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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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### General

The Board consists of 12 Directors, comprising two executive Directors, seven non-executive Directors and three independent non-executive Directors.

The principal functions and duties conferred on our Board include:

- convening Shareholders' general meetings and reporting our Board's work at Shareholders' general meetings;
- implementing the resolutions passed by our Shareholders in general meetings;
- deciding our business plans and investment plans;
- preparing our annual financial budgets and final reports;
- formulating the proposals for profit distributions, recovery of losses and for the increase or reduction of our authorized share capital; and
- exercising other powers, functions and duties conferred by our Shareholders in general meetings.

The following table provides information about our Directors and other senior managers of our Company.

<u>Name</u>	<u>Age</u>	<u>Residential address</u>	<u>Date of commencing employment with the Group</u>	<u>Position</u>
Odjargal Jambaljamts . . .	44	House E-3, Selbe Town 7th Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	June 2007	Executive Director and Chairman of the Board
Battsengel Gotov . . . . .	37	Apartment 11 Building 45, Erel Town 1st Housing Committee Khan-Uul District Ulaanbaatar Mongolia	June 2008	Executive Director and Chief Executive Officer

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<u>Name</u>	<u>Age</u>	<u>Residential address</u>	<u>Date of commencing employment with the Group</u>	<u>Position</u>
Gantumur Lingov . . . . .	40	Jargalan Town 1-3 1st Housing Committee Khan-Uul District Ulaanbaatar Mongolia	September 2010	Non-executive Director
Enkhtuvshin Gombo. . . . .	39	Apartment 18 Building 32/1 Olympic Street 1st Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	September 2010	Non-executive Director
Enkh-Amgalan Luvsantseren . . . . .	40	House D-4, Selbe Town 7th Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	April 2009	Non-executive Director
Badamtsetseg Dash-Ulzii . . . . .	34	House E-1 Selbe Town 7th Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	September 2010	Non-executive Director
Batsaikhan Purev . . . . .	43	Apartment 57, Block C Shine Tugul 2nd Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	March 2008	Non-executive Director
Oyungerel Janchiv . . . . .	55	Apartment 401 Building 202 Royal Green Villa 11th Housing Committee Section 2 Khan-Uul District Ulaanbaatar Mongolia	March 2008	Non-executive Director

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Name	Age	Residential address	Date of commencing employment with the Group	Position
Philip Hubert ter Woort . . . . .	49	Apartment 214 Building 200 Bella Vista Complex Zaisangiin Am 11th Housing Committee Khan-Uul District Ulaanbaatar Mongolia	November 2009	Non-executive Director
Unenbat Jigjid . . . . .	48	Apartment 9 Building 26/1 2nd Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	September 2010	Independent non-executive Director
Ochirbat Punsalmaa . . . . .	68	Building 11, Olympic Street 1st Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	September 2010	Independent non-executive Director
Chan Tze Ching, Ignatius . . . . .	53	Flat 6D, Portofino Villas 88 Pak To Avenue Clearwater Bay Kowloon Hong Kong	September 2010	Independent non-executive Director
Enkhtuvshin Dashtseren . . . . .	34	House E-8, Selbe Town 7th Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	May 2008	Chief Marketing Officer
Bayarbayasgalan Dorjderem . . . . .	36	Apartment 34 Building 48 3rd Housing Committee Baganuur District Ulaanbaatar Mongolia	January 2009	Vice President, Mining

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Name	Age	Residential address	Date of commencing employment with the Group	Position
Gary Ballantine . . . . .	42	House F-47 Selbe Town 7th Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	July 2010	Principal Geologist
Buljinsuren Gelenkhuu . . .	51	Apartment 12 Building 8 1st Housing Committee Baganuur District Ulaanbaatar Mongolia	January 2009	Vice President, Safety
Oyunbat Lkhagvatsend . . .	34	Apartment 35 Building 20 Olympic Street 1st Housing Committee Sukhbaatar District Ulaanbaatar Mongolia	July 2008	Vice President, Transportation and Logistics and Chief Executive Officer of Energy Resources Rail LLC
Davaakhuu Chultem . . . .	37	Apartment 18 Building 64 Section 7 11th Housing Committee Khan-Uul District Ulaanbaatar Mongolia	February 2010	Vice President, Project Management
Bat-Erdene Gansukh . . . .	30	Apartment 25 Building 402 Bayan Mongol Town 12th Housing Committee Bayahzurkh District Ulaanbaatar Mongolia	October 2008	Vice President, Finance

### Authorized representatives

Ms. Badamtsetseg Dash-Ulzii and Ms. Ng Sin Yee, Clare have been appointed as the authorized representatives of our Company under Rules 3.05 and 19.36(6) of the Listing Rules. The authorized representatives will act as the principal communication channel with the Stock Exchange and will make themselves readily available in Hong Kong whenever necessary to deal with inquiries from the Stock Exchange. When the Stock Exchange contacts the authorized representatives, they will be able to contact all members of the Board immediately, ensuring an effective communication channel with the Stock Exchange.

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In addition to appointing the authorized representatives, our Company has also retained the services of a compliance advisor which, in addition to the authorized representatives of the Company, will act as the principal channel of communication with the Stock Exchange from the Listing Date until the date on which the Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year following Listing.

### **Executive Directors**

#### *Mr. Odjargal Jambaljamts Executive Director and Chairman of the Board*

**Odjargal JAMBALJAMTS**, aged 44, is our executive Director and chairman of the Board. Mr. Jambaljamts was brought up in Mongolia and was awarded a bachelor's degree in cybernetics of electrical system by the Kiev Polytechnic Institute in 1989, a diploma in business and management from the Academy of Management, Government Agency of Mongolia in June 1992 and a master's degree in business administration from the Maastricht School of Management, Ulaanbaatar, Mongolia in April 2000.

From 1989 to 1991, Mr. Jambaljamts was an automation engineer at the Energy Authority of Ulaanbaatar, Mongolia. From 1992 to 1993, he was an economist at the Hydropower LLC for the Project of Egiin River. From 1993 to the present, Mr. Jambaljamts is the chairman of the MCS Group. Under his management, the MCS Group has become one of the largest and most diversified privately-held holding companies in Mongolia. The MCS Group has interests in sectors such as mining, energy and infrastructure, information and communication technology, beverage manufacturing and distribution, wholesale and retail trading, property development and management. Most of the companies in the MCS Group are leaders in their respective sectors and have been acknowledged as leaders through a number of industry and governmental awards.

Mr. Jambaljamts has been closely involved in several mining projects and exposed to all different stages of mining, including exploration, feasibility, mine development and mine production since 1997. Mr. Jambaljamts was the person in charge and had overall responsibility for Metal Invest LLC's, a Mongolian-Canadian joint venture, Mongolian operations. This principally included overseeing and managing the exploration and mining activities in Bayankhongor aimag, in the area that was known for its coal and other mineral deposits. By the end of 1997, the following had been completed in connection with Metal Invest LLC: (1) Mongolian geologists were trained in North America; (2) lithochemical reconnaissance; (3) soil geochemical reconnaissance; (4) geological mapping reconnaissance; (5) thorough reports, maps and analyses; (6) all other works needed to assess the potential for the exploration license under study; (7) selection of a reduced area for further exploration; (8) review of the plan and budget for the first exploration period; and (9) the approval for the plan and budget for the second exploration period.

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From 1997 to 2005, Mr. Jambaljamts was a shareholder of MINCON Co., Ltd. (“MINCON”). MINCON is the local consulting company for the Baga-nuur and Shivee-Ovoo Coal Mine Development Project (“BASOCO”). MINCON provided to BASOCO local consulting services on mining machinery, equipment, technology and mine service facilities, including coal handling plants, de-watering systems, garages, heating systems, civil and building works and environmental monitoring in the mine area, mine management and economic issues and developing BASOCO’s environmental impact assessment. In addition, MINCON assisted in the preparation of the feasibility study for the Alag togoo coal mine.

He became involved in management of ER LLC after MCS Holding became a beneficial shareholder of ER LLC via its shareholding interests in ERI in April 2007. He was responsible for the overall management of its Tavan Tolgoi project, which at that time included six coal deposits (including our UHG deposit). He worked closely to produce the bankable feasibility study, to submit the reserve calculations for approval and to obtain mining rights. Under his management, the UHG mine project became clearly defined, and studies on the proposed mine’s geology and coal resources, mining, coal processing, main markets and transportation, infrastructure, including rail, power plant and township, environmental impacts and considerations, and socioeconomic issues were completed.

