

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

CLARIFICATION ANNOUNCEMENT

The Company would like to clarify our results announcement published on 28 June 2011.

We refer to our results announcement for the financial year ended 31 March 2011 (the “**Announcement**”) published on 28 June 2011. Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement, unless otherwise stated.

After publication of the Announcement, there were news articles concerning the clarity of the Announcement in the paragraph of Emphasis of Matter on our certain licences which may be affected by the Mining Prohibition Law (the “**MPL**”).

The Company would like to clarify that we have in total 21 mining and exploration licences under our concessions in Mongolia and we have 4 mining licences and 1 exploration licence which may be affected by the MPL as mentioned in the paragraph of Emphasis of Matter. Among the mineral properties currently valued at approximately HK\$12,914 million, 4 out of 8 mining licences which may be affected by the MPL namely, 2913A, 4322A, 11888A and 15289A. Upon our enquiry with the Mineral Resources Authority of Mongolia (the “**MRAM**”), the MRAM replied that the boundary lines of restricted areas as defined by MPL have not been determined nor announced to the public and we were also informed that we can continue to operate normally under the Minerals Law of Mongolia. Since the passing of the MPL on 16 July 2009, our mining and exploration activities under our concessions are conducted as usual and have not been affected by the MPL. For shareholders’ information, none of our licences has been revoked by the Mongolia Government under the MPL as at 31 March 2011 and as at the date of this announcement. Shareholders please refer to note (9) of the Announcement for detailed information.

By Order of the Board
Mongolia Energy Corporation Limited
Tang Chi Kei
Company Secretary

Hong Kong, 4 July 2011

As at the date hereof, the Board comprises seven Directors, of which Mr. Lo Lin Shing, Simon, Mr. Liu Zhuo Wei and Ms. Yvette Ong are executive Directors, Mr. To Hin Tsun, Gerald is a non-executive Director and Mr. Peter Pun ^{OBE, JP} Mr. Tsui Hing Chuen, William ^{JP} and Mr. Lau Wai Piu are independent non-executive Directors.