This summary aims to give you an overview of the information contained in this prospectus. As it is a summary, it does not contain all the information that may be important to you. You should read the whole document before you decide to invest in the Offer Shares. There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in "Risk Factors". You should read the section carefully before you decide to invest in the Offer Shares.

Overview

We are a Mongolian-owned mining company engaged in the open-pit mining of coking coal at our UHG deposit located within the Tavan Tolgoi coal formation in South Gobi, Mongolia. Our UHG mine had 499.9 million tonnes and 286.0 million tonnes of JORC-compliant measured and indicated coal resources and proven and probable reserves, respectively, as of May 31, 2010. We were granted Mining License MV-11952 covering the UHG deposit on August 29, 2006 for an initial period of 30 years to engage in coal mining activities. Our license area covers 2,960 hectares, and as of the Latest Practicable Date, our mine plan to 2013 will cover approximately 6% of our license area. Currently, all our coking coal is transported by trucks to our customers in China. According to Wood Mackenzie, our coking coal is of high-quality.

We own and operate the largest coking coal mine in Mongolia held by a private company, by aggregate production and sales volume. As coking coals are either consumed by coke plants or steel mills in Mongolia or exported and according to the MRAM, there are no officially registered coke plants or steel mills operating in Mongolia, we believe export volumes can be a proxy for production volumes. The official record of the Mongolian Customs Office, which shows data on the total exports of coking and hard coals by major exporters, indicates that for each of the three years ended December 31, 2009 and the six months ended June 30, 2010, there were a total of one, two, three and two major exporters of coking coal, respectively.(1) For the six months ended June 30, 2010, we were the largest exporter of coking coal in Mongolia exporting approximately 61.9% of the total exports of coking coal shown on the official record of Mongolia Customs Office. As a result of the foregoing, we believe we are the largest producer and exporter of coking coal in Mongolia for the six months ended June 30, 2010 and we are well positioned over any other mining company to pursue exploration activities in Mongolia.

Our UHG deposit is located within the Tavan Tolgoi coal formation, which according to Wood Mackenzie, is one of the few remaining largely unexploited sources of high-quality coking coal in the world and the closest coking coal formation to China.

Note:

(1) While the Mongolia Customs Office does not have its own definitions of "coking coal" and "hard coal", we understand that its "coking coal" category refers to hard coking coal and its "hard coal" category refers to semi-soft coking coal and thermal coal. Hard coking coal is primarily used in the process of manufacturing steel. Thermal coal is primarily used in coal-fired power plants. Semi-soft coking coal is generally used to blend with hard coking coal for the process of manufacturing steel and is also used in coal-fired power plants.

Mining Operations

We commenced mining at our UHG deposit in April 2009, and for the year ended December 31, 2009, we produced 1.8 million tonnes of coking coal. We plan to produce approximately 3.8 million tonnes of coking coal in 2010 and increase our coal production to approximately 14.7 million tonnes for the year ending December 31, 2013. See "Risk Factors – Risks Relating to our Business and Industry – We face risks under our expansion program". We currently sell only unwashed coking coal.

Based on public information about comparable Shanxi coking coals, unwashed coking coal is sold at an approximate 35-40% discount to washed coking coal, and as of June 30, 2010, unwashed coking coals sold at an approximate 35% discount to washed coking coals. For example, based on public information, a comparable washed coking coal sold at approximately RMB1,530 per tonne whereas the price for unwashed coking coal was RMB1,000 per tonne, as of June 30, 2010. During the Track Record Period, the discount from washed coking coal to unwashed coking coal ranged from 16% to 35%.

As part of our mine expansion and to further improve our margins, we are constructing a coal handling and washing plant that will produce high-quality washed coking coals. The ramp-up of our coal handling and washing plant will coincide with the ramp-up of our coal mine production. We expect the first 5.0 Mtpa of our coal handling and washing plant to be operational by early 2011, which will be the first of its kind in Mongolia, with the second and third phases of 5.0 Mtpa each to be operational in the second half of 2011 and by the end of 2012, respectively.