He assembled the current management for ER LLC and formulated the long-term plan for ER LLC’s mine development at the UHG mine and managed the mine construction. Under his leadership, he transformed ER LLC from simply an exploration license-holder engaging in minimal exploration activities into the largest producer and exporter of coking coal in Mongolia (according to the official record of the Mongolian Customs Office), the largest Mongolian exporter of high-quality coking coal (by aggregate export volume, for the six months ended June 30, 2010) and the most advanced coking coal operation in Mongolia.

Through MCS Group, Mr. Jambaljamts is also involved in other mining projects. Olova LLC, a mining joint venture established in September 2007, is a tin mine with an operational tin concentrate production line with capacity of 35 m<sup>3</sup>/h sand washing, which produces 50 tonnes of 60% tin concentrate. UCC LLC, a mining joint venture established in February 2006, is a copper and zinc mine, and currently exploration work on the main deposit is being finalized for registration with the Government of Mongolia. Mr. Jambaljamts is a chairman of the Board of Directors of Spirit Bal Buram Joint Stock Company which was a company listed on the Mongolia Stock Exchange. On April 16, 2010, the MCS Group decided to take this company private. Mr. Jambaljamts is currently the non-executive chairman of MCS Holding and was appointed as our executive Director on May 18, 2010. Mr. Jambaljamts has over 14 years of experience in exploration and/or extraction activities.

*Dr. Battengel Gotov Executive Director and Chief Executive Officer*

**Battengel GOTOV**, aged 37, is our executive Director and chief executive officer. He was awarded a master’s degree in science in May 1996 by Comenius University, Bratislava, Slovakia and a PhD in Organic Chemistry in October 1999 by the same university. Dr. Gotov is a board member of the Mongolian National Mining Association, the Mineral Industry Safety Association and South Gobi Business Counsel.

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From 1996 to 2000, Dr. Gotov was an assistant professor at Comenius University in Bratislava, where he was heavily engaged in basic research studying stereoselective catalytic reactions using as the catalyst either transition metal complexes or organocatalysts. He moved to the University of Cologne, Germany in September 2000 as a research fellow sponsored by the Alexander von Humboldt Foundation. He stayed at the University of Cologne, Germany from September 2000 until October 2003 as a postdoctoral fellow. For two years he was financed by a scholarship of the Alexander von Humboldt Foundation. The research project he worked on concerned the development of ligands for the enantioselective catalysis. The success of his research led to a series of publications in scientific journals and to cooperation with Degussa AG in a joint research project regarding synthesis and synthesis optimization of phosphor-containing ligands.

Dr. Gotov joined the MCS Group in February 2004 as the head of quality assurance department at MCS Coca-Cola LLC. In October 2004, he was appointed as the director of production and procurement at Spirit Bal Buram Joint Stock Company, Mongolia's major producer of distilled grain spirit and vodka brands. In October 2006, he was appointed as the commercial director of MCS APB LLC (a joint venture of the MCS Group and a Singapore-listed enterprise).

Dr. Gotov joined our Group in June 2008 as the chief executive officer of ER LLC. In 2008, ER LLC, together with Norwest Corporation, started an exploration drilling program at the UHG deposit which resulted in the publication of a JORC compliant resource statement for the UHG coking coal deposit. Dr. Gotov also supervised the organization of samples handling and shipment to SGS Tianjin laboratories for performing coal washability and metallurgical testing. Also in 2008, Dr. Gotov led the discussion and commercial negotiations with bidders for the contract mining and coal handling preparation plant which resulted in the conclusion of a contractual engagement with Leighton to act as the contract miner and Sedgman to act as the contractor under the EPCM. Since October 2008, he has been involved in managing the UHG deposit's site preparatory work, boxcut, establishment of temporary mining site facilities, the setting up of facilities at the UHG deposit and obtaining various governmental permits and licenses which resulted in the launch of coal mining transporting and exporting commercial operations in April 2009 and a total of 2.3 million tonnes of coal being mined in the first 12 months of operations at the UHG deposit. Over the years, Dr. Gotov, with his academic background in organic chemistry which involves the scientific study of structure, properties, composition, reactions and preparation of carbon-based compounds such as coal, has successfully transformed the UHG deposit from a green-field project to a profitable, full-fledged mining operation. He represents ER LLC in all matters with state and local governmental and regulatory authorities, non-governmental organizations and local community. He is also responsible for managing, supervising and coordinating mining and processing projects in association with related infrastructure projects such as water exploration and supply and distribution facilities, power supply and distribution facilities, coal trucking road maintenance and construction project and other support infrastructure such as airport and mine workers camp. As at the Latest Practicable Date, Dr. Gotov did not hold any directorship in any Hong Kong or overseas listed company. Dr. Gotov was appointed as our executive Director on May 18, 2010. Dr. Gotov has over two years of experience in exploration and/or extraction activities.

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### Non-executive Directors

#### *Mr. Gantumur Lingov Non-executive Director*

**Gantumur LINGOV**, aged 40, is our non-executive Director. He was awarded a diploma as engineer-economist of fuel & energy industry by the State Academy of Management, Moscow, Russian Federation in June 1993, a master's degree in business administration by the Mongolian Technical University, Ulaanbaatar, Mongolia in January 1995 and a master's degree in business administration (international business) by the Maastricht School of Management, Maastricht, Netherlands in September 1998.

Mr. Lingov taught at the Computer Science & Management School of Mongolian Technical University from 1993 to 1997. During February to August 1997, Mr. Lingov worked as a national project coordinator on the UNESCO/DANIDA Project where he was involved in frequent direct interactions and cooperation with UNESCO headquarters in Paris, UNDP representative office in Ulaanbaatar, the cabinet secretariat of the Government of Mongolia and the provincial governments. Mr. Lingov joined Procter & Gamble ("P&G") in March 1999 as a retail account manager and was later promoted to be the country manager for Mongolia and head of P&G Eastern Europe Inc. in Mongolia. Mr. Lingov became P&G's distributor operations manager for the whole Central Asia & Caucasus region in April 2004 and the manager on special assignment in October 2005. Mr. Lingov joined the MCS Group in July 2006 as a vice-president for human resources of MCS Holding LLC where he was responsible for the human resources and organization development. He became the managing director of MCS Management LLC in October 2007 and is responsible for the overall management of MCS Management LLC. As at the Latest Practicable Date, Mr. Lingov did not hold any directorship in any Hong Kong or overseas listed company. Mr. Lingov is currently an executive director and vice president of MCS Holding. Mr. Lingov is a representative of MCS Holding and was appointed as our non-executive Director on September 16, 2010.

#### *Ms. Enkhtuvshin Gombo Non-executive Director*

**Enkhtuvshin GOMBO**, aged 39, is our non-executive Director. Ms. Gombo was awarded a bachelor's degree in banking and finance by the Economic College of Mongolia in June 1994, a master's degree in business administration by the University of Birmingham in December 1998 and a master's degree in science by the University of Colorado in December 2001.

Between 1994 and 1997, Ms. Gombo worked in the Trade and Development Bank as an assistant worker, supervising accountant and senior accountant. Ms. Gombo joined the MCS Group in 2003 as a financial analyst of MCS Holding where she participated in various development projects such as the development of the office tower and residential properties. Ms. Gombo became the head of the planning unit of the finance department in 2006 and she was in charge of the preparation of consolidated budgets for financial statements, analysis of MCS Group's financial performance and financial information, the development of management reports and the organization and management of planning units of the subsidiary companies. Ms. Gombo was appointed as a director of MCS Group's finance department in

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2008 when she successfully organized the first international auditing and established a strong financial team, good relationships with international financial organizations as well as with commercial banks. As at the Latest Practicable Date, Ms. Gombo did not hold any directorship in any Hong Kong or overseas listed company. Ms. Gombo is currently the director of finance department of MCS Holding. Ms. Gombo is a representative of MCS Holding and was appointed as our non-executive Director on September 16, 2010.

