



Hong-Kong as Mongolia's International Listing and Fund-raising platform

HIGHLIGHTS

Hong Kong Stock Exchange to offer a comprehensive range of advantages to Mongolian companies eager to raise capital within the Asia region

Eric Landheer, Senior Vice President and Head of Issuer Marketing, Hong Kong Exchange and Clearing Limited, told the audience about the advantages of listing Mongolian companies in Hong Kong and further introduced the new rules for the listing of mineral and exploration companies.

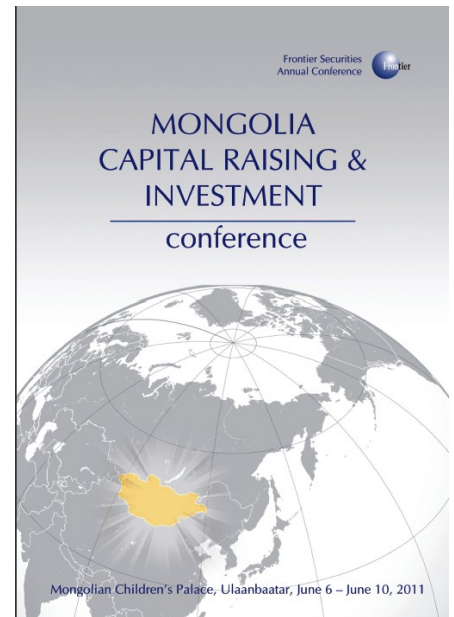
The successful listing of MMC demonstrated the strong appetite of investors for the Mongolian growth story. Investors are not only keen on commodities in Mongolia, but also on the side supporting commodities and Mongolia as a whole.

According to Mr. Landheer, Hong Kong is well positioned to serve as a true platform for Mongolian companies so as to achieve their needs in raising capital. Hong Kong offers unique proposition in liquidity and diverse investor / retail base, and absorbs extremely large fund offerings.

Major obstacle is companies need to demonstrate very strong accounting background, audited financials, track record in order to list on HKSE. HKSE recognizes 22 jurisdictions but Mongolia, which is not one of them, is being looked at.

HKSE is not really in competition with mainland China exchanges. Hong Kong has MOU's in place with mainland exchanges (Shanghai and Shenzhen) and operates more on a cooperative-friendly level competition. In the latest five-year plan issued by the Chinese Central Government, it is stated that Hong Kong is a major financial services center and that its market will continue to be supported.

In 2007, 85% of IPO funds raised on the HKSE were from within China. In 2010, international companies accounted for 45% of its IPOs.



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ABOUT MR. ERIC LANDHEER

Mr. Eric D. Landheer has been Senior Vice President and Head of Issuer Marketing - Market Development Division at Hong Kong Exchanges & Clearing Ltd. since February 1, 2011. Mr. Landheer served as Head of Asia Pacific of NASDAQ Stock Market, Inc., since March 13, 2007. Mr. Landheer was responsible for the NASDAQ's new listings business throughout the Asia Pacific region.



Previously, he served as Head of Asia Pacific for NASDAQ International for one year in London. He served as the Managing Director of New Listings at NASDAQ for four years. He was responsible for driving initial public offerings from the Western United States to NASDAQ stock market. Previously, he worked for various brokerages and securities houses in equity finance and institutional sales to major US mutual funds and hedge funds.

He holds a Bachelor of Arts Degree with High Honours in Political Science from the University of California, Berkeley. Mr. Landheer speaks Putonghua.

ABOUT MONGOLIA EXPERT SERIES

This year's conference, titled "Mongolia: Capital Raising and Investment" was the fifth edition of its kind to be organized by Frontier Securities. Having grown year on year in terms of importance since 2007, this conference has become a major event for anyone interested in exploring the latest developments in Mongolia's business environment from key direct sources. The focus of this last edition, held in the context of a robustly growing economy and booming mineral exports, encompassed the dynamics of capital raising from the viewpoint of the Mongolian government and local private sector by way of privatization and/or bond issue. It further provided the global investors community (266 Mongolian and foreign entities covering 19 countries were represented) with some relevant and up-to-date insights about the numerous opportunities offered by a wide array of sectors in the country, the most prominent of which being the mining sector.

The conference has gathered more than 500 prominent industry leaders and government officials from organizations such as Foreign Investment and Foreign Trade Agency, State Property Commission, Ministry of Road and Transportation, MonAtom, Erdenes MGL, Mongol Bank, Government of Mongolia, Ministry of Mineral Resources and Energy, Mongolia Development Bank, National Development and Innovation Committee, TDB Mongolia, Prophecy Resource Corp, Mongolian Mining Corporation, South Gobi Energy Resource as well as various professionals from international financial markets, including; Citigroup, J.P. Morgan, CICC, BOC International, Ipreo, Moody's Investors Service, Hogan Lovells, Jones Day, Minter Ellison, Quam Asset Management, American Appraisal, BMI Technical Consulting (Resources) Ltd, etc. In addition, senior managers from MSE Mongolian Stock Exchange, Hong Kong Stock Exchange, Korea Exchange, London Stock Exchange, and Tokyo Stock Exchange have featured in our conference and shared their knowledge and insights regarding IPO and capital raising with broad audience of our conference.

Mongolia Expert Series is one of the in-house research report of Frontier Securities which utilizes the information collected during the Frontier Securities' Annual Conference. We hope the series will provide genuine insight into Mongolian investment environment, as well as various capital raising opportunities present for Mongolian companies.

