminal area will be a customs control zone, creating 167 new jobs and, when fully operational, will have the capacity to handle 24.9 million tons of freight per year.

ROLLING STOCK INFORMATION

Locomotive

On the main line of the Tavantolgoi-Gashuunsukhait railway there is an AC-DC-AC power transmission system with an output of 4500 hp or 3355 kW to pull a 5000ton train of the United States company "Progress Rail" and meets the requirements of the international environmental standard TIER2. The depot for maintenance and overhaul of these locomotives will be built according to the US Locomotive Depot Project and will be operational in 2024.





POLICY DOCUMENTATION

We have developed a long-term policy document based on Mongolia's longterm development policy "Vision - 2050", Government's "New Revival Policy", "A6-20" business plan of "Erdenes Tavantolgoi" JSC for 2021-2025, international standards and theoretical methodology.

We plan to become "Comprehensive Railway Operation and Transportation Services" company from "Project Management Operations", with the goal of expanding and planning our operations.







The Tavantolgoi-Gashuunsukhait railway line received 400 pieces of 12-9853 semi-freight wagons, 390 pieces of 12-6724 platform wagons, 8 pieces of 11-6874 closed wagons, and 13 pieces of 13-6851-04 platform wagons. A total of 811 wagons of four types were received from the Tikhvin Wagon Factory of Russia, and 1 GCY 300 motor wagon was received from China across the border of Mongolia.



GASHUUNSUKHAIT-GANTSMOD CROSS-BORDER RAILWAY PROJECT

The feasibility study for the Gashuunsukhait-Gantsmod Port Cross-Border Railway Project and consulting services for comprehensive design development will be provided by China Railway Design Corporation LLC (CRDC). It is planned to complete the work in 2023 and start construction in the first guarter of 2024.

By connecting the Gashuunsukhait-Gantsmod port by rail, it will be possible to transport 30 million tons of coal per year, and the mineral resources of the Tavantolgoi core and nearby mines will be delivered to consumers in China at low transportation costs, and further delivered to other consumers in East Asia using China's infrastructure. It also has the advantage of reducing and eliminating possible negative impacts on the region's environment and preserving the habitat of local people



WE ARE INTRODUCING INTERNATIONAL STANDARDS

We have simultaneously introduced international standards to strengthen corporate governance and bring our operations up to the world standards in the short



management

ISO 14001



ISO 9001



and safety ISO 45001









Information security management ISO 27001

Guidance on Project Managemen ISO 215001









Shareholders



66%

34%

PROJECTS

233.6 KM TAVANTOLGOI-GASHUUNSUKHAIT RAILWAY COMPLEX PROJECT



21.9 KILOMETERS RAILWAY CONNECTION BETWEEN
TAVANTOLGOI-GASHUUNSUKHAIT AND TAVANTOLGOIZUUNBAYAN



GASHUUNSUKHAIT TRANSSHIPPING TERMINAL



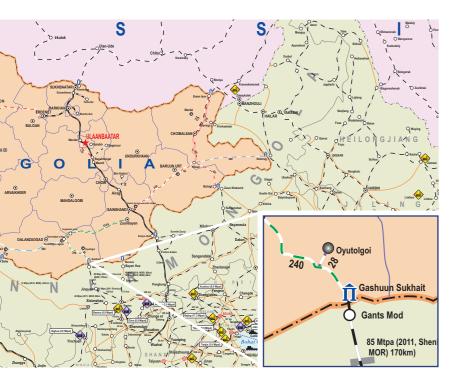
TAVANTOLGOI COAL LOADING LOGISTICS CENTER



GASHUUNSUKHAIT-GANTSMOD CROSS-BORDER RAILWAY
PROJECT



RAILWAY NETWORK-2020





TO BECOME MONGOLIAN ECONOMIC PILLAR
AND THE LOCOMOTIVE OF DEVELOPMENT





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TAVANTOLGOI RAILWAY LLC

COMPANY INTRODUCTION

"Tavantolgoi Railway" LLC was established on August 08, 2018 and is Mongolian specialized railway engineering company, which carries out complex activities in the field of construction, operation, transportation, repair of infrastructure and rolling stock

According to Resolution No. 304 the Government of Mongolia dated July 2019, transferred 66 percent of the company's shares to "Erdenes Tavantolgoi" JSC and 34 percent to "Mongolian Railway" SOSC, which is a guarantee for the sustainable development of the company's assets and operations.



To implement railway operations and project management in accordance with the national interests, quality and safety, and international standards.



VISION

It will be a leading national organization with the capacity to provide international level railway services.



- VALUES

 Management Leadership
- Professional, high-capacity team
- Respect for customersService quality and safety
- Service quality and safety
 Sustainable development

PLANNING OF MONGOLIA'S INTEGRATED

LEGEND (Mongolia)

Existing railways

FEED Completed (1490 km):
Tavantolgoi - Sainshand (435 km)
Sainshand - Khuut (430 km)
Khuut - Choibalsan (185 km)
Choibalsan - Ereentsav (210 km)
Khuut - Bichigt (221 km)
Erdenet - Ovoot - Arts Suuri (770 km)

Under Construction:

- Tavantolgoi Gashuunsukhait (240 km) Zuunbayan - Tsoqttsetsii (414 km)
- Alignment Predetermined: Khuut - Numrug (380 km)
- Bogd Khan Railway Project:
 Mandal Bagakhangai (170 km)
- Phase III:

The western railway lines are to be planned based on future exploitation of mineral deposits and regional development policy.



