

<i>Effective coverage: Mongolian Mining Corporation, including all subsidiary companies</i>	<i>Responsible person: Legal Department</i>
<i>Original copy: Legal Department, Administration & Human Resources Department</i>	<i>Presented to: All employees</i>
<i>Effective Date:2015.09.01</i>	<i>Number of Pages: Five (5) pages</i>
<i>Last revised date:</i>	<i>Procedure: Version 02</i>

WHISTLEBLOWER POLICY

1.0 INTRODUCTION

Mongolian Mining Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) is committed to maintaining the highest standards of business conduct and ethics (see the Company’s [Code of Conduct] for further information), as well as full compliance with all applicable government laws, rules and regulations, corporate reporting and disclosure, accounting practices, accounting controls, auditing practices and other matters relating to fraud against shareholders (collectively “**Compliance Concerns**”).

For the purposes of the Whistleblower Policy (the “**Policy**”), Compliance Concerns is intended to be broad and comprehensive and to include any matter, which in the view of the complainant, is illegal, unethical, contrary to the policies of the Company or in some other manner not right or proper.

Pursuant to its Terms of Reference, the Audit Committee of the Board of Directors of the Company is responsible for ensuring that a confidential process exists whereby persons can report any Compliance Concerns relating to the Group. In order to carry out its responsibilities under its Terms of Reference, the Audit Committee has recommended and the Board of Directors has adopted this Policy.

The Company’s Chief Executive Officer (the “**CEO**”) is senior management representative who is responsible for investigating and resolving all reported complaints and allegations by presenting or reporting to appropriate decision makers within the Group. At the CEO’s discretion, the CEO shall advise the Audit Committee of a reported complaint or allegation. The CEO has direct access to the Audit Committee and is required to report to the Audit Committee at least semi-annually on the compliance activity.

The Whistleblower disclosures include the following issues:

- Accounting and auditing irregularities
- Fraud and theft
- Corruption, bribery or blackmail
- Failure to comply with a legal obligation
- Endangering the health and safety of any individual
- Tax or custom offences
- Conflicts of interests
- Protection and improper use of the Company's assets

Examples would include:

- (a) violation of any applicable law, rule or regulation that relates to corporate reporting and disclosure;
- (b) violation of the Company's [Code of Conduct];
- (c) fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Group;
- (d) fraud or deliberate error in the recording and maintaining of financial records of the Group;
- (e) deficiencies in, or noncompliance with, the Group's internal policies and controls;
- (f) misrepresentation or a false statement by or to a director, officer or employee of the Group respecting a matter contained in the financial records, reports or audit reports; and
- (g) deviation from full and fair reporting of the Company's consolidated financial condition.

2.0 COMMUNICATION OF THE POLICY

To ensure that all officers, employees, consultants and contractors (together referred to as "**Employees**"), and directors of the Company are aware of the Policy, a copy of the Policy will be distributed to all Employees and directors, or alternatively they will be advised that the Policy is available on the Company's website for their review. All Employees and directors will be informed whenever significant changes are made. New Employees and directors will be provided with a copy of this Policy and will be educated about its importance by the Human Resources Department.

3.0 REPORTING ALLEGED VIOLATIONS OR COMPLAINTS

3.1 Reporting Concerns

The Company assumes that all reports made are legitimate, real and significant enough to warrant investigation. Any person with a Compliance Concern relating to the Group may submit their concern in a number of confidential ways to senior management or directors of the Company. The following avenues of reporting are available to all Employees:

- a) Direct dialogue with a supervisor

In many instances, violations relating to Compliance Concerns encouraged to be reported or discussed with a direct supervisor. The supervisor will deal with queries or concerns accordingly. Direct dialogue allows discussion and quicker resolution most of issues.

Any Compliance Concerns that is made directly to management (whether openly, confidentially or anonymously) shall be promptly reported to the CEO.

For any concerns relating specifically to financial issues that is, not Code of Conduct issues, reporting to the CEO or the Chief Financial Officer (the “**CFO**”) are preferred (see “b” and “c” below).

If employees are not comfortable speaking with their supervisor or are not satisfied with the supervisor’s response, employees are encouraged to speak with anyone in management with whom they are comfortable or to the CEO.

b) Direct dialogue with the CEO in writing as follows:

In Writing: Chief Executive Officer
Central Tower 16F
Sukhbaatar District
Ulaanbaatar 14200
Mongolia

Each Compliance Concerns made directly to the CEO or forwarded to the CEO by management (whether openly, confidentially or anonymously) shall be reviewed by the CEO who may, in his or her discretion, consult with any member of management or employee they believe would have appropriate expertise or information to assist the CEO.

c) Direct dialogue with the Chairman of the Audit Committee, in case of compliance concerns related to any person with Division Head and above rank, in writing as follows:

In Writing: Chairman of the Audit Committee
Central Tower 16F
Sukhbaatar District
Ulaanbaatar 14200
Mongolia

d) Compliance Concerns reporting box will be located at the head office and other company premises as instructed by CEO, in writing.

