

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Mongolian Mining Corporation (the “Company”), you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



## **MONGOLIAN MINING CORPORATION**

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

**(Stock Code: 975)**

### **PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS, GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING**

---

A notice convening the annual general meeting of the Company to be held at Tianshan & Lushan Room, Level 5, Island Shangri-La, Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 13 May 2013 at 10:00 a.m. is set out on pages 14 to 16 of this circular. A form of proxy for use at the annual general meeting is also enclosed with this circular. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.mmc.mn](http://www.mmc.mn)).

Whether or not you intend to attend the meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish and, in such event, the form of proxy shall be deemed to be revoked.

9 April 2013

---

# CONTENTS

---

	<i>Page</i>
<b>Definitions</b> .....	1
 <b>Letter from the Board</b>	
1. Introduction .....	3
2. Re-election of Retiring Directors .....	4
3. The Issue Mandate .....	4
4. The Repurchase Mandate .....	4
5. Extension of the Issue Mandate .....	5
6. Annual General Meeting .....	5
7. Actions to be taken .....	5
8. Voting by Poll .....	5
9. Recommendation .....	6
 <b>Appendix I – Biographical Details of Retiring Directors Proposed for Re-election</b> .....	
	7
 <b>Appendix II – Explanatory Statement for the Repurchase Mandate</b> .....	11
 <b>Notice of Annual General Meeting</b> .....	14

---

## DEFINITIONS

---

*In this circular, the following expressions shall have the following meanings unless the context requires otherwise:*

“AGM”	the annual general meeting of the Company to be held at Tianshan & Lushan Room, Level 5, Island Shangri-La, Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 13 May 2013 at 10:00 a.m. or any adjournment thereof
“AGM Notice”	the notice convening the AGM as set out on pages 14 to 16 of this circular
“Articles of Association”	the Articles of Association of the Company
“associate(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Board”	the board of Directors
“Companies Law”	the Companies Law of the Cayman Islands, as amended from time to time
“Company”	Mongolian Mining Corporation, an exempted company incorporated in the Cayman Islands with limited liability
“connected person(s)”	shall have the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate to allot, issue and deal with Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution
“Latest Practicable Date”	2 April 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained therein

---

## DEFINITIONS

---

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Repurchase Mandate”	a general and unconditional mandate to repurchase on the Stock Exchange, or any other stock exchange on which the Shares of the Company may be listed, Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers by the Securities and Futures Commission of Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

---

## LETTER FROM THE BOARD

---



# MONGOLIAN MINING CORPORATION

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

**(Stock Code: 975)**

*Executive Directors:*

Mr. Odjargal Jambaljamts (*Chairman*)  
Dr. Battsengel Gotov (*Chief Executive Officer*)

*Non-Executive Directors:*

Dr. Oyungerel Janchiv  
Mr. Batsaikhan Purev  
Mr. Od Jambaljamts  
Ms. Enkhtuvshin Gombo

*Independent Non-Executive Directors:*

Mr. Ochirbat Punsalmaa  
Mr. Unenbat Jigjid  
Mr. Chan Tze Ching, Ignatius

*Registered office:*

Cricket Square  
Hutchins Drive  
PO Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

*Principal place of business  
in Hong Kong:*

Level 28, Three Pacific Place  
1 Queen's Road East  
Hong Kong

9 April 2013

*To the Shareholders*

Dear Sir/Madam,

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,  
GENERAL MANDATES  
TO ISSUE SHARES AND TO REPURCHASE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### **1. INTRODUCTION**

On 24 May 2012, ordinary resolutions were passed to grant to the Directors the Issue Mandate and the Repurchase Mandate to issue Shares and to repurchase Shares respectively and to extend the Issue Mandate to include Shares repurchased under the Repurchase Mandate. These Issue Mandate and Repurchase Mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew the Issue Mandate and the Repurchase Mandate at the AGM.

---

## LETTER FROM THE BOARD

---

The purpose of this circular is to provide the Shareholders with information regarding certain resolutions to be proposed at the AGM. These resolutions include, among other things, (i) the re-election of the retiring Directors; and (ii) the granting to the Directors of the Issue Mandate and the Repurchase Mandate and the extension of the Issue Mandate. The resolutions will be proposed at the AGM and are set out in the AGM Notice as contained in this circular.

