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## FORWARD-LOOKING STATEMENTS

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*We have included in this prospectus forward-looking statements. Statements that are not historical facts, including statements about our intentions, beliefs, expectations or predictions for the future, are forward-looking statements.*

**Forward-looking statements contained in the prospectus are subject to risks and uncertainties**

These forward-looking statements include, without limitation, statements relating to:

- our business strategies;
- our capital expenditure plans;
- our future production targets;
- our operations and business prospects;
- our financial figures;
- our dividend policy;
- the regulatory environment as well as the industry outlook generally;
- future developments in our industry, including but not limited to the statements in the “Industry Overview” section; and
- general economic trends in Mongolia.

This prospectus contains certain statements that are “forward-looking” and uses forward-looking terminology such as “anticipate”, “believe”, “can”, “could”, “continue”, “estimate”, “expect”, “going forward”, “intend”, “may”, “ought to”, “plan”, “potential”, “seek”, “should” or “will”. Those statements include, among other things, the discussion of our growth strategy and expectations concerning our future operations, liquidity and capital resources. Purchasers of our Shares are cautioned that reliance on any forward-looking statement involves risks and uncertainties and that, although we believe the assumptions on which the forward-looking statements are based are reasonable, any or all of those assumptions could prove to be inaccurate and as a result, the forward-looking statements based on those assumptions could also be incorrect. The risks and uncertainties in this regard include those identified in the “Risk Factors” section in this prospectus. Actual results may differ materially from information contained in forward-looking statements as a result of numerous factors, including, without limitation, those described in the “Risk Factors” section and the following:

- supply and demand changes in coal;
- changes in prices for coal;

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- our production capabilities;
- our plans and objectives for future operations and expansion or consolidation;
- our relationship with, and other conditions affecting, our customers;
- risks inherent to our mining and production;
- delays in the construction of our railway;
- competition;
- inflationary trends and interest rate changes;
- the effects of changes in currency exchange rates;
- environmental laws and regulations;
- regulatory and court decisions;
- future legislation, including regulations and rules as well as changes in enforcement policies;
- changes in political, economic, legal and social conditions in Mongolia and China, including the government's specific policies with respects to the coal industry, economic growth, inflation, foreign exchanges and the availability of credit;
- economic conditions in Asia, the United States, Europe and elsewhere in the world;
- weather conditions or catastrophic weather-related damage; and
- our liquidity and financial condition.

We undertake no obligation to publicly update or revise any forward-looking statements contained in this prospectus, whether as a result of new information, future events or otherwise, except as required by applicable laws, rules and regulations. All forward-looking statements contained in this prospectus are qualified by reference to this cautionary statement.

In light of these and other risks and uncertainties, the inclusion of forward-looking statements should not be regarded as representations by us that our plans and objectives will be achieved.