*Mr. Enkh-Amgalan Luvsantseren Non-executive Director*

**Enkh-Amgalan LUVSANTSEREN**, aged 40, is our non-executive Director. Mr. Luvsantseren was awarded a diploma in arts by the Sankt-Petersburg University in June 1992 and a master's degree in business administration by Handong Global University, Pohang, Korea in August 2003.

From 1992 to 1995, Mr. Luvsantseren was the editor-in-chief of "Il Tovchoo," a national weekly newspaper. From 1995 to 1997, Mr. Luvsantseren was the managing director of the Interpress Company based in Ulaanbaatar. Mr. Luvsantseren joined the MCS Group in 1997. During his tenure with the MCS Group, he held various positions, including as a deputy director of MCS Holding and the managing director of MCS Electronics LLC. Mr. Luvsantseren has also been a vice president of the MCS Group since 2002. Since 2009, Mr. Luvsantseren has been a director of ER LLC. He was also the executive vice president for infrastructure development of ER LLC until June 1, 2010. He is also a board director of Coal Road LLC, United LLC and Sky Resort LLC. As at the Latest Practicable Date, Mr. Luvsantseren did not hold any directorship in any Hong Kong or overseas listed company. Mr. Luvsantseren is currently an executive director and an executive vice-president of MCS Holding. Mr. Luvsantseren is a representative of MCS Holding and was appointed as our non-executive Director on September 16, 2010.

*Ms. Badamtsetseg Dash-Ulzii Non-executive Director*

**Badamtsetseg DASH-ULZII**, aged 34, is our non-executive Director. Ms. Dash-Ulzii was awarded a bachelor's degree in business administration by George Washington University in January 1999 and a master's degree in international affairs by Columbia University in May 2001.

Ms. Dash-Ulzii worked in the World Bank's East Asia and Pacific Vice Presidency's Chief Economist's office in Washington, D.C. from 1999 to 2000 and at JP Morgan in New York when she obtained financial and economic analysis experience. From 2002 to 2003, she was an advisor/economist for the USAID's Economic Policy Support Project in Ulaanbaatar, Mongolia and was responsible for project work in mining, minerals, banking, energy, insurance and financial sectors. She also co-drafted the Economic Development Strategy for Mongolia and was a member of the project team advising the Prime Minister's office on economic policy in mining, minerals and financial sectors. From 2005 to 2006, she was a director of the investments department of the Trade and Development Bank of Mongolia. Ms. Dash-Ulzii was appointed as a director of MCS Holding in 2007 and she was responsible for the management

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of the Tavan Tolgoi project. Since 2007, she has also been the director of the National Venture Capital LLC, the first venture capital firm in Mongolia. As at the Latest Practicable Date, Ms. Dash-Ulzii did not hold any directorship in any Hong Kong or overseas listed company. Ms. Dash-Ulzii is currently an executive director of MCS Holding. Ms. Dash-Ulzii is a representative of MCS Holding and was appointed as our non-executive Director on September 16, 2010.

*Mr. Batsaikhan Purev Non-executive Director*

**Batsaikhan PUREV**, aged 43, is our non-executive Director. He was awarded a bachelor's degree in mechanical engineering from the Mongolian Technical University in December 1995.

In 1993, Mr. Purev founded Shunkhlai LLC, which was one of the first private companies established in Mongolia and one of the largest Mongolian petroleum companies. Mr. Purev has been the general director of Shunkhlai LLC, Shunkhlai Group LLC and executive director of Shunkhlai Mining LLC since 1993, 2003 and 2009 respectively. Mr. Purev is responsible for the strategic planning and supervision of day-to-day management activities of the group companies. He is also in charge of investment programmes into various mining projects, including ER LLC's UHG project. Besides his involvement with the Shunkhlai Group, Mr. Purev was appointed as the managing director and chairman of APU Joint Stock Company (a company listed on the Mongolia Stock Exchange) in July 2004 and April 2008, respectively, where he was responsible for the supervision of the company's executive management, strategic decision making, policy formulation and day-to-day management of production, sales and financial operations. Save as disclosed above, as at the Latest Practicable Date, Mr. Purev did not hold any directorship in any Hong Kong or overseas listed company. Mr. Purev is a representative of Shunkhlai Mining and was appointed as our non-executive Director on September 16, 2010.

*Dr. Oyungerel Janchiv Non-executive Director*

**Oyungerel JANCHIV**, aged 55, is our non-executive Director. Dr. Janchiv was awarded a Diploma of Doctor (Ph.D.) in January 2007 from Russian State University of Oil and Gas by Gubkin and a diploma of engineer-economist of petroleum and gas industry by the Moscow order of Red Banner Labor Institute of Oil and Gas named after I. M. Gubkin, Moscow, Russian Federation in June 1979.

Dr. Janchiv started her career as a petroleum economist at the central oil supply depot of the Oil Supply Management Authority from 1979 to 1982. From 1988-1990, she served as a chief economist in the Oil Supply Management Authority, Mongolia. From 1990 to 1996, she was the general director of the board of directors of the Neft Import Concern ("NIC") and was responsible for managing the importation and distribution of petroleum products. Since 1996, she has been the chairperson and the general director of Petrovis LLC, the largest petroleum importation and distribution company of Mongolia. She is also a non-executive director and the deputy chairperson of Petro Matad Limited, a subsidiary of Petrovis LLC engaged in oil

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exploration and listed on the London Stock Exchange. Save as disclosed above, as at the Latest Practicable Date, Dr. Janchiv did not hold any directorship in any Hong Kong or overseas listed company. Dr. Janchiv is a representative of Petrovis Resources Inc. and was appointed as our non-executive Director on September 16, 2010.

*Mr. Philip Hubert ter Woort Non-executive Director*

**Philip Hubert TER WOORT**, aged 49, graduated from the University of Amsterdam in March 1988 with a Masters degree in Economics (“Doctoraal”) and joined after his studies Billiton International Metals BV (“Billiton”) (at that time part of the Royal Dutch Shell Group) as finance trainee.

Between 1990-1997, Mr. ter Woort worked in ING Bank N.V. and he held various positions within the ING Group (and its predecessors), including as account officer of corporate banking with ING in Belgium and account manager of export & project finance and senior account manager specialized commodity finance, both based with ING Bank Amsterdam. In those positions he gained substantial product expertise in corporate banking, export & project finance and structured commodity finance.

From 1997 to 1998, Mr. ter Woort worked for Cargill Financial Services in Geneva, Switzerland as a senior structured financier where he worked on various structured commodity finance transactions.

In 1998, Mr. ter Woort moved to Moscow, Russia to join ABN AMRO Bank A.O. Moscon, Russia where he was appointed as vice president corporate banking during which period he managed a team which was responsible for various sectors of ABN AMRO Bank Moscow’s corporate banking activities.

From 2000 to 2001, he was appointed as branch manager of ABN AMRO Bank St. Petersburg Branch responsible for managing ABN AMRO Bank Russia’s commercial banking activities in the northwestern part of Russia.

From 2001-2005, Mr. ter Woort served as Chairman of Supervisory Board of Directors of Rabo Invest OOO, Moscow, a soft commodity financier in Russia and a full subsidiary of Rabobank the Netherlands.

From 2005 to 2009, Mr. ter Woort was active as a private residential property investor during which period he built and managed a residential property investment portfolio in a number of countries.

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In 2009 Mr. ter Woort was appointed as the Head of the Resident Office of the EBRD and in this capacity he is responsible for initiating and coordinating EBRD's equity and commercial banking activities in Mongolia policy and dialogue activities with the various Mongolian authorities on a wide range of issues affecting private businesses in Mongolia. As at the Latest Practicable Date, Mr. ter Woort did not hold any directorship in any Hong Kong or overseas listed company. Mr. ter Woort is a representative of EBRD and was appointed as our non-executive Director on September 16, 2010.

Each of the non-executive Directors of our Company is appointed in accordance with the terms stated in our Articles of Association.

### **Independent Non-Executive Directors**

#### *Mr. Unenbat Jigjid Independent non-executive Director*

**Unenbat JIGJID**, aged 48, is our independent non-executive Director. Mr. Jigjid was awarded a master's degree in arts by the Moscow's Institute of Economics and Statistics in June 1985 and a master's degree in international affairs by the Columbia University in 1994.