Logistics and Transport

We are the closest coking coal producer to Baotou, the closest railway transportation hub providing access from Mongolia to the largest steel producing provinces in China. Our UHG deposit is located approximately 540km south of Ulaanbaatar, the capital of Mongolia, and approximately 240km from the Mongolia-China border crossing at GS. Our coal is hauled by trucks from our UHG deposit to our trans-shipment stockpile at TKH, located approximately 21km from the Mongolia-China border crossing, then to GS where it is further trans-shipped to markets in China. See "Business – Logistics and Transport". We plan to sell our high-quality coking coal into China pursuant to long-term agreements with a diversified group of end-use customers, including iron and steel mills and coke and chemical plants. In 2010, we contracted to sell approximately 4.4 million tonnes of coking coal to a combination of coal traders and end-use customers. We expect to deliver approximately 3.8 million tonnes of coking coal in 2010 and expect to deliver the remaining contracted amounts in 2011. From July 1, 2010 to the Latest Practicable Date, the weighted average selling price per tonne under our contracts was US$76.72.

For the years ended December 31, 2008 and 2009, the four months ended April 30, 2010 and as of the Latest Practicable Date, we had one, four, eight and 17 customers, respectively. As of the Latest Practicable Date, we have entered into long-term agreements with most of our end-use customers which included Baogang, Shagang, Risun and Qinghua. See "Business – Customer Base".

Currently, our coal is transported from our UHG deposit to TKH using approximately 500 trucks. We own 107 of these trucks, while the other trucks are owned and operated by our customers or contract trucking companies. From TKH, a fleet of approximately 400 trucks owned and operated by our customers and contract trucking companies is used to transport our coal to GS. Each truck can carry approximately 80-100 tonnes of coal. With approximately 900 trucks serving UHG-GS, our current overall hauling capacity is approximately 3.5-4.0 Mtpa using the existing gravel road. As of the Latest Practicable Date, the existing gravel road itself had a capacity of approximately 6.0-7.0 Mtpa.

To keep pace with our rapid expansion, we are improving our transportation infrastructure by constructing a paved road and planning to construct a railway from our UHG deposit to GS. The Government of Mongolia has (1) granted us the land use rights to build our paved road and railway and (2) issued us the licenses to build the paved road and to build our railway base infrastructure. Our paved road will be parallel to the existing coal transport gravel road we currently use and we expect to complete a substantial portion of our paved road by the end of 2010. Our paved road will be sufficient to support our current expansion plans and excess capacity may be used by third parties for a toll fee. In order to lower transportation costs and increase reliability and operational efficiency, we are also planning to construct a railway directly from our UHG deposit to GS in 2011-2012, subject to final approval from the Government of Mongolia.

In the year ended December 31, 2009, our average selling price was US$56.0 per tonne when we managed and organized the transportation of our coal in Mongolia, and US$42.3 per tonne when the customer managed and organized the transportation of our coal in Mongolia. We provide transportation of our coal to TKH, and our customers are responsible for the transportation costs of delivering coal from TKH to GS and other locations in China.

We have partnered with a number of industry leading experts throughout the planning, development and operating phases of our mine. We work closely with our mining contractor, Leighton, a major mining operator, in all aspects of our coal mining operations and have entered into a long-term contract with them to train and supervise our employees to conduct mining operations. In addition, Leighton has committed to work with us to build out our coal production capacity to 15.0 Mtpa. We are working together with Sedgman, a coal handling and washing plant expert, to construct our coal handling and washing plant. In addition, we have communicated our expansion plans to our other major contractors and suppliers and are working with them to ensure they have sufficient resources to support our expansion.

In order to effectively manage our growth, we will continue to hire and train more employees at the mine operations and management levels in order to ensure our growth is supported by a sufficient number of trained personnel. At the same time, we have recruiting and training plans matching our production ramp-up. In order to accommodate the expected increase in production and sales levels, we will also continue to upgrade our information management and financial systems. Furthermore, we currently have a sales and marketing team of 16 who closely monitor and cover our principal customer relationships. We expect to continue to expand this team as our sales volume and customer relationships increase.

Capital Expenditures

For the year ending December 31, 2010, our major planned capital expenditures total US$279 million, approximately 80% of which will be funded by bank loans and the remainder to be funded by cash flow from operating activities. In connection with our current plans for mine and transportation infrastructure development beyond 2010, we expect our capital expenditures to the end of 2013 to be approximately US$1.1 billion to US$1.3 billion, approximately 20% of which would be funded by proceeds from the Global Offering, 50% of which would be funded by borrowings and 30% of which would be funded by our operating cashflows and additional fundraising activities. The foregoing percentages are estimates only and are subject to adjustment to reflect developments in our business and industry.

