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### Khot Infrastructure Announces Issuance of Rail Construction Permit

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**ULAANBAATAR, MONGOLIA — KHOT INFRASTRUCTURE HOLDINGS, LTD. (“KHOT” or the “Company”) (CSE: KOT)** is pleased to announce that the Company’s wholly owned subsidiary, Ashid Munkhiin Zam LLC (“AMZ”) has been awarded a rail bed construction permit by the Ministry of Road and Transportation of Mongolia.

This rail bed construction permit issued effective December 22, 2015 is for an initial period of three (3) years and enables AMZ to bid on a number of major rail projects planned by the Government of Mongolia as an integral component of its countrywide transportation infrastructure commitment, including the USD\$1.3 billion, 547 kilometres in railway concessions already announced by the Mongolian Government in partnership with Northern Railway.

James Passin, Khot Chairman, emphasized the importance of this permit in terms of the expanded opportunities it provides the Company in the implementation of its overall road and rail concession strategy: *“The combination of road and rail provides a natural synergy to AMZ operations. Our experienced in-country management team and potential strategic partners are unanimous in their enthusiasm for this long term railway construction program.”*

Proceeds from the private placement announced on December 15, 2015 will be used to accelerate the bid process in both the road and rail bed sectors. The Company will provide more ongoing information to shareholders as the bid process continues.

James Passin, Chair of Khot, commented: *“Having been awarded a permit allows Khot to actively bid on these fast-moving opportunities.”*

Khot, through AMZ, recently announced a partnership with Power China’s world leading Engineering, Procurement, and Construction (“EPC”) company and Chinese state owned enterprise, Shandong Electric Power Construction Corporation III (“SEPCOIII”), who will contribute on a 75/25 percent basis, all the required logistical and financial support elements required for large road projects.

Mongolia, through the coordinated efforts with China’s larger New Silk Road Economic Belt project, will participate in the international Economic Corridor linking resources and markets between Russia, China and Mongolia, as well as other Central Asian countries.

*“Regional connectivity is the main objective of the New Silk Road strategy. We are proud to be a part of this vision and through our Chinese partners jointly push forward the construction of an international infrastructure network and advocate a framework for cross-border trade and financial opportunities,”* said company president, Don Padgett.

**About Khot:**

Our goal is to become the leading Mongolian transportation contractor and the preferred choice for employees, shareholders and partners. Our focus is on high margin contracts, such as highways and regional roads. Our mission is to provide the infrastructure needed for one of the world's fastest growing economies.

To find out more about KHOT, please visit our website at [khot-infrastructure.com](http://khot-infrastructure.com), email: [IR@khot-infrastructure.com](mailto:IR@khot-infrastructure.com).

**About AMZ:**

AMZ is a qualified Mongolian company, provides investors a first mover advantage; in effect a proxy on Mongolia and by extension a future opportunity in the entire Silk Road Region. The AMZ team includes experienced road engineers and business developers. In addition, the Company has the ability to leverage the Firebird office in the Mongolian capital city and has ready access to other key operational advantages this long-term relationship offers.

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The CSE has in no way passed upon the merits of the proposed transaction and has neither approved or disapproved the contents of this press release.

**Disclaimer for Forward-Looking Information**

Statements containing forward-looking information express, as at the date of this news release, the Company's plans, estimates, forecasts, projections, expectations, or beliefs as to future events or results and are believed to be reasonable based on information currently available to the Company.

Forward-looking statements and information are based on assumptions that financing and personnel will be available when required and on reasonable terms, and all necessary regulatory approvals and shareholder approval will be obtained, none of which are assured and are subject to a number of other risks and uncertainties.

There can be no assurance that forward-looking statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such statements. Readers should not place undue reliance on forward-looking information.