



MONGOLIA ENERGY CORPORATION

蒙古能源有限公司



For Immediate Release

MEC and Leighton – International Mining Cooperation

MEC selects Leighton as international mining contractor for its Khushuut Mine, Western Mongolia

HONG KONG, November 11, 2009 – Mongolia Energy Corporation (HKSE: 276) (“MEC” or the “Group”) is pleased to announce that it has selected Leighton LLC (of Mongolia) as its international mining contractor for the development of its Khushuut coal mine project in western Mongolia. Leighton LLC is the leading international mining contractor for mining projects in Mongolia. It is a member of the Leighton Group. Leighton Asia Limited (“Leighton Asia”) manages Leighton Group’s operations in Asia, including Leighton LLC.

MEC has, at Khushuut, 149 million tonnes of JORC* coal resources, substantially coking coal. This is within 600 hectares of 330,000 hectares of MEC’s concession areas in western Mongolia. MEC has built a 310 km road foundation which is substantially complete and can transport coking coal from the Khushuut Mine to Xinjiang, China. MEC’s independent technical review calls for a phased development of the Khushuut mine. The selection of Leighton LLC, initially for a 3 million tonnes per annum mining operations, and in case of expansion, for up to an 8 million tonnes per annum mining operations over time provides the support for MEC’s actual commencement into mining operations. It is important in such regard.

Leighton Asia Managing Director Mr. Hamish Tyrwhitt said, “I am excited that Leighton Asia now has two significant mines in operation in Mongolia. Our partnership with MEC on the Khushuut coal mine is the second mine we have commenced this year and will involve a similar level of work to our existing contract at the Ukhaakhudag coal mine in the South Gobi region of Mongolia. The extensive potential for mine expansion along with the quality of the coking coal means the mine will become a significant exporter of coal from Mongolia. Once we move from mine planning and pit development to full scale mining, the full potential of the Khushuut mine will be realized. Leighton brings to the mine modern and efficient mining methods that are safe, environmentally friendly and efficient.”

Leighton LLC will prepare the Khushuut mine for production, including associated mobilisation of pre mining equipment and personnel and undertake pre-mining work. Leighton LLC will also prepare a detailed mine plan for the 3 million tonnes per annum mining operations following on MEC’s already approved general mine plan. Leighton LLC is prepared to incur capital expenditure for ordering the first fleet of mining equipment and MEC the credit support. Leighton LLC and MEC are also finalizing the definitive 6-year contract for Leighton LLC to provide resources to carry out the mining operations based on agreed principal terms and pending approval with the detailed mine plan and final definitive terms.

The logo for Mongolia Energy Corporation (MEC) features the letters 'MEC' in a bold, sans-serif font. The 'M' and 'E' are green, while the 'C' is blue.

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MEC Chief Executive Officer Mr. James Schaeffer Jr. said, “The MEC-Leighton cooperation represents a major step towards the commencement of mining operation at the Khushuut coal mine. We are delighted to conclude with Leighton this initial phase of service engagement, and we look forward to materializing a much longer term mining cooperation with Leighton in the foreseeable future.”

Mr. Schaeffer concluded, “With our 310 km Khushuut Road foundation substantially completed and our prospective customer in Xinjiang having received our bulk product sample for full scale testing, MEC is well on track to commence coal production. Our Khushuut brand of premium coking coal will be sold to the western part of China, where coking coal of such premium quality is in great and growing demand.”

MEC’s coking coal production, upon commencement, will become the leading mining operations in western Mongolia. The sizeable operation will further cement the position of Mongolia, which is one of the largest coking coal suppliers to China. Apart from the commencement of the coal mining operation, MEC is also focused on exploring for further resources, including coal, iron, copper and gold resources.

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* **JORC** – JORC stands for the Australasian Joint Ore Reserves Committee, which is sponsored by the Australian mining industry and its professional organizations. The JORC Code is its Code for Reporting of Mineral Resources and Ore Reserves. It provides a mandatory system for classification of tonnage/grade estimates according to geological confidence and technical / economical considerations, and is widely accepted as an international standard for professional reporting purposes.

About Mongolia Energy Corporation

MEC acquires energy and resources concessions and its business model is to acquire concessions and to have a strong in-house team, including industry veterans in the geological, mining and legal areas to lead exploration, development and compliance aspects. In this sense it is “an energy and resources developer”. An analogy is a real estate developer who acquires title to real estate then hires architect, builders, engineer, etc. to develop a building. MEC is a Hong Kong listed company with a market capitalization of around US\$2.88 billion based on the closing price of HK\$3.69 per share on November 10, 2009.



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About Leighton LLC

Leighton LLC is a subsidiary of Leighton Holdings. Leighton Holdings is a public company listed in the Australian Stock Exchange. It is the largest contract miner in the world. Its major shareholder is Germany's largest construction company, Hochtief. Total revenue of Leighton Holdings is Aus\$18.3 billion for the fiscal year ended June 30, 2009. Leighton Asia operates as a construction contractor and contract miner throughout the Asian region and benefits from its ability to call upon the experience, and technical and financial expertise of the Leighton Group companies. Leighton LLC has been operating in Mongolia since 2007.

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