(US$ million)	Commencement date	Completion date	Total capital expenditure budget	Construction in progress/property and equipment cost and other non-current assets balance as of June 30, 2010	Capital committed as of June 30, 2010	Capital expenditure time schedule[3] Year ending December 31, 2010[4] (Forecast)	2011 (Forecast)	2012 (Forecast)	2013 (Forecast)	2014 (Forecast)
Coal handling and washing plant	August 2009	1st module in early 2011	343.8	27.5	50.2	116.4	105.6	114.2	5.2	2.3
Road[1]	May 2010	End of 2010	147.0	10.0	80.0	68.2	36.9	5.1	30.1	6.7
Water supply	April 2010	Early 2011	48.7	8.0	30.6	24.1	4.1	19.5	1.0	–
Power plant.	August 2009	End of 2011	40.9	18.3	40.9	36.4	4.5	–	–	–
Property (camp, airport and workshop)	June 2010	Early 2011	5.9	–	–	5.9	–	–	–	–
Railway	2011-2012	2013-2014	698.8	10.6	–	1.8	380.0	288.0	21.0	8.0
Trucks and equipment . . .	N/A	N/A	13.4	0.9	–	3.4	10.0	–	–	–
Others[2].	N/A	N/A	75.9	1.3	–	23.0	20.1	13.7	9.7	9.5
Total						279.2	561.2	440.5	67.0	26.5

Notes:

(1) Includes 100% share of paved road related costs

(2) Others include capitalized expenses related to township development, exploration activities and studies

(3) Capital expenditure schedule from 2011 to 2014 are based on estimates included in "Appendix V – Independent Technical Report"

(4) Capital expenditures for the year ending December 31, 2010 are based on the historical capital expenditures for the four months ended April 30, 2010, actual results for the two months ended June 30, 2010, and management estimates for the six months ending December 31, 2010

On May 12, 2010, we entered into a US$180 million medium term loan facility arranged by EBRD, one of our Shareholders, at a floating rate linked to LIBOR. This loan facility is secured by certain of our bank accounts, our mining license, our coal handling and washing plant under development, the 12 MW power plant and all of our other present and future immovable property, an assignment of our contract with Sedgman relating to our coal handling and washing plant, contract with Leighton relating to coal mining and offtake agreement with

Qinghua, and a pledge of shares in ER LLC. Pursuant to this loan facility, EBRD has been granted rights normally given to lenders in a pre-IPO loan including, financial covenants, information covenants and the requirement to obtain EBRD's consent for certain corporate acts (including approval of capital expenditures, incurrence of additional indebtedness, mergers and making investments). We have pledged approximately 21.5% of the shares of ER LLC to secure the US$180 million EBRD banking facility. As of the Latest Practicable Date, the borrowing under this facility was US$180 million. As of the Latest Practicable Date, we had a total of US$256.2 million in banking facilities of which all amounts had been utilized.

Financial Results

Our revenue for the three years ended December 31, 2009 and the four months ended April 30, 2010 was US$0, US$0, US$67.0 million and US$32.3 million, respectively. Our net (loss)/profit for the three years ended December 31, 2009 and the four months ended April 30, 2010 was US$(3.0) million, US$(3.6) million, US$10.3 million and US$5.0 million, respectively.

Our Competitive Strengths

- High-quality coking coal assets with abundant resources
- Closest coking coal exporter to major Chinese steel mills
- One of the lowest cost coking coal producers in the world
- High growth with established plan for margin expansion
- Most advanced coking coal operations in Mongolia
- Combination of Mongolian and international shareholders implementing international best practices
- Strong management team partnered with internationally recognized experts

Our Strategies

- Expand coal mine production
- Complete construction of our coal handling and washing plant
- Improve our transportation infrastructure
- Continue to develop and diversify our long-term customer base and establish our own brand
- Optimize existing resources and reserves

- Exploration and acquisition as an established Mongolian mining company

- Strong commitment to corporate social responsibility

Summary Historical Financial Information

The following summary historical statement of comprehensive income data for the years ended December 31, 2007, 2008 and 2009 and the four months ended April 30, 2009 and 2010 and the summary historical balance sheet data as of December 31, 2007, 2008 and 2009 and April 30, 2010 set forth below have been derived from the Accountants' Report included in Appendix I to this prospectus. You should read the summary historical financial information below in conjunction with our financial statements included in "Appendix I – Accountants' Report" which have been prepared in accordance with IFRS.