From 1990 to 2000, Mr. Jigjid held various positions in the Bank of Mongolia, including as an economist, senior economist, director of the monetary policy department and governor. During 2000 and 2006, Mr. Jigjid was the executive director of the Mongolian Bankers Association. Since 2000 and until present, he has been the head of the department of finance of the Institute of Finance and Economics. He is also a member of the supervisory board of the Bank of Mongolia and the board of Microfinance Development Fund. Since 2009, he has been an executive director of the Corporate Governance Development Center, a non-profit organization providing training, consulting and advocacy functions with an aim to advance corporate governance in Mongolian companies. As at the Latest Practicable Date, Mr. Jigjid did not hold any directorship in any Hong Kong or overseas listed company. Mr. Jigjid was appointed as our independent non-executive Director on September 16, 2010.

#### *Mr. Ochirbat Punsalmaa Independent non-executive Director*

**Ochirbat PUNSALMAA**, aged 68, is our independent non-executive Director. Mr. Punsalmaa was awarded a PhD in technical science by the Moscow Mining Institute of Labor Red Banner named after S. Ordjonikidze, USSR in March 1975, an honorary doctorate by Dankook University of Republic of Korea, Mongolia Technical University and Saint Petersburg Mining Institute in October 1991, October 1994 and May 1996 respectively. Mr. Punsalmaa was credited as a Barrister Emeritus by School of Law, Texas Wesleyan University, the United States in October 1995 and was awarded a doctor's degree in economy by the Higher Education Attestation Commission of the Ministry of Education of Russian Federation in December 1999. Mr. Punsalmaa is an engineer of mining. Mr. Punsalmaa was awarded the National Order "Polar Star," 60th Anniversary medals of the People's Revolution, Medal for Distinguished Service of Hungary and "Mugunghwa" Order of the Republic of Korea.

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From 1966 to 1967, Mr. Punsalmaa was an officer of the Ministry of Industry. He was the chief engineer of the Sharyn Gol mine from 1967 to 1972. During 1972 to 1990, Mr. Punsalmaa held various positions with the Government of Mongolia, including as a deputy minister of the ministry of power energy and mining, minister for ministry of fuel and power energy of Mongolia, chairman of the state committee of external economic relations and cooperation of Mongolia and minister for external economic relation of Mongolia. Mr. Punsalmaa was a speaker of the Parliament from March 1990 to September 1990 and was the President of Mongolia between 1990 and 1997. Since 1997, he has been the chairman of the board of Ochirbat Foundation. As at the Latest Practicable Date, Mr. Punsalmaa did not hold any directorship in any Hong Kong or overseas listed company. Mr. Punsalmaa was appointed as our independent non-executive Director on September 16, 2010. Mr. Punsalmaa has over 20 years of experience in mining and/or exploration activities.

*Mr. Chan Tze Ching, Ignatius (陳子政) Independent non-executive Director*

**CHAN Tze Ching, Ignatius (陳子政)**, aged 53, is our independent non-executive Director. Mr. Chan was awarded a bachelor's and a master's degree in business administration by the University of Hawaii, the United States in 1977 and 1979, respectively. He is also a certified public accountant with the American Institute of Certified Public Accountants.

From 1980 to 2007, Mr. Chan held various positions with Citigroup, including management associate, country treasurer and head of sales and trading, head of corporate banking business for Hong Kong, country officer for Taiwan, chief operating officer for Greater China, country officer for Hong Kong and head of corporate and investment banking business for Greater China. In 2008, he was the deputy chief executive of the Bank of China (Hong Kong) Limited. Mr. Chan was a consultant for the Bank of East Asia, Limited in 2009 and has been a senior advisor for the bank since December 2009. Mr. Chan is actively involved in community and public services. He was a council member of the Treasury Markets Association, a member of the Banking Advisory Committee of the Hong Kong Monetary Authority, a vice-president and fellow of the Hong Kong Institute of Bankers, a council member of the Employers' Federation of Hong Kong and an honorary chairman of the Hong Kong Chinese Bankers Club. Mr. Chan was appointed as a Justice of the Peace in 2002 and awarded the Bronze Bauhinia Star in 2007. At present, Mr. Chan is the chairman of the Advisory Committee on Human Resources Development in the Financial Services Sector and the Travel Industry Compensation Fund Management Board. He is also a board member and the chairman of the investment sub-committee of the Hong Kong Community Chest, a member of the Greater Pearl River Delta Business Council, a member of the Advisory Committee on Bond Market Development, a council member and the chairman of the audit committee of the Hong Kong Polytechnic University and a council member of the Hong Kong Red Cross. Mr. Chan has been an independent non-executive director of Hong Kong Exchanges and Clearing Limited (stock code: 388), a company listed on the Stock Exchange, since April 2009. He is currently a member of the Disciplinary Appeals Committee of Hong Kong Securities Clearing Company Limited. He is a director of The Portofino (165) Limited, a privately-held investment company. Save as disclosed above, as at the Latest Practicable Date, Mr. Chan did not hold any directorship in any Hong Kong or overseas listed company. Mr. Chan was appointed as our independent non-executive Director on September 16, 2010.

**Other Senior Management*****Mr. Enkhtuvshin Dashtseren Chief Marketing Officer***

**Enkhtuvshin DASHTSEREN**, aged 34, is our chief marketing officer. Mr. Dashtseren was awarded a bachelor's degree in Finance & Management by the Mongolian National University, Ulaanbaatar, Mongolia in June 1997.

Mr. Dashtseren joined the MCS Group in 1997 and worked as a financial manager in MCS International LLC from 1997 to 2000. As the head of the financial department, he was responsible for the overall financial management of the company. From 2001 to 2005, he was promoted to be the chief financial officer of the MCS Group and a vice president of the finance department of the MCS Group. During his tenure as the chief financial officer, he was responsible for auditing, tax planning, corporate management, and budget management. From 2005 to 2006, Mr. Dashtseren served as the vice president of the corporate strategy department of the MCS Group. During this period, Mr. Dashtseren developed and implemented corporate strategies for diversification and expansion of current business lines as well as identification of new business opportunities. In May 2008, Mr. Dashtseren was appointed as the executive vice president of the sales and marketing department of ER LLC where he had a broad scope of responsibilities in strategic market planning, business development, sales forecasting, marketing, pricing, training of sales personnel. Mr. Dashtseren is the key person for the sales and marketing of the coal mined at the UHG deposit developed by the Group. He has developed an extensive marketing strategy and research for potential coal markets with the major focus on the China market. Mr. Dashtseren's sales and marketing efforts combined with visits to all major steel and coke plants of China identified the major off-takers of the coal from the UHG deposit. Mr. Dashtseren identified the major end-users of the 10 million tonnes of the coking coal to be produced over the next two years and successfully completed the negotiations of major off-take agreements. Mr. Dashtseren also plays an instrumental role in the setup and solutions for the coal transportation logistics by obtaining the necessary government authorizations and approvals. Mr. Dashtseren is a non-executive director of MCS Holding and was appointed as our chief marketing officer in May 2010. Mr. Dashtseren has over two years of experience in exploration and/or extraction activities.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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*Mr. Bayarbayasgalan Dorjderem Vice President, Mining*

**Bayarbayasgalan DORJDEREM**, aged 36, is our vice president, mining. Mr. Dorjderem was awarded a bachelor's degree majoring in mine surveyor by the Mongolian Technical University in December 1995.