### **2. RE-ELECTION OF RETIRING DIRECTORS**

In relation to resolution number 2 as set out in the AGM Notice, Mr. Odjargal Jambaljamts and Dr. Battengel Gotov will retire from the offices as executive Directors, and Mr. Od Jambaljamts and Ms. Enkhtuvshin Gombo will retire from the offices as non-executive Directors at the AGM in accordance with Articles 83(3) and 84(1) of the Articles of Association and all retiring Directors, being eligible, will offer themselves for re-election.

Biographical details of the above retiring Directors, which is required to be disclosed pursuant to the Listing Rules, is set out in Appendix I to this circular.

### **3. THE ISSUE MANDATE**

At the AGM, an ordinary resolution as set out in resolution number 4 of the AGM Notice will be proposed to the Shareholders to consider and, if thought fit, to grant to the Directors the Issue Mandate to allot, issue and deal with Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the number of Shares in issue were 3,705,036,500. Subject to the passing of the relevant resolution, the maximum number of new Shares to be issued under the Issue Mandate will be 741,007,300 Shares (assuming that there will be no change in the number of Shares in issue between the Latest Practicable Date and the date of AGM).

The Issue Mandate will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; and (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

### **4. THE REPURCHASE MANDATE**

At the AGM, an ordinary resolution as set out in resolution number 5 of the AGM Notice will be proposed to the Shareholders to consider and, if thought fit, to grant to the Directors the Repurchase Mandate to exercise all powers of the Company to repurchase on the Stock Exchange, or on any other stock exchange on which the Shares of the Company may be listed subject to the criteria set out in this circular, Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution.

---

## LETTER FROM THE BOARD

---

An explanatory statement containing relevant information relating to the Repurchase Mandate as required by the Listing Rules to be sent to the Shareholders is set out in Appendix II to this circular. The explanatory statement contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate at the AGM.

### **5. EXTENSION OF THE ISSUE MANDATE**

At the AGM, an ordinary resolution as set out in resolution number 6 of the AGM Notice will be proposed that the Issue Mandate be extended by the addition to the aggregate number of share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate number of the share capital of the Company repurchased by the Company pursuant to the Repurchase Mandate being approved provided that such amount will not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of resolution approving the Issue Mandate.

### **6. ANNUAL GENERAL MEETING**

The AGM Notice is set out on pages 14 to 16 of this circular to consider the resolutions relating to, inter-alia, the re-election of the retiring Directors, the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate.

### **7. ACTIONS TO BE TAKEN**

A form of proxy for use at the AGM is enclosed with this circular and published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.mmc.mn](http://www.mmc.mn)). Whether or not you intend to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjournment thereof if you so wish and in such event, the form of proxy shall be deemed to be revoked.

### **8. VOTING BY POLL**

Pursuant to Rule 13.39 of the Listing Rules and Article 66 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll. The results of the poll shall be deemed to be the resolution of the general meeting and the poll results will be published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.mmc.mn](http://www.mmc.mn)).

---

## LETTER FROM THE BOARD

---

### 9. RECOMMENDATION

The Directors consider that the re-election of the retiring Directors and the proposed granting to the Directors of the Issue Mandate, the Repurchase Mandate, and the extension of the Issue Mandate are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions as set out in the AGM Notice.

Yours faithfully,  
For and on behalf of the Board  
**Mongolian Mining Corporation**  
**Odjargal Jambaljamts**  
*Chairman*



**EXECUTIVE DIRECTORS**

**Odjargal JAMBALJAMTS**, aged 47, is an executive Director and Chairman of the Board. Mr. Jambaljamts was appointed as an executive Director of the Company on 18 May 2010. Mr. Jambaljamts is also the Chairman of the Nomination Committee and member of the Remuneration Committee. From 1993 to the present, Mr. Jambaljamts has been the Chairman of MCS Holding LLC (together with its subsidiaries, the “MCS Group”), an associate of MCS Mining Group Limited (a controlling shareholder of the Company). Mr. Jambaljamts is a director of Starain Limited since January 2011, director of Novel International Investment Limited and director of Novel Holdings Group Limited, a controlling shareholder of the Company, since March 2012. He was appointed as a director of MCS (Mongolia) Limited, also a controlling shareholder, and MCS Mining Group Limited on 3 July 2012. From 1989 to 1991, Mr. Jambaljamts was an automation engineer at the Energy Authority of Ulaanbaatar, Mongolia. From 1992 to 1993, he was an economist at the Hydropower LLC for the Project of Egiin River. Mr. Jambaljamts was awarded a bachelor’s degree in cybernetics of electrical system by the Kiev Polytechnic Institute, Ukraine, and holds his master’s degree in business administration from the Maastricht School of Management, Ulaanbaatar, Mongolia.