	Year ended December 31,			Four months ended April 30,	
	2007	**2008**	**2009**	**2009**	**2010**
			(US$)		
				(unaudited)	
Summary statement of comprehensive income data					
Revenue	–	–	66,982,707	119,843	32,253,543
(Loss)/profit from operations	(3,949,165)	(3,971,378)	17,908,475	(3,287,966)	4,477,792
Total comprehensive income for the year/period	(3,043,899)	(5,029,862)	10,300,754	(3,358,888)	7,447,314
(Loss)/profit attributable to the equity shareholders of the Company	(3,029,904)	(3,579,432)	10,270,164	(3,793,496)	5,011,473
Total comprehensive income attributable to the equity shareholders of the Company	(3,043,899)	(5,029,862)	10,300,754	(3,358,888)	7,447,314
Basic (loss)/earnings per share	(0.10 cent)	(0.12 cent)	0.34 cent	(0.13 cent)	0.17 cent

	As of December 31,			As of April 30,
	2007	**2008**	**2009**	**2010**
		(US$)		
Summary balance sheet data				
Assets				
Non-current assets	1,014,085	27,579,016	83,161,930	111,765,325
Current assets	970,887	8,347,133	30,068,092	44,931,009
Total	1,984,972	35,926,149	113,230,022	156,696,334
Equity and liabilities				
Total equity	(982,616)	14,790,614	43,841,368	51,288,682
Non-current liabilities	–	2,204,217	27,286,982	18,289,752
Current liabilities	2,967,588	18,931,318	42,101,672	87,177,900
Total equity and liabilities	1,984,972	35,926,149	113,230,022	156,696,334

	Year ended December 31,			Four months ended April 30,
	2007	2008	2009	2010
	(US$)			
Summary cash flow data				
Net cash (used in)/from operating activities	(1,408,864)	8,100,092	(4,023,882)	35,635,772
Net cash used in investing activities	(3,511,913)	(25,973,501)	(62,061,317)	(24,181,922)
Net cash generated from financing activities	5,835,253	20,708,968	62,683,704	3,256,655

Coal Resources and Reserves

Summary of Our Coal Reserves(1)(2)

	Proven	Probable	Total
		(million tonnes)	
UHG deposit	191	95	286

Summary of Our Coal Resources(1)(2)(3)

	Measured	Indicated	Total Measured and Indicated	Inferred(4)
		(million tonnes)		
UHG deposit (open-pit)	206.0	205.3	411.3	11.7
UHG deposit (underground)	–	88.6	88.6	69.3
Total UHG deposit	206.0	293.9	499.9	81.0

Notes:

(1) These numbers have been prepared in accordance with the JORC Code. See "Glossary of Technical Terms".

(2) For our deposit, "open-pit" refers to coal deposits shallower than 300m from the surface and "underground" refers to coal deposits deeper than 300m from the surface.

(3) Resources are a less accurate measure when compared to reserves. See "Risk Factors – Risks Relating to our Business and Industry – The accuracy of our resources and reserves estimates are based on a number of assumptions and we may produce less coal than our current estimates".

(4) Inferred mineral resource is that part of a mineral resource for which tonnage, quality and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or quality continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

Summary Historical Operating Information

The following table presents selected operating information for the periods indicated.

	Year ended December 31,			Four months ended April 30,
	2007	2008	2009	2010
Coal production (million tonnes)	–	–	1.8	0.7[1]
Coal sales (million tonnes)	–	–	1.4	0.6
Average stripping ratio (actual)	–	N/A	3.4	5.5

Notes:

(1) We are currently in a production ramp-up phase and intend to produce approximately 3.8 million tonnes for the year ending December 31, 2010.

Profit Forecast For The Year Ending December 31, 2010

Forecast consolidated profit attributable to equity shareholders of the Company for the year ending December 31, 2010[1]	Not less than US$60 million
Unaudited pro forma forecast earnings per Share[2]	Not less than US$0.017

Notes:

(1) The bases and assumptions on which the above profit forecast has been prepared are set out in "Appendix III – Profit Forecast".

(2) The calculation of the pro forma forecast earnings per Share is based on the forecast consolidated profit attributable to equity shareholders of our Company for the year ending December 31, 2010, assuming that the Global Offering was completed on January 1, 2010 and a total of 3,597,122,500 Shares had been issued and outstanding during the entire year. This calculation assumes that the Over-allotment Option is not exercised and the Offer Shares issued pursuant to the Global Offering were issued on January 1, 2010.

Offer Statistics[1]

	Based on an Offer Price of HK$6.48 per Share	Based on an Offer Price of HK$7.56 per Share
Market capitalization[2]	HK$23,309.4 million	HK$27,194.2 million
Prospective price/earnings multiple on a pro forma fully diluted basis[3]	50.0 times	58.3 times
Unaudited pro forma adjusted combined net tangible asset value per Share[4]	HK$1.14	HK$1.31

Notes:

(1) All statistics in this table are based on the assumption that the Over-allotment Option is not exercised.