From 1995 to 2000 and from 2000 to 2009, Mr. Dorjderem was respectively a mine surveyor and a mine chief surveyor of the Baganuur Joint Stock Company, a majority state-owned enterprise listed on the Mongolian Stock Exchange in which the Baganuur coal mine was the then largest open cut coal mine operating in Mongolia producing around 3 million tonnes of coal for Mongolia's major power plants #3 and #4 in Ulaanbaatar. During this period, he was responsible for mine pit surveying, upgrading the geological database and geological model, short and long term mine production planning, pit design and optimization, drill and blast planning and the designing of mine site infrastructure such as pit dewatering pipelines, coal hauling roads, railway link and coal loading facility. In 1998, Mr. Dorjderem was involved in the "Mongolian Coal Project" for the Baganuur coal mine's technical innovation for overcoming the difficulties faced by the mine after the social transformations taken in the early 1990s in Mongolia. This project was continued in 2000 by the World Bank sponsored project in collaboration with Norwest Corporation in order to update Baganuur coal mine's long term mine planning and final pit design in accordance with western industry standards. In 2001, Mr. Dorjderem participated in the design of coal crushing and loading facility with an annual capacity of 1 million tonnes and the associated 6 km long rail link to a major railway. In 2005, he was in charge of the geological model design and progress update of the Baganuur coal mine and in 2006, he was responsible for the annual mine planning and pit design of the Baganuur coal mine. In 2007, he worked with technical experts from Micromine on the designing and long term planning of the newly planned second pit of the Baganuur coal mine. Mr. Dorjderem joined our Group in January 2009 as a chief surveyor of Energy Resources Mining LLC and worked as part of the integrated and joint ER LLC-Leighton mining team at the UHG deposit. From October 2009 to February 2010, he was the mine planning engineer of ER LLC at the UHG deposit. In March 2010, he was promoted as the senior mining engineer of ER LLC at the UHG deposit. During his employment with our Group, Mr. Dorjderem formed the mining survey team which is responsible for the continuous update of the mine pit design, mine site infrastructure and topography and survey of overburden and coal mining volumes. He also contributed to the UHG deposit's short and long term mine planning, drill and blast planning, preparation and submission of the annual mine plan and annual mining report to the MRAM. Mr. Dorjderem has 15 years of experience in exploration and/or extraction activities which

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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include a range of survey work such as topography, mine survey, cadastral survey, railway, haul road, pipe line construction survey and preparation of all mine plans and section. In view of the professional background and skills, extensive knowledge of the Mongolian coal industry's regulatory requirements in connection with extensive work experience with western mine planning and operating methods. Mr. Dorjderem was appointed as our vice president, mining in April 2010.

<u>Term of Office</u>	<u>Positions</u>	<u>Past Experience and Responsibilities</u>
1995-2000. . . . .	Surveyor, Baganuur coal mine	Mr. Dorjderem was involved in all types of survey work such as topography, mine survey, cadastral survey, railway, haul road, pipe line construction survey, preparation of mine plans and sections.
2000-2009. . . . .	Chief surveyor, Baganuur coal mine	Mr. Dorjderem had experience of working on railway and mine haul road design, pit design, drill and blasting design, short and long term mine planning, geological model design, mine haul road maintenance management.
Jan 2009 – Sep 2009 . . . .	Chief surveyor, UHG deposit	Mr. Dorjderem worked as part of the integrated and joint ER LLC-Leighton mining team at the UHG deposit.
Oct 2009 – Feb 2010 . . . .	Mine planning engineer, UHG deposit	Mr. Dorjderem was involved in the continuous updating of the mine pit design, mine site infrastructure and topography, and survey of overburden and coal mining volumes.
Mar 2010 – April 2010. . . .	Senior mine planning engineer, UHG deposit	
Apr 2010 – present . . . . .	Vice president – Mining, ER LLC	Mr. Dorjderem was in charge of the UHG deposit's short and long term mine planning, drill and blast planning, annual mining reporting to the MRAM.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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*Mr. Gary Ballantine Principal Geologist*

**Gary BALLANTINE**, aged 42, is our principal geologist. He was awarded a bachelor's degree by the University College of Southern Queensland, Australia in April 1990 and a postgraduate diploma of science by the James Cook University of North Queensland in May 1991. Mr. Ballantine is a member of the Australian Institute of Mining and Metallurgy since May 1996 and is a competent person for JORC and NI43-101 reporting.

From November 1990 through July 1993, Mr. Ballantine worked as a subcontract geologist for Gary Lebland and Associates on a number of mines of BHP Coal Pty Ltd. in Queensland. During this period, he supervised the coring and percussion chip drilling, the usage of various PC (Datcol) and UNIX (Geodas) systems for storing and modelling data, geophysical studies in structural fault delineations using the SIROTEM Mark 3 unit and "in seam seismic" techniques, interpretation of downhole geophysical tools for log corrections, extensive hydrology program, including the supervision of the construction and positioning of piezometers and water quality monitoring including pH and conductivity and development piezometers and aquifer flow rates and falling head tests for permeability analysis. He also supervised a drilling program for coal seam gas, on site monitoring of gas desorption bombs, computer modelling and analysis of geological data and interpretation of downhole geophysical tools for log corrections etc. From July 1993 to June 2002, Mr. Ballantine served as the director and senior consultant of Geoserv Pty Ltd., Bundaberg, Queensland and was involved in several coal mine projects as a senior contract geologist for Geoserv Pty Ltd. These projects included acting as the contract geologist for BHP Coal Pty Ltd., Transnata Pty Ltd, SeamGas Pty Ltd., Himap Pty Ltd. and BHP Billiton Pty Ltd (which was formerly known as Billiton Australia Pty Ltd, Ingwe Australia Pty Ltd and Transnata Pty Ltd). During this period, he was involved in the supervision of Greenfield drilling program and a coal seam gas drilling program for a proposed underground mine at Ramp Zero, Goonyella mine. He was also responsible for the overall management of a large exploration drilling project for coal seam gas at the Moura mine and the project management of an underground Longwall Coal project. From July 2002 to March 2005, he worked for Micromine Pty Ltd as a geological consultant engaging in GBIS sales, training, installation, support and consulting for Micromine. From April 2005 to February 2006, he was the chief mine geologist BMA – BHP Billiton Mitsubishi Alliance as a chief mine geologist for Blackwater mine. From February 2006 to October 2007, he was the global group leader of BHP Billiton's coal specialist team and responsible for BHP Billiton's global coal exploration strategy for thermal and coking coal. Since October 2007, Mr. Ballantine has been the director, coal specialist and senior consultant of GeoCheck Pty Ltd. and he was a competent person responsible for JORC and NI43-101 standard reporting for the AIMS, Hong Kong and Toronto stock exchanges of a number of mining projects including the Saikhan Ovoo Project and Erdenetsogt Project for CEC Resources, the Lun Zhang Project and Wang Jian Ling Project for Allied Rise Group, the Gujiao Mine for Nubrandts etc. In his capacity as a senior consultant of GeoCheck Pty Ltd., Mr. Ballantine provided consultancy services to ER LLC at the UHG deposit and was responsible for developing the business development opportunity team, managing the laboratory and geological departments, providing competent person advice with upcoming resource review, approving borehole data for JORC

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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compliance, designing, budgeting and supervising the 5 year exploration program and setting up of the geology department etc. Mr. Ballantine was appointed as our principal geologist on July 1, 2010. Mr. Ballantine has over 20 years of experience in exploration and/or extraction activities.

Term of Office	Positions	Past Experience and Responsibilities
Nov 1990 – Jul 1993 . . . .	Subcontract geologist, Garry Leblang and Associates	Mr. Ballantine was in charge of the supervision of drilling, coal quality and gas desorption programs for Moura, Peak Downs and Crinum mines in Queensland.
Jul 1993 – Jun 2002 . . . .	Director and senior consultant, Geoserv Pty Ltd.	Mr. Ballantine was in charge of the supervision of drilling programs for coal seam gas, project management, data management, geological modeling, coal quality modeling and resource evaluation reported to JORC standards.
Jul 2002 – Mar 2005 . . . .	Geological consultant, Micromine Pty Ltd.	Mr. Ballantine was responsible for GBIS sales, training, installation, support and consulting for Micromine.
Apr 2005 – Feb 2006 . . . .	Chief mine geologist for Blackwater Mine, Queensland, BMA-BHP Billiton Mitsubishi Alliance	Mr. Ballantine was responsible for Competent Person JORC compliant resource reporting for the mine, design and management of budgets for exploration drilling, maintenance of geological database, supply of technical information to technical services departments and maintenance of grade control model.
Feb 2006 – Oct 2007 . . . .	Global group leader for the coal team, BHP Billiton	Mr. Ballantine was responsible for BHP Billiton's global exploration coal strategy for thermal and coking coal, due diligence and special projects, exploration budgets and special funding applications, contract negotiations, competent person for BHPB for JORC compliant reporting, project generation and initiation, and development of coal skills throughout BHP Billiton's minerals exploration group of 200 geologists worldwide.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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Term of Office	Positions	Past Experience and Responsibilities
Oct 2007 – present . . . . .	Director, coal specialist and senior consultant, GeoCheck Pty Ltd.	Mr. Ballantine was responsible for China and Mongolia coal projects, competent person responsible for JORC and NI43101 standard reporting for the AIMS, Hong Kong and Toronto stock exchanges of various projects.
Jul 2010 – present. . . . .	Principal geologist	

***Mr. Buljinsuren Gelenkhuu Vice President, Safety***

**Buljinsuren GELENKHUU**, aged 51, is our vice president, safety. He was awarded a diploma, majoring in mining electrical mechanics engineer, by the Mongolian National University in June 1983.