Save as disclosed above, Mr. Jambaljamts did not hold any other position with the Company and other members of the Group. Mr. Jambaljamts did not hold any directorship in the public listed companies in Hong Kong or overseas in the last three years.

Mr. Jambaljamts has entered into a service agreement with the Company under which he has agreed to act as executive Director commencing from 13 October 2010, being the date of the listing of the Shares on the Stock Exchange, for an initial term of three years. Mr. Jambaljamts is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Mr. Jambaljamts is entitled to receive a director’s fee of USD250,000 per annum which is determined by the Board with reference to his duties and responsibility with the Company, the Company’s performance and the prevailing market condition. Mr. Jambaljamts received directors’ emoluments in the total sum of USD278,000 for the year ended 31 December 2012.

As at the Latest Practicable Date, Mr. Jambaljamts was deemed to have a long position of 1,424,118,061 Shares and a short position of 849,179,681 Shares, representing approximately 38.44% and 22.92% of the issued share capital of the Company respectively within the meaning of Part XV of the SFO. Long position of 184,659,019 Shares and short position of 12,500,000 Shares were held by Novel Holdings Group Limited, a company wholly owned by Mr. Jambaljamts, and long position of 1,239,459,042 Shares and short position of 836,679,681 Shares were held by MCS Mining Group Limited which is 100% owned by MCS (Mongolia) Limited which is 49.84% owned by Novel Holdings Group Limited.

Mr. Jambaljamts is the brother of Mr. Od Jambaljamts, a non-executive Director and controlling shareholder of the Company. Saved as disclosed above, Mr. Jambaljamts does not have any relationship with any of the Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters concerning Mr. Jambaljamts that need to be brought to the attention of the Shareholders.

**Battsengel GOTOV**, aged 40, is an executive Director and Chief Executive Officer of the Company. Dr. Gotov was appointed as an executive Director of the Company on 18 May 2010. Dr. Gotov joined the Group in June 2008 as the Chief Executive Officer of Energy Resources LLC. Since 2004, Dr. Gotov has served at various managerial positions in the MCS Group. He was appointed as the Chief Executive Officer of Khangad Exploration LLC on 7 December 2012. From 1996 to 2000, Dr. Gotov was an Assistant Professor at Comenius University in Bratislava. He moved to the University of Cologne, Germany in September 2000 as a research fellow sponsored by the Alexander von Humboldt Foundation, and stayed at the University of Cologne from September 2000 until October 2003 as a postdoctoral fellow. Dr. Gotov is a board member of the Mongolian National Mining Association, the Mineral Industry Safety Association and the South Gobi Business Council. Dr. Gotov was awarded a master's degree in science and a PhD in organic chemistry by the Comenius University, Slovakia.

Save as disclosed above, Dr. Gotov did not hold any other position with the Company and other members of the Group. Dr. Gotov did not hold any directorship in the public listed companies in Hong Kong or overseas in the last three years.

Dr. Gotov has entered into a service agreement with the Company under which he has agreed to act as executive Director commencing from 13 October 2010, being the date of the listing of the Shares on the Stock Exchange, for an initial term of three years. Dr. Gotov is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Dr. Gotov is entitled to receive a director's fee of USD200,000 per annum which is determined by the Board with reference to his duties and responsibility with the Company, the Company's performance and the prevailing market condition. Dr. Gotov received directors' emoluments in the total sum of USD845,000 for the year ended 31 December 2012.

As at the Latest Practicable Date, Dr. Gotov was deemed to be interested in 8,000,000 underlying Shares in respect of share options granted to him under the share option scheme of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Dr. Gotov does not have any relationship with any of the Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters concerning Dr. Gotov that need to be brought to the attention of the Shareholders.

