

SUBSTANTIAL SHAREHOLDERS AND SELLING SHAREHOLDERS

Substantial Shareholders

So far as we are aware, immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised and without taking into account any Shares to be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme), the following persons will have an interest or short position in our Shares or underlying Shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Company:

Name	Number of Shares held after the Global Offering	Capacity/Nature of interest	Approximate percentage of shareholding after the Global Offering
MCS Mining Group Limited (<i>Note 1</i>)	1,629,669,000	Registered owner	45.3%
MCS Group Limited (<i>Note 1</i>)	1,629,669,000	Interest of controlled corporation	45.3%
MCS Holding LLC (<i>Note 1</i>)	1,629,669,000	Interest of controlled corporation	45.3%
Mr. Odjargal Jambaljamts (<i>Note 1</i>)	1,629,669,000	Interest of controlled corporation	45.3%
Mr. Od Jambaljamts (<i>Note 1</i>)	1,629,669,000	Interest of controlled corporation	45.3%
Petrovis Resources Inc. (<i>Note 2</i>)	423,000,000	Registered owner	11.8%
Petrovis LLC (<i>Note 2</i>)	423,000,000	Interest of controlled corporation	11.8%
Dr. Oyungerel Janchiv (<i>Note 2</i>)	423,000,000	Interest of controlled corporation	11.8%
Mr. Davaanyam Choindon (<i>Note 2</i>)	423,000,000	Interest of controlled corporation	11.8%
Mongol Contract LLC (<i>Note 2</i>)	423,000,000	Interest of controlled corporation	11.8%
Ms. Tuya Danzandarjaa (<i>Note 2</i>)	423,000,000	Interest of controlled corporation	11.8%
Kerry Mining (UHG) Limited (<i>Note 3</i>)	300,000,000	Registered owner	8.1%
Kerry Mining (Mongolia) Limited (<i>Note 3</i>)	300,000,000	Interest of controlled corporation	8.1%
Fexos Limited (<i>Note 3</i>)	300,000,000	Interest of controlled corporation	8.1%
Kerry Holdings Limited (<i>Note 3</i>)	300,000,000	Interest of controlled corporation	8.1%
Kerry Group Limited (<i>Note 3</i>)	300,000,000	Interest of controlled corporation	8.1%
Ancora Investments No.2 Limited (<i>Note 4</i>)	228,000,000	Registered owner	6.3%
Casafina Offshore Limited (<i>Note 4</i>)	228,000,000	Interest of controlled corporation	6.3%

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Name	Number of Shares held after the Global Offering	Capacity/Nature of interest	Approximate percentage of shareholding after the Global Offering
Graydens Development Ltd (<i>Note 4</i>)	228,000,000	Interest of controlled corporation	6.3%
Ms. Veronica Lukito (<i>Note 4</i>)	228,000,000	Interest of controlled corporation	6.3%
Shunkhlai Mining (<i>Noted 5</i>)	183,000,000	Registered owner	5.1%
Shunkhlai Mining LLC (<i>Note 5</i>)	183,000,000	Interest of controlled corporation	5.1%
Shunkhlai Group LLC (<i>Note 5</i>)	183,000,000	Interest of controlled corporation	5.1%
Mr. Batsaikhan Purev (<i>Note 5</i>)	183,000,000	Interest of controlled corporation	5.1%
Mr. Batkhuu Gavaa (<i>Note 5</i>)	183,000,000	Interest of controlled corporation	5.1%

Notes:

1. *The entire issued share capital of MCS Mining Group Limited is wholly owned by MCS Group Limited which in turn is a direct wholly-owned subsidiary of MCS Holding. MCS Holding is owned as to approximately 46.9% by Mr. Odjargal Jambaljamts, 27.0% by Mr. Od Jambaljamts, 7.2% by Ms. Enkhtsetseg Damdinsuren, 3.0% by Mr. Eldev-Ochir Lkhagvaa, 3.0% by Mr. Enkh-Amgalan Luvsantseren, 2.0% by Mr. Enkhtuvshin Dashtseren, 0.5% by Ms. Otgonchimeg Bazarragchaa, 0.5% by Ms. Chingee Ochirvaani and 0.4% by Mr. Gankhuyag Adilbish and 9.5% by MCS Holding as treasury stock. Mr. Odjargal Jambaljamts is the brother of Mr. Od Jambaljamts. Save as disclosed above, there is no relationship among the nine shareholders of MCS Holding. Mr. Odjargal Jambaljamts, Mr. Od Jambaljamts, MCS Holding and MCS Group Limited are deemed to have an interest in the 1,629,669,000 Shares held by MCS Mining Group Limited under the provisions of the SFO.*
2. *The entire issued share capital of Petrovis Resources Inc. is owned by Petrovis LLC which is owned as to approximately 33.4% by Dr. Oyungerel Janchiv, 33.3% by Mr. Davaanyam Choindon and 33.3% by Mongol Contract LLC (which is wholly owned by Ms. Tuya Danzandarjaa). Ms. Tuya Danzandarjaa, Mongol Contract LLC, Mr. Davaanyam Choindon, Dr. Oyungerel Janchiv and Petrovis LLC are deemed to have an interest in the 423,000,000 Shares held by Petrovis Resources Inc. under the provisions of the SFO.*
3. *Kerry Mining (UHG) Limited (“KMUHG”) is a direct wholly-owned subsidiary of Kerry Mining (Mongolia) Limited (“KMM”) which is owned as to approximately 49.38% by Fexos Limited (“Fexos”). Fexos is a direct wholly-owned subsidiary of Kerry Holdings Limited (“KHL”) which in turn is a direct wholly-owned subsidiary of Kerry Group Limited (“KGL”). The Shares in which KMUHG are shown to be interested are also included in the shares in which KMM, Fexos, KHL and KGL are shown to be interested.*
4. *The entire issued share capital of Ancora Investments No.2 Limited is owned as to approximately 79.2% by Casafina Offshore Limited (“Casafina”) and approximately 20.8% by Ancora Investments HK Ltd. Casafina is a wholly-owned subsidiary of Graydens Development Ltd (“Graydens”) which in turn is wholly owned by Ms. Veronica Lukito. Ms. Veronica Lukito, Graydens and Casafina are deemed to have an interest in the 228,000,000 Shares held by Ancora Investments No.2 Limited under the provisions of the SFO.*

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5. *The entire issued share capital of Shunkhlai Mining is wholly owned by Shunkhlai Mining LLC which in turn is a wholly-owned subsidiary of Shunkhlai Group LLC. Shunkhlai Group LLC is owned as to 50% by Mr. Batsaikhan Purev and 50% by Mr. Batkhoo Gavaa. Mr. Batsaikhan Purev is the brother of Mr. Batkhoo Gavaa. Mr. Batkhoo Gavaa, Mr. Batsaikhan Purev, Shunkhlai Group LLC and Shunkhlai Mining LLC are deemed to have an interest in the 183,000,000 Shares held by Shunkhlai Mining under the provisions of the SFO.*

Save as disclosed in this prospectus, we are not aware of any other person who will, immediately following completion of the Global Offering (assuming the Over-allotment Option is not exercised and without taking into account any Shares to be allotted and issued upon the exercise of any options which may be granted under the Share Option Scheme), have an interest or short position in our Shares or underlying shares of our Company which would fall to be disclosed to us pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who is, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of our Company. We are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

Selling Shareholders

Pursuant to the International Underwriting Agreement, MCS Mining Group Limited and EBRD will sell 86,331,000 and 35,971,000 Shares respectively, representing approximately 2.4% and 1%, respectively, of the total issued share capital of the Company immediately following completion of the Global Offering without taking into account any Shares which may be issued pursuant to the exercise of the Over-allotment Option. The respective shareholdings of the Selling Shareholders immediately prior to and following the completion of the Global Offering, before giving effect to the exercise of the Over-allotment Option, are set out in the table below.

Selling Shareholders	Number of Shares held by Selling Shareholder prior to sale of Shares	Number of Shares sold by Selling Shareholder	After the Global Offering and the sale of Shares by Selling Shareholders but before the exercise of the Over-allotment Option	
	(Shares)	(Shares)	(Shares)	(%)
MCS Mining Group Limited	1,716,000,000	86,331,000	1,629,669,000	45.3
European Bank for Reconstruction and Development	150,000,000	35,971,000	114,029,000	3.2

For more details of the lock-up arrangements restricting some of our Shareholders to sell or otherwise dispose of our Shares, please refer to the section headed “Underwriting” in this prospectus.