Mr. Gelenkhuu worked in Baganuur Joint Stock Company for 20 years and had held various positions, including as an electrical engineer from 1989 to 1997, as a maintenance manager of the maintenance workshop from 1997 to 2002, and as a safety manager of the monitoring section from 2002 to 2009. Mr. Gelenkhuu joined our Group in January 2009 as a safety supervisor of ER LLC and he worked as part of the integrated and joint ER LLC-Leighton mining team at the UHG deposit. Mr. Gelenkhuu was appointed as a labor safety manager at the TKH coal stockpile and trans-shipping facility at the Mongolian-Chinese border in 2009. During his engagement with our Group, he was part of the safety team, implementing and supervising day to day safety procedures, working place inspections, safety induction and training, accident preventive management of the operations at the UHG deposit and at the TKH coal trans-shipping facilities. In view of his professional background and skills, extensive knowledge of Mongolia’s coal industry’s safety requirements for open pit coal mining operations, Mr. Gelenkhuu was appointed as our vice president, safety in April 2010. Mr. Gelenkhuu has over 20 years of experience in exploration and/or extraction activities.

Term of Office	Positions	Past Experience and Responsibilities
1989-1997. . . . .	Electrical engineer, Baganuur open cut coal mine	Mr. Gelenkhuu was responsible for the design of electrical systems to provide a useful and safe workplace. Mr. Gelenkhuu was in charge of electrical design of low and medium voltage systems, design of cable trays, lighting systems, heat tracing, and grounding systems.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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Term of Office	Positions	Past Experience and Responsibilities
1997-2002. . . . .	Maintenance manager, Baganuur open pit coal mine	Mr. Gelenkhuu was responsible for the maintenance of mining equipment, which includes dozers, track loaders, wheel loaders, haul trucks, rollers, graders, maintenance planning, safety, and facility improvements.
2002-2009. . . . .	Technical inspector, Baganuur Joint Stock Company	Mr. Gelenkhuu was responsible for the preparation of safety manuals for mining equipment, job descriptions for scope of work for safety officers, inspection of working places at the mine, safety training and safety induction for new managers and employees.
Jan 2009 – Oct 2009 . . . .	Safety supervisor, UHG deposit, ER LLC	
Oct 2009 – Mar 2010. . . .	Labor safety manager, Tsagaan Khad coal stockpile, ER LLC	
Apr 2010 – present . . . . .	Vice president, Safety	

***Mr. Oyunbat Lkhagvatsend*** Vice President, Transportation and Logistics and chief executive officer of Energy Resources Rail LLC

**Oyunbat LKHAGVATSEND**, aged 34, is our vice president, transportation and logistics. Mr. Lkhagvatsend was awarded a bachelor’s degree in law by the National University of Mongolia in June 1999. He also underwent executive training held by the Michigan Business School in August and November 2004.

From 2003 to 2005, Mr. Lkhagvatsend was the chief executive officer of Newcom Group and was responsible for strategy planning and business development. From May 2005 to December 2006, he was the president and chief executive officer of Eznis Airways and was in charge of strategy planning, project management and other corporate affairs. Mr. Lkhagvatsend joined our Group in 2008 as the chief executive officer of Energy Resources Rail LLC and is responsible for the overall business planning of Energy Resources Rail LLC. He was appointed as our vice president, transportation and logistics in March 2010. Mr. Lkhagvatsend has over 1.5 years of experience in exploration and/or extraction activities.

***Mr. Davaakhuu Chultem*** Vice President, Project Management

**Davaakhuu CHULTEM**, aged 37, is our vice president, project management. Mr. Chultem was awarded a diploma in power engineering by the Mongolian Technical University, Ulaanbaatar in December 1995 and completed a program run by La Trobe University, Australia where he was awarded a master’s degree in business administration in October 2009. Mr. Chultem underwent the 5-Gold Ring Leadership and Management training held by the Coca-Cola University in September 2008.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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From September 1998 to February 2010, Mr. Chultem was the deputy director and engineer of MCS International LLC and was in charge of the district heating engineering work. He was also involved in the preparation of bidding document and the implementation of power plant and district heating projects. Mr. Chultem joined our Group in February 2010 as the vice president, operation and project management of ER LLC. Since then, he has been in charge of the daily operation of the management and operation of mining and infrastructure projects. Mr. Chultem has over 13 years of experience in project implementation of heating systems and power plants and was previously involved in various energy sector projects including the Choibalsan Heat and Power Station Rehabilitation Project-1 and Project-2 in Germany and the Energy Authority of Mongolia's Darkhan city district heating system improvement project. Mr. Chultem was appointed as our vice president, project management in February 2010. Mr. Chultem has over 13 years of experience in exploration and/or extraction activities (heating systems and power plants).

*Mr. Bat-Erdene Gansukh Vice President, Finance*

**Bat-Erdene GANSUKH**, aged 30, is our vice president, finance. He was awarded a bachelor's degree in business administration and applied maths by the Khan-Uul Institute, Mongolia in April 2003.

From December 2003 to June 2007, Mr. Gansukh was the head of finance and planning department of MCS Coca-Cola, Mongolia. His main duties included planning, monitoring and evaluating the operations of finance, supervising cash management activities, executing capital-raising strategies to support the company's expansion and recruiting, organizing, training and managing the staff. In addition, he was responsible for providing financial reports and analysis to the management team, offering professional perspective on financial matters, preparing the annual budget and summarizing and forecasting the organization's financial position. From February 2008 to October 2008, he was the project financial manager of MCS Holding when he performed and supervised investment analysis, developed and tracked annual fiscal plans, created and presented periodic financial projections, tracked program and project budgets and cash flows. Mr. Gansukh joined our Group in October 2008 as the head of finance and planning division of ER LLC and was mainly responsible for providing integrated financial management to all subsidiaries, preparing short and long term budget, financial planning, implementing continuous financial audit and control system and setting up financial procedures and standards to be complied within all subsidiaries of our Group. In 2010, Mr. Gansukh was appointed as the deputy director, finance and planning of ER LLC and is responsible for managing and developing the finance functions designed to monitor and control all aspects of the business – budgeting, financial planning and cash flow management, liaising with banks and investors and presentation of financial matters and developing the set of key performance indicators. He is also responsible for the company's financial and operating budgets and cash flow forecasts, and development of the internal financial reporting requirements and is in charge of managing and supporting departmental staff, giving direction to their training and development. During his employment with ER LLC, Mr. Gansukh improved the financial planning of the company and enhanced the mechanisms and procedures for budget management and financial accounting. Mr. Gansukh was appointed as our vice president, finance on July 1, 2010. Mr. Gansukh has over two years of experience in exploration and/or extraction activities.

### Special Advisors

*Mr. Sundui Rentsen Special Advisor to the Chief Executive Officer (Mining Operations)*

**Sundui RENTSEN**, aged 59, is the special advisor to our chief executive officer (mining operations). He was awarded a master's degree in mining exploitation technology by the Mongolian University of Science and Technology in November 2009. Mr. Rentsen had also attended professional upgrading training in business management, open pit mining, mining technology, mining production environment, mine planning and development studies. Mr. Rentsen is a registered consulting engineer in the field of coal mining technology and operation in Mongolia since November 2007.