**NON-EXECUTIVE DIRECTORS**

**Od JAMBALJAMTS**, aged 48, is a non-executive Director of the Company. Mr. Jambaljamts was appointed as a non-executive Director of the Company on 4 July 2012. He is also a member of the Corporate Governance Committee. Mr. Jambaljamts is the president of MCS Group and a director of a number of subsidiaries within the MCS Group. He also works as the Honorary Council General of Denmark. Mr. Jambaljamts has over 20 years of experience in both private and public sectors and has extensive experience in working with companies in a diversity of fields. Mr. Jambaljamts is a director of MCS (Mongolia) Limited and MCS Mining Group Limited since July 2012 and director of Trimunkh Limited since July 2011, all of which are controlling shareholders of the Company. Mr. Jambaljamts was awarded a bachelor's degree in International Relations by the Institute for International Relations, Moscow, Russia in 1988 and master's degree in arts majoring in foreign affairs by the University of Oxford, United Kingdom in 1993. Mr. Jambaljamts was awarded the Honorary Labour Medal of Mongolia in 1997, and twice awarded with the Polestar medal of Mongolia.

Save as disclosed above, Mr. Jambaljamts did not hold any other position with the Company and other members of the Group. Mr. Jambaljamts did not hold any directorship in the public listed companies in Hong Kong or overseas in the last three years.

According to a letter of appointment issued by the Company, Mr. Jambaljamts has agreed to act as non-executive Director for an initial term of two years commencing from 4 July 2012. Mr. Jambaljamts is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Mr. Jambaljamts is entitled to receive a director's fee of USD18,000 per annum which is determined by the Board with reference to his duties and responsibility with the Company, the Company's performance and the prevailing market condition. Mr. Jambaljamts received directors' emoluments in the total sum of USD9,000 for the year ended 31 December 2012.

As at the Latest Practicable Date, Mr. Jambaljamts was deemed to have a long position of 1,345,763,949 Shares and a short position of 836,679,681 Shares, representing approximately 36.32% and 22.58% of the issued share capital of the Company respectively within the meaning of Part XV of the SFO. Long position of 106,304,907 Shares were held by Trimunkh Limited, a company wholly owned by Mr. Jambaljamts, and long position of 1,239,459,042 Shares and short position of 836,679,681 Shares were held by MCS Mining Group Limited which is 100% owned by MCS (Mongolia) Limited, the controlling Shareholder.

Mr. Jambaljamts is the controlling shareholder of MCS (Mongolia) Limited. He is the brother of Mr. Odjargal Jambaljamts, the chairman of the Board, an executive Director and controlling shareholder of the Company. Save as disclosed above, Mr. Jambaljamts does not have any relationship with any of the Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters concerning Mr. Jambaljamts that need to be brought to the attention of the Shareholders.

**Enkhtuvshin GOMBO**, aged 41, is a non-executive Director of the Company. She was appointed as a non-executive Director of the Company on 16 September 2010. Ms. Gombo is also a member of the Audit Committee. She is a representative of MCS Holding LLC. Ms. Gombo is currently the Vice President for Finance and Investment of MCS Holding LLC. Ms. Gombo joined the MCS Group in 2003 as a financial analyst of MCS Holding LLC and became the head of the planning unit of the finance department in 2006. Ms. Gombo was appointed as a director of MCS Group's finance department in 2008. Ms. Gombo was awarded a bachelor's degree in banking and finance from the Economic College of Mongolia, a master's degree in business administration from the University of Birmingham, UK, and a master's degree in finance from the University of Colorado, United States.

Save as disclosed above, Ms. Gombo did not hold any other position with the Company and other members of the Group. Ms. Gombo did not hold any directorship in the public listed companies in Hong Kong or overseas in the last three years.

According to a letter of appointment issued by the Company, Ms. Gombo has agreed to act as non-executive Director for a term of two years commencing from 12 October 2012. Ms. Gombo is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Ms. Gombo is entitled to receive a director's fee of USD18,000 per annum which is determined by the Board with reference to her duties and responsibility with the Company, the Company's performance and the prevailing market condition. Ms. Gombo received directors' emoluments in the total sum of USD18,000 for the year ended 31 December 2012.

As at the Latest Practicable Date, Ms. Gombo did not have any interest in the shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, Ms. Gombo does not have any relationship with any of the Directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters concerning Ms. Gombo that need to be brought to the attention of the Shareholders.

*This appendix serves as an explanatory statement, as required by the Listing Rules, to provide certain information to you for your consideration of the Repurchase Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 3,705,036,500 Shares in issue.

Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 370,503,650 Shares, being 10% of the issued share capital of the Company as at the date of the AGM, during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law to be held; and (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the Shareholders in general meeting.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to seek a general authority from the Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

## **3. FUNDING OF REPURCHASES**

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association and Articles of Association and the applicable laws of the Cayman Islands. Under the Cayman Islands laws, any repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital and, in the case of any premium payable on a repurchase, such premium must be provided for out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

## **4. IMPACT OF REPURCHASES**

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2012) in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the

Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels which, in the opinion of the Board, are from time to time appropriate for the Company.