The concerns should be in writing so as to assure a clear understanding of the issues raised. The concerns should be factual rather than speculative or conclusory, and should contain as much specific information as possible to allow for proper assessment. The report describing an alleged violation or concern should be candid and set forth all of the information that the employee knows regarding the allegation or concern. In addition, all reports must contain sufficient corroborating information to support the commencement of an investigation.

The CEO or the Audit Committee shall determine whether the CEO and/or management should investigate the compliance concerns. If the CEO or the Audit Committee determines that management should investigate the compliance concerns, the CEO or the Audit Committee will notify the management in writing of that conclusion. Management shall thereafter promptly investigate the compliance concerns and accounting allegation and shall report the results of its investigation, in writing, to the CEO or the Audit committee. Management shall be free in its discretion to engage internal and external auditors, CEO or other experts to assist in the investigation and in the analysis of results. E-mail users should exercise caution and judgment when transmitting information that requires authorization, verification or disclosure protection. E-mail is not certified to be encrypted or authenticated.

In determining whether management or the Audit Committee should investigate an accounting allegation, the Audit Committee shall consider, among any other factors that are appropriate under the circumstances, the following:

1. Who is the alleged wrongdoer? If person with Division Head and above rank is alleged to have engaged in wrongdoing, that factor alone may militate in favor of the Audit Committee conducting the investigation.
2. How serious is the alleged wrongdoing? The more serious the alleged wrongdoing, the more appropriate that the Audit Committee should undertake the investigation. If the alleged wrongdoing would constitute a crime involving the integrity of the financial statements of the Company, that factor alone may militate in favor of the Audit Committee conducting the investigation.
3. How credible is the allegation of wrongdoing? The more credible the allegation, the more appropriate that the Audit Committee should undertake the investigation. In assessing credibility, the Audit Committee should consider all facts surrounding the allegation, including but not limited to whether similar allegations have been made in the press or by analysts.

3.2 Confidentiality

All submissions to a Supervisor or the CEO, (anyone of the preceding will be referred to as the “**Designated Person**”) may be made and will be treated on a confidential basis.

4.0 NO ADVERSE CONSEQUENCES

A submission, in good faith, regarding a Compliance Concern may be made by Employees or officers of the Company without fear of dismissal, disciplinary action or retaliation of any kind. The Company will not discharge, discipline, demote, suspend, threaten or in any manner discriminate against any person who submits in good faith a Compliance Concern or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating a Compliance Concern.

To the extent possible, all complaints will be handled in a confidential manner. In no event will information concerning the complaint be released to persons without specific need to know about it. Investigation of complaints, to the extent possible, will be prompt. The determination by the

investigating officer will be communicated to the employee who brought the complaint, unless anonymous, to the Audit Committee and to relevant management, as appropriate.

At each meeting of the Audit Committee, the CEO shall prepare a report to the Audit Committee stating the nature of each reports submitted during the reporting period, if any, immediately preceding the meeting of the Audit Committee, whether or not the report resulted in the commencement of a formal investigation, and the status of each investigation and this shall be a standing item on the Audit Committee agenda.

5.0 CORRECTIVE ACTION

The Audit Committee, with the input of the CEO and/or management, if requested, will determine the validity of a report and any corrective action, as appropriate. Directors, officers and employees that are found to have knowingly violated any laws, governmental regulations or Company policies will face appropriate, case specific disciplinary action.

6.0 RETENTION OF RECORDS

The Legal department or any other relevant department shall retain all records relating to any Compliance Concern or report of a retaliatory act and to the investigation of any such report for a period judged to be appropriate based upon the merits of the submission and applicable regulatory statues or legal parameters. The types of records to be retained by the Legal Department shall include records of all steps taken in connection with the investigation and the results of any such investigation.

7.0 REVIEW OF THE POLICY

The Audit Committee will review and evaluate the Policy periodically to determine whether the Policy is effective in providing a confidential and anonymous procedure to report violations or complaints regarding Compliance Concerns.

8.0 QUERIES

If you have any questions about how this Policy should be followed in a particular case, please contact the CEO of the Company.

9.0 PUBLICATION OF THE POLICY ON WEBSITE

This Policy will be posted on the Company's website at www.mmc.mn