From 1976 to 1978, Mr. Rentsen was a researcher at the Institute of Science and Design which is affiliated with the Ministry of Fuel and Energy. During these years, he assisted with field and office tasks such as gathering, documenting and quality checking of geologic data and literature, planning and coordinating field logistics, collecting and labelling samples, locating station locations using maps and GPS, measuring and recording stratigraphic sections and building databases following prescribed standards and formats. From 1978 to 1992, Mr. Rentsen held various positions at the Baganuur coal mine, including as a mining engineer, department head, chief technologist, chief engineer and head of the production department. During these years, he was involved in determining the location and planning the extraction of coal, making geological and topographical surveys, evolving methods of mining best suited to character, type and size of deposits and supervising mining operations. From 1992 to 2007, Mr. Rentsen served as the head of the coal department at the Ministry of Fuel and Energy, the head of mining department as well as an advisor to the fuel and energy minister. Since 2008, he started to teach at the School of Mining and Engineering of the Technical University of Mongolia. Mr. Rentsen is the honorary advisor engineer in the fuel and mining sector. He has published numerous publications on coal mining such as open cast coal mines in Mongolia and some aspects of mining equipment selection, coal mining situation in Mongolia and future trends, privatization process of coal mines, coal policy and the trend of the development in Mongolia. During his professional career, Mr. Rentsen has accumulated extensive experience on selection of locations, planning of surface mining operations, specifying processes, labor usage and equipment that will result in safe, economical and environmentally sound extraction of coal, examination of maps, deposits, drilling locations or mines to determine the location, size, accessibility, contents, value and potential profitability of coal and mineral deposits, supervision and coordination of the work of technicians, technologists, survey personnel, engineers, scientists and other mine personnel, preparation of schedules, reports and estimates of the costs involved in developing and operating mines, monitoring of the development of mines, facilities, systems or equipment and implementation and coordination of mine safety programs, including the design and maintenance of protective and rescue equipment and safety devices. Mr. Rentsen has over 30 years of experience in exploration and/or extraction activities. He was appointed as a special advisor to the chief executive officer (mining operations) on April 1, 2010 and is responsible for assisting the chief executive officer, Dr. Battengel Gotov, in our Group's mining operations.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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Term of Office	Positions	Past Experience and Responsibilities
1976-1978. . . . .	Researcher, the Institute of Science and Design affiliated with the Ministry of Fuel and Energy	Mr. Rentsen assisted with field and office tasks such as gathering, documenting, and quality checking geologic data and literature, planning and coordinating field logistics, collecting and labeling samples, locating station locations using maps and GPS, measuring and recording stratigraphic sections, and building databases following prescribed standards and formats.
1978-1992. . . . .	Several positions, the Baganuur coal mine	Mr. Rentsen was in charge of determining the location and planning the extraction of coal, making geological and topographical surveys; evolving methods of mining best suited to character, type, and size of deposits; and supervising mining operations.
1992-2007. . . . .	Several positions, the Government of Mongolia	Mr. Rentsen acted as the head of coal department at the Ministry of Fuel and Energy, head of mining department and advisor to the fuel and energy minister.
2008 – Mar 2010 . . . . .	Teacher, School of Mining and Engineering of the Technical University of Mongolia	Teaching
Apr 2010 – present . . . . .	Special advisor to the Chief Executive Officer (Mining Operations)	

Mr. Rentsen is an employee of the Company. A summary of his key employment terms are as follows:

- the permanent workplace is at the UHG project site of the Company;
- the employment contract is of an indefinite term and commenced on April 1, 2010;
- Mr. Rentsen is remunerated on a monthly basis; and
- the employment contract could be terminated (i) in accordance with the Labor Code of Mongolia; (ii) by the Company in accordance with the contractual terms; or (iii) by Mr. Rentsen upon 30 days' written notice.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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*Mr. Tulga Gaapil Special Advisor to the Chief Executive Officer (Mining Policy, Development and Safety Regulations)*

**Tulga GAAPIL**, aged 58, is the special advisor to the chief executive officer (mining policy, development and safety regulations). He was awarded a diploma in mining engineering by Mongolian National University in May 1976 and a doctorate degree in mining technology by the Postgraduate School of Moscow Mining Institute in Mining Technology in December 1987. Mr. Gaapil is a mining engineer and is also a registered consulting engineer in the field of surface coal mining technology and operations in Mongolia since July 2001.

From 1976 to 1984, Mr. Gaapil was a research officer at the Research and Design Institute for Fuel and Energy Industry. From 1987 to 1989, he was the senior officer of science of the Technology and Quality Policy Department of the Ministry of Fuel and Energy Industry. From 1989 to 1990, he was the section chief of the Mining Institute. He was appointed as a senior officer at the mining sector of the Mining Institute in 1990. From 1993 to 1997, Mr. Gaapil worked as a senior project officer of the Fuel/Mining Department of the Ministry of Fuel and Energy, Ministry of Energy, Geology and Mining, Ministry of Infrastructure Development. During his employment with the Government of Mongolia, Mr. Gaapil led the studies related to coal demand and study forecasts, coal mining technology and environmental issues. He also worked for the Mongolian Coal Project providing basic data and documents analyses for formulation financed by the World Bank. In 1997, Mr. Gaapil did an initial environmental impact assessment for the development of the Shivee-Ovoo coal mine. From 1997 to 2005, Mr. Gaapil was an executive director of Mincon Co., Ltd when he worked on the Baganuur and Shivee-Ovoo coal mine development when he provided local consulting services on mine technology, environmental monitoring in the mine area, surface facilities (including coal handling plant and dewatering system), project supervision and coordination. He provided local consulting services for coal sector policy and regulation cooperating with IMC. In 2000, he worked on a feasibility study or the development of the Alag-Togoo coal deposit. He was involved in the making of technological solutions, selection of equipment and preparation of environmental monitoring plan. In 2005, Mr. Gaapil was appointed as a manager in charge of the mining business development section of MCS International LLC and became an expert, expertise – monitoring department in October 2009. During these years, Mr. Gaapil worked on several projects including the feasibility study of Ulaan-Ovoo coal mine project (with an annual production capacity of 6 million tonnes of coal); the detailed design of the Nariin Sukhait coal mine project (with an annual production capacity of 3 million tonnes of coal); the pre-feasibility proposal of the Tavan Tolgoi coal mine project (with an annual production capacity of 10 millions tonnes of coal) and the feasibility study of the Olon-Ovoot coal mine project (with an annual production capacity of 5 million tonnes of coal). He also prepared a report on coal and energy situation in Mongolia. Mr. Gaapil has a combination of consulting and practical experience with approximately 26 years of experience in the fuel and mining sector and involvement in all the largest existing coal mines. Mr. Gaapil was appointed as a special advisor to the chief executive officer (mining policy, development and safety regulations) on April 1, 2010 and is responsible for assisting Dr. Battengel Gotov in the policy and regulatory aspects of our Group's operations.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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Term of Office	Positions	Past Experience and Responsibilities
1976-1984. . . . .	Research officer, Research and Design Institute for Fuel and Energy Industry	
1987-1989. . . . .	Senior officer of science, Technology and Quality Policy Department of the Ministry of Energy, Mining and Geology	
1989-1990. . . . .	Section chief of the Mining Institute	
1992-1997. . . . .	Senior Project Officer, Fuel/Mining Department of the Ministry of Fuel and Energy, Ministry of Energy, Geology and Mining, Ministry of Infrastructure Development	Mr. Gaapil led the studies related to coal demand and study forecasts, coal mining technology and environmental issues. He also worked for the World Bank on the Mongolian Economic Transition Support Project when he was responsible for coal mine development consulting. He also did a detailed environmental impact assessment for the development of the Shivee-Ovoo coal mine.
1997-2005. . . . .	Executive director, Mincon Co., Ltd	Mr. Gaapil was an executive director of Mincon Co., Ltd when he worked on the Baganuur and Shivee-Ovoo coal mine development and provided local consulting services on mine technology, environmental monitoring in the mine area, surface facilities (including coal handling plant and dewatering system), project supervision and coordination. He also worked on a feasibility study or the development of the Alag-Togoo coal deposit and was involved in the making of technological solutions, selection of equipment and preparation of environmental monitoring plan.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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<u>Term of Office</u>	<u>Positions</u>	<u>Past Experience and Responsibilities</u>
2005 – Mar 2010 . . . . .	Manager, Mining business development section of MCS International LLC; Expert, expertise – Monitoring department, MCS International LLC	Mr. Gaapil worked on several projects including the feasibility study of Ulaan-Ovoo coal mine project; the detailed design of the Nariin Sukhait coal mine project; the pre-feasibility proposal of the Tavan Tolgoi coal mine project and the feasibility study of the Olon-Ovoot coal mine project. He also prepared a report on coal and energy situation in Mongolia.
Apr 2010 – present . . . . .	Special advisor to the Chief Executive Officer (Mining Policy, Development and Safety Regulation)	

Mr. Gaapil is an employee of the Company. A summary of his key employment terms are as follows:

- the permanent workplace is at the UHG project site of the Company;
- the employment contract is of an indefinite term and commenced on April 1, 2010;
- Mr. Gaapil is remunerated on a monthly basis; and
- the employment contract could be terminated (i) in accordance with the Labor Code of Mongolia; (ii) by the Company in accordance with the contractual terms; or (iii) by Mr. Gaapil upon 30 days' written notice.