(2) The calculation of market capitalization is based on 3,597,122,500 Shares expected to be issued and outstanding following the Global Offering.

(3) The calculation of the prospective price/earnings multiple on a pro forma fully diluted basis is based on the forecast earnings per Share on a pro forma diluted basis at the assumed Offer Price of HK$6.48 and HK$7.56 per Share assuming that the Over-allotment Option is not exercised.

(4) The pro forma adjusted net tangible asset value per Share is arrived at after the adjustments referred to in "Financial Information – Unaudited Pro Forma Adjusted Net Tangible Assets" on the basis of 3,597,122,500 Shares in issue and the respective Offer Prices of HK$6.48 per Share and HK$7.56 per Share.

Dividend Policy

We will not declare or pay any dividends other than from profits and reserves lawfully available for distribution, including share premium. Our Shareholders may approve the distribution of dividends in a general meeting, but the amount may not exceed the amount recommended by our Directors. Our Directors may from time to time also declare interim dividends half yearly or at other intervals at a fixed rate if they are of the opinion that the profits available for distribution justify the payment of such dividends.

We declared no dividend during the Track Record Period. The amount of any dividends to be declared or paid in the future will depend on, among other things, our results of operations, cash flows and financial condition, operating and capital requirements, the amount of distributable profits based on our Articles, the Cayman Companies Law, applicable laws and regulations and other relevant factors. Any future declarations of dividends may or may not reflect our historical declarations of dividends and will be at the absolute discretion of our Directors.

Any dividends declared will be in Hong Kong dollars with respect to the Shares on a per share basis and we will pay such dividend in Hong Kong dollars. The Directors believe that our dividend policy mentioned above will not adversely affect our working capital position. See "Financial Information – Dividends".

Use Of Proceeds

We estimate that we will receive net proceeds from the Global Offering of approximately HK$4,017.9 million, before exercise of the Over-allotment Option, after deducting the underwriting commissions and estimated expenses payable by us in relation to the Global Offering and assuming an Offer Price of HK$7.02 per Share, being the mid-point of the stated range of the Offer Price. We intend to use such net proceeds as follows:

- approximately 50% (HK$2,008.9 million) for financing our mine and transportation infrastructure development projects, which currently include approximately US$125 million (HK$970.5 million) to finance a portion of our railway project and approximately US$80 million (HK$621.1 million) for our coal handling and washing plant. See "Business – Mining Operations – General";

- approximately 40% (HK$1,607.2 million) for acquisitions of companies with existing exploration rights and additional mining assets. As of the Latest Practicable Date, we had not identified any acquisition targets; and

- the remaining net proceeds of approximately 10% (HK$401.8 million) to fund working capital and other general corporate purposes.

To the extent our net proceeds are either more or less than expected, we will adjust our allocation of the net proceeds for the above purposes on a pro rata basis. To the extent that proceeds are not used immediately for the purposes stated, they will be invested in short term demand deposits and money market instruments.

In the event that the Offer Price is set at HK$6.48 (being the low end of the indicative Offer Price range of HK$6.48 to HK$7.56 per Share as stated in this prospectus) and assuming the Over-allotment Option is not exercised, the net proceeds received by us will be reduced by approximately HK$312.8 million. In the event that the Offer Price is set at HK$7.56 (being the high end of the indicative Offer Price range of HK$6.48 to HK$7.56 per Share as stated in this prospectus) and assuming the Over-allotment Option is not exercised, the net proceeds received by us will be increased by approximately HK$312.8 million. In the event that the Over-allotment Option is exercised in full and based on an Offer Price of HK$7.02 (being the mid-point of the indicative Offer Price range of HK$6.48 to HK$7.56 per Share as stated in this prospectus), the net proceeds received by us will be increased by approximately HK$734.8 million.

The Selling Shareholders will be selling a portion of their Shares in the Global Offering. The Selling Shareholders will receive net proceeds of approximately HK$832.8 million after deducting underwriting commissions and discretionary incentive fees and estimated expenses payable by the Selling Shareholders in connection with the Global Offering and assuming an Offer Price of HK$7.02 per Share, being the midpoint of the indicative offer price range. We will not receive any of the proceeds from the sale of Shares by the Selling Shareholders in the Global Offering.