## 5. SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date:

Month	Share Prices Per Share	
	Highest HK\$	Lowest HK\$
<b>2012</b>		
April	8.05	6.00
May	6.70	5.08
June	5.74	4.05
July	5.55	4.00
August	4.67	3.18
September	4.00	3.15
October	4.12	3.38
November	4.12	3.68
December	3.92	3.65
<b>2013</b>		
January	4.69	3.77
February	3.90	3.21
March	3.47	2.80
April ( <i>up to the Latest Practicable Date</i> )	2.86	2.71

## 6. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company, in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

The Company has not been notified by any connected person that such a person has a present intention to sell, or has undertaken not to sell, any Shares to the Company, if the Repurchase Mandate is approved by the Shareholders.

**7. EFFECT OF TAKEOVERS CODE**

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Odjargal Jambaljamts and Mr. Od Jambaljamts, Directors, and eight other individuals (collectively defined as Ultimate Individual Beneficial Owners in the announcement of the Company dated 3 April 2012 and altogether taken as parties acting in concert) were interested in 1,609,962,692 Shares, representing approximately 43.45% of the issued share capital of the Company. In the event that the Directors exercise in full the Repurchase Mandate, and assuming that there is no change in the issued share capital of the Company and the shareholdings of the parties above mentioned, as at the date of the passing of the relevant resolution granting the Repurchase Mandate, the percentage shareholdings of the parties above mentioned would be increased to approximately 48.28% of the issued share capital of the Company, thus giving rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to repurchase Shares to such extent which would result in an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any other consequence which would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

**8. SHARE REPURCHASE BY THE COMPANY**

No Shares had been repurchased by the Company, whether on the Stock Exchange or otherwise, during the six months preceding the Latest Practicable Date.



---

## NOTICE OF ANNUAL GENERAL MEETING

---



# MONGOLIAN MINING CORPORATION

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

**(Stock Code: 975)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “Meeting”) of Mongolian Mining Corporation (the “Company”) will be held at Tianshan & Lushan Room, Level 5, Island Shangri-La, Hong Kong, Two Pacific Place, Supreme Court Road, Central, Hong Kong on Monday, 13 May 2013 at 10:00 a.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and of the independent auditor for the year ended 31 December 2012.
2. To re-elect the retiring directors and to authorise the board (“the Board”) of directors (the “Directors”) of the Company to fix the remuneration of the Directors.
3. To re-appoint KPMG as auditor of the Company and to authorise the Board to fix their remuneration.
4. To consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

**“THAT**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including but not limited to bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including but not limited to bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;



---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (c) the aggregate nominal amount of the shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to a rights issue or pursuant to the exercise of any subscription rights which are or may be granted under any option scheme or any scrip dividend scheme or similar arrangement, any adjustment of rights to subscribe for shares under options and warrants or a special authority granted or to be granted by the shareholders of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution and the approval in paragraph (a) of this resolution shall be limited accordingly; and
  - (d) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
    - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
5. To consider and, if thought fit, pass, with or without amendments, the following resolution as an ordinary resolution:

**“THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirement of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange, as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of the Company to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution; and

---

## NOTICE OF ANNUAL GENERAL MEETING

---

- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
  - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
6. To consider and, if thought fit, pass, with or without amendments, the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of ordinary resolutions number 4 and 5 as set out in the notice convening this Meeting, the general mandate granted to the directors to allot, issue and deal with additional shares in the capital of the Company pursuant to ordinary resolution number 4 set out in the notice convening the Meeting be and is hereby extended by the addition thereto the aggregate nominal amount of shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution number 5 set out in the notice convening the Meeting provided that such amount shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

For and on behalf of the Board  
**Mongolian Mining Corporation**  
**Odjargal Jambaljamts**  
*Chairman*

Hong Kong, 9 April 2013

*Notes:*

- (a) A member entitled to attend and vote at the Meeting may appoint a proxy or, if holding two or more shares, more than one proxy to attend and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (b) To be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy thereof must be deposited at the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or adjournment thereof.
- (c) For determining the entitlement to attend and vote at the Meeting, the Register of Members will be closed from Friday, 10 May 2013 to Monday, 13 May 2013, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 9 May 2013.