### **Company Secretary**

*Ms. Ng Sin Yee, Clare (吳倩儀) Company Secretary*

**NG Sin Yee, Clare (吳倩儀)**, aged 50, was appointed as company secretary of our Company on July 23, 2010. Ms. Ng is the senior manager of the Corporate Services Department of Tricor Services Limited. She is an associate of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in United Kingdom. Before joining the Tricor Group, Ms. Ng has worked in the Company Secretarial Department of Secretaries Limited, a professional service company wholly owned by Deloitte Touche Tohmatsu. Ms. Ng has more than 25 years of experience in company secretarial field and has been providing corporate services to both multi-national companies and listed companies in Hong Kong. She is an ordinarily resident in Hong Kong and she does not currently hold any position in other listed companies.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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### Compliance Advisor

Our Company has appointed Anglo Chinese Corporate Finance, Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules to provide advisory services to our Company pursuant to the requirements thereunder. Anglo Chinese Corporate Finance, Limited will, inter alia, provide advice to our Company with due care and skill on a timely basis when consulted by our Company in the following circumstances:

- before the publication by our Company of any regulatory announcement (whether required by the Listing Rules or requested by the Stock Exchange or otherwise), circular or financial report;
- where a transaction, which might be a notifiable or connected transaction under Chapters 14 or 14A of the Listing Rules, is contemplated by our Company including share issues and share repurchases;
- when our Company proposes to use the proceeds of the Global Offering in a manner different from that detailed in this prospectus or where the business activities, or results of our Company deviate from any forecast, estimate, or other information in this prospectus;
- where the Stock Exchange makes an inquiry of our Company under Rule 13.10 of the Listing Rules;
- if required by the Stock Exchange, deal with the Stock Exchange in respect of any or all matters listed in Rule 3A.23 of the Listing Rules;
- in relation to an application by our Company for a waiver from any of the requirements in Chapter 14A of the Listing Rules, advise our Company on its obligations and in particular the requirement to appoint an independent financial advisor; and
- assess the understanding of all new appointees to the Board regarding the nature of their responsibilities and fiduciary duties as a director of a listed issuer, and, to the extent the compliance advisor forms an opinion that the new appointees' understanding is inadequate, discuss the inadequacies with the Board and make recommendations to the Board regarding appropriate remedial steps such as training.

The term of the appointment will commence on the Listing Date and end on the date on which our Company complies with Rule 13.46 of the Listing Rules in respect of its financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

### Board Practices

In the absence of extraordinary events, it is the practice of the Board to meet at least four times a year. At such meeting, our Directors conduct, among other things, an operational review of our business.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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### Board Committees

#### *Audit Committee*

The Board has established an Audit Committee, which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility for the initial establishment and the maintenance of a framework of internal controls and ethical standards for our management to the Audit Committee.

Our Audit Committee currently comprises one non-executive Director, Ms. Enkhuvshin Gombo and three independent non-executive Directors, namely Mr. Unenbat Jigjid, Mr. Ochirbat Punsalmaa and Mr. Chan Tze Ching, Ignatius. Mr. Unenbat Jigjid is the chairman of our Audit Committee.

#### *Nomination Committee*

The Nomination Committee of the Board is responsible for making recommendations to the Board regarding candidates to fill vacancies on the Board.

Our Nomination Committee currently comprises one executive Director, Mr. Odjargal Jambaljamts and two independent non-executive Directors, namely, Mr. Unenbat Jigjid and Mr. Ochirbat Punsalmaa. Mr. Odjargal Jambaljamts is the chairman of our Nomination Committee.

#### *Remuneration Committee*

The Remuneration Committee of the Board is responsible for determining and reviewing compensation arrangements for our Directors, the chief executive officer and the senior management. The Remuneration Committee assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum shareholder benefit from the retention of a high quality board and executive team. To assist in achieving these objectives, the Remuneration Committee considers the nature and amount of executive Directors' and senior executives' emoluments with reference to our Company's financial and operational performance. All senior executives have the opportunity to qualify for participation in the Share Option Scheme, which currently provides incentives where specified criteria are met. Details of the principal terms of our Share Option Scheme are summarized in "Appendix VII – Statutory and General Information – Further Information about Directors, Management and Staff – 12. Share Option Scheme" to this prospectus.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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Our Remuneration Committee currently comprises one executive Director, Mr. Odjargal Jambaljamts and two independent non-executive Directors, namely, Mr. Unenbat Jigjid and Mr. Ochirbat Punsalmaa. Mr. Odjargal Jambaljamts is the chairman of our Remuneration Committee.

### Employees

Our Company was incorporated on May 18, 2010. Prior to that, our operations were operated by ER LLC.

As at the Latest Practicable Date, we had approximately 1,041 full-time employees and the number of our employees was as follows:

	<b>Number of employees</b>
Administration . . . . .	114
Sales and Marketing . . . . .	16
Finance and Planning . . . . .	32
Safety, Medical, Community and Environment . . . . .	69
Transportation and Logistics. . . . .	372
Operation . . . . .	438
Total . . . . .	<u>1,041</u>

The compensation information set out below for our Directors and other employees, insofar as it relates to periods prior to our incorporation, is stated at historical amounts as if our current structure had been in existence throughout the relevant periods.

Our Directors receive remuneration in the form of salaries, allowances, benefits in kind, discretionary bonuses and retirement scheme contributions made on their behalf.

The aggregate remuneration paid to our Directors for the three years ended December 31, 2007, 2008 and 2009 and the four months ended April 30, 2010 was approximately US\$0, US\$71,943, US\$212,498 and US\$197,122, respectively.

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## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

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The following table provides details of the various components of total remuneration paid to our Directors:

	<b>Salaries, allowances and benefits in kind</b>	<b>Discretionary bonuses</b>	<b>Retirement scheme contributions</b>	<b>Total</b>
	(US\$)	(US\$)	(US\$)	(US\$)
Year ended December 31, 2007 . . . . .	–	–	–	–
Year ended December 31, 2008 . . . . .	56,483	12,962	2,498	71,943
Year ended December 31, 2009 . . . . .	138,670	60,820	13,008	212,498
Four months ended April 30, 2010 . . . . .	94,854	89,589	12,679	197,122

The aggregate amount of remuneration paid by our Group to the five highest paid individuals for the three years ended December 31, 2007, 2008 and 2009 and the four months ended April 30, 2010 was approximately US\$42,917, US\$91,758, US\$270,533 and US\$172,279, respectively.

The following table provides details of the various components of total remuneration paid to the five highest paid individuals:

	<b>Basic salaries, allowances and benefit in kind</b>	<b>Discretionary bonuses</b>	<b>Retirement scheme contributions</b>	<b>Total</b>
	(US\$)	(US\$)	(US\$)	(US\$)
Year ended December 31, 2007 . . . . .	37,868	–	5,049	42,917
Year ended December 31, 2008 . . . . .	63,256	22,302	6,200	91,758
Year ended December 31, 2009 . . . . .	189,489	63,439	17,605	270,533
Four months ended April 30, 2010 . . . . .	61,789	99,300	11,190	172,279

Save as otherwise disclosed in this prospectus, none of the executive Directors in office during the past three financial years received any salaries, housing allowances, pension scheme contributions, other allowances and benefits in kind from our Company.

Nil remuneration was paid by us to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office in respect of the years ended December 31, 2007, 2008 and 2009.

The annual Directors' fee and other emoluments paid and payable by our Group for the year ended December 31, 2009 were approximately US\$212,498. The expected annual Directors' fee and other emoluments to be paid by our Group for the year ending December 31, 2010 will be approximately US\$0.4 million.

Save as disclosed in the section headed "Relationship with Controlling Shareholders" in this prospectus, none of our Controlling Shareholders, Directors and their respective associates are interested in any business which competes or is likely to compete with that of ours.