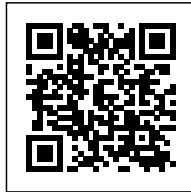


# ROYALTIES FOR MINING PRODUCTS WILL BE BASED ON TRADING PRICE SAYS MONGOLIAN STOCK EXCHANGE

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In a move to boost transparency and attract more investors, Mongolia has introduced changes to its mining royalty system. Starting from October 1, 2023, mining product royalties will be determined based on the trading prices of the Mongolian Stock Exchange.

Before this development, mining companies in Mongolia typically paid royalties ranging from 5% to 10% of the sales value of their products. This value was previously calculated using international sources like Sxcoal or Umetal and Indmin.

The new regulation brings good news for mining product exporting companies, especially those dealing in products like coal, iron, and fluorspar. Between January 12 and September 27, 2023, the Mongolian Stock Exchange witnessed the trading of 6.8 million tonnes of coal and 94.6 thousand tonnes of iron concentrate. This led to a 50% increase in product prices and a substantial revenue boost for selling companies.

Mongolia's shift to using the Mongolian Stock Exchange trading prices as the basis for mining product royalties signifies a step towards greater transparency and attractiveness for international investors.