Risk Factors

There are certain risks relating to an investment in our Shares. These can be categorized into: (i) risks relating to our business and industry; (ii) risks relating to Mongolia; and (iii) risks relating to the Global Offering and our Shares. See "Risk Factors".

Risks Relating to Our Business and Industry

- Disruptions in transportation could adversely affect the demand for our coal and increase competition from coal producers in other parts of Asia and elsewhere in the world;

- The Government of Mongolia could determine that any one or more of our projects in Mongolia is a Mineral Deposit of Strategic Importance;

- Coal prices are cyclical and subject to significant fluctuation;

- We intend to use bank borrowings, but we may not be able to comply with the covenants under these borrowings or refinance such borrowings when they mature;

- We may be adversely affected by future economic downturns that reduce the demand for steel;

- Our mining activities are subject to operational risks, hazards and unexpected disruptions;
- The development of any new technology in the production of iron and steel may directly impact the demand for coking coal;
- Our limited operating history may not serve as an adequate measure of our future prospects and results of operations;
- We are experiencing a period of rapid growth and may not be able to manage our growth effectively;
- We face risks under our expansion program;
- We may face delays or cost overruns in connection with our paved road and railway projects;
- We are not sure when we can commence construction of our railway;
- We may not be successful in future acquisitions or may encounter difficulties in integrating and developing the acquired assets or businesses;
- We may acquire and develop non-coal assets;
- We need additional capital to fund our operations and growth which we may not be able to obtain on acceptable terms, or at all;
- We are dependent on future cash flows generated from our business and obtaining additional financing to support our business operations and expansion plans, and to continue as a going concern;
- Our mining operations are concentrated at one mining site;
- We rely on our contractors to perform key aspects of our operations;
- We currently depend on our coal traders and customers to wash our coal;
- The accuracy of our resources and reserves estimates are based on a number of assumptions and we may produce less coal than our current estimates;
- Coal markets are highly competitive and are affected by factors beyond our control;
- An oversupply of coal could adversely affect our profitability;
- Our dependence on a limited number of customers may cause significant fluctuations or declines in our revenues;

- We have limited insurance coverage which may not be sufficient to cover all of our potential losses;
- Increases in the costs of fuel could negatively affect our operating costs or disrupt or delay production;
- Licenses and permits are subject to renewal and various uncertainties;
- Issues with local communities may materially and adversely affect our business;
- Our business depends substantially on the continuing efforts of our executive officers and our ability to attract and retain qualified technical personnel;
- Our existing Shareholders have substantial influence over us and their interests may not be aligned with the interests of our other Shareholders;
- Foreign currency fluctuations could affect expenses and any future earnings;
- Our results of operations are subject to economic, political and legal developments in the PRC;
- The PRC government may impose restrictions on Mongolian coal;
- Our mining operations are exposed to environmental risks;
- Inclement weather may adversely affect our operations; and
- We may not be able to register our trademarks in Hong Kong.

Risks Relating to Mongolia

- Legislation in Mongolia may be subject to conflicting interpretations;
- Application of and amendments to legislation could adversely affect our mining rights or make it more difficult or expensive to develop our projects and continue mining;
- Uncertainties regarding VAT reimbursement and possible revisions to the Mongolian royalty fee system could adversely affect our financial position;
- Our ability to carry on business in Mongolia is subject to political risk; and
- Changes in, or more aggressive enforcement of, laws and regulations could adversely impact our business.

Risks Relating to the Global Offering and Our Shares

- There has been no prior public market for our Shares, and the liquidity and market price of our Shares may be volatile;

- Future issuances or sales, or perceived possible issuances or sales, of substantial amounts of our Shares in the public market could materially and adversely affect the prevailing market price of the Shares and our ability to raise capital in the future;

- The market price of our Shares when trading begins could be lower than the Offer Price as a result of, among other things, adverse market conditions or other adverse developments that could occur between the time of sale and the time trading begins;

- You may face difficulties in protecting your interests because we are incorporated under Cayman Islands law, which law may provide different protection to minority shareholders than the laws of Hong Kong and other jurisdictions;

- Our ability to raise capital in the future may be limited, and our failure to raise capital when needed could prevent us from executing our growth strategy successfully;

- Certain facts and statistics contained in this prospectus have come from official government sources or other industry publications, the reliability of which cannot be assumed or assured;

- Information in this document regarding future plans reflects current intentions and is subject to change; and

- We strongly caution you not to place any reliance on any information contained in press articles or other media regarding our Global Offering.