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MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

ANNOUNCEMENT

CHANGE OF SENIOR EXECUTIVES

<p>Mr. James Schaeffer will retire from the office of Chief Executive Officer with effect from 1 June 2012. On the same date, Ms. Yvette Ong will be appointed as Managing Director.</p>
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The Board of Directors (the “**Board**”) of Mongolia Energy Corporation Limited (“**MEC**” or the “**Company**”) announces that Mr. James J. Schaeffer, Jr. will retire from the office of Chief Executive Officer with effect from 1 June 2012. He will continue to provide strategic and technical advice to MEC as a strategic adviser effective on the same date.

Mr. Schaeffer joined us in 2007 overseeing the technical and business development of our newly acquired resources projects in Mongolia. The Khushuut Coal Mine was at its inception stage by then. With his dedication and leadership, the Khushuut Coal Mine came into commercial production at last, bringing us to a new chapter of development.

Mr. Schaeffer confirms that he has no disagreement with the Board and that he is not aware of any matters relating to his retirement that need to be brought to the attention of the Company’s shareholders. The retirement of Mr. Schaeffer will not affect the management of the Company as we have already set up a professional team in Hong Kong and Mongolia, together with the help of external experts, for the mining and exploration operation, and they will continue to be led by Ms. Yvette Ong. The Board hereby expresses its gratitude to Mr. Schaeffer for his contribution to MEC over the past years.

In addition, the Board is please to announce that Ms. Ong, aged 47, the current Executive Director, will be appointed as Managing Director of the Company. She has been a Director to the Company since 27 September 1999. Ms. Ong is responsible for providing leadership for the management, implementing strategies and overseeing the operations of the Company. Ms. Ong has over 20 years of experience in business management. She holds a MBA degree in Management Information Systems and Marketing and a Bachelor degree in Finance and Management from the University of San Francisco.

Ms. Ong has not held any directorship in other listed companies in the last three years and does not have any relationship with any other directors, senior management, substantial or controlling shareholders (as defined in the Listing Rules) of the Company. There is no service contract entered into between the Company and Ms. Ong. However, she has an agreement with a subsidiary of the Company, which is terminable by either party by giving to the other not less than three months’ notice in writing.

In addition, Ms. Ong is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. She was censured by the Listing Committee of the Stock Exchange for breach of the Listing Rules as announced on 28 October 2010 and she completed the required training course in April 2011. The annual remuneration of Ms. Ong is approximately HK\$2,475,000 comprising the annual salary and benefits in kind, and contributions to pension schemes, which is determined in accordance with the policy reviewed by the remuneration committee of the Company.

Ms. Ong holds 5,500,000 share options under the Share Option Scheme and 1,090,000 Shares of the Company. Apart from this, she has no other interest of the Company which is required to be notified to the Company and the Stock Exchange under Part XV of the SFO. Save as disclosed above, there is no other matter that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

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

Hong Kong, 31 May 2012

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 Pin are Independent Non-executive Directors.