

**MONGOLIA ENERGY CORPORATION LTD:  
AUSTRALIAN CORPORATION LAUNCHES LAWSUIT**

A \$HK68-million fight has broken out between publicly listed Mongolia Energy Corporation Ltd () (Code: 276, Main Board, The Stock Exchange of Hongkong Ltd) and Leighton LLC, a company wholly owned and beneficially controlled by the giant Australian, conglomerate, Leighton Holdings Ltd.

On Friday, February 8, 2013, Leighton LLC, the Leighton Holdings's subsidiary, lodged an Action in The High Court of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), naming Mongolia Energy Corporation as the lone Defendant.

The General Indorsement of Claim, attached to Writ of Summons, Number 268 of 2013, states only:

*'The Plaintiff's claim is for:*

- '1. MNT12,162,710,117 (Mongolia Tugrik) against the Defendant, or alternatively as damages for breach of contract by the Defendant, as surety under a written contract of guarantee made on 2 June 2010.*
- '2. Further the Plaintiff claims interest pursuant to sections 48 and 49 of the High Court Ordinance (Cap. 4) on the amount found to be due to the Plaintiff at such ration and for such period as the Court thinks fit.*
- '3. Costs; and*
- '4. Such other relief as the Court thinks fit.'*

Leighton Holdings Ltd, which has been listed on The Australian Stock Exchange since 1962, recorded a Net Profit Attributable to Shareholders of about \$HK3.60 billion in respect of the 2012 Financial Year, ended December 31.

Following the launching of this High Court Action, on February 14, Mongolia Energy Corporation informed its shareholders as follows:

***'ANNOUNCEMENT  
UPDATE ON THE CONTRACTUAL DISPUTE WITH LEIGHTON***

*'Reference is made to the announcement of Mongolia Energy Corporation Limited (the "Company") dated 10 October 2012 (the "Announcement") in relation to MoEnCo LLC's contractual dispute with Leighton LLC. MoEnCo LLC ("MoEnCo") is an indirect wholly owned operating subsidiary of the Company in Mongolia and Leighton LLC ("Leighton") is the ex-contractor of coal extraction in the Khushuut Coal Mine. Unless otherwise defined, terms used in this announcement shall have the meaning as defined in the Announcement.*

*'The Company announces that a writ of summons (the "Writ") was issued in the Court of First Instance of the High Court of Hong Kong by Leighton against the Company and it was served on*

*the Company by Leighton's legal adviser on 14 February 2013. In the general endorsement of claim under the Writ, Leighton claims for MNT12,162,710,117 (Mongolian Tugrik) (approximately HK\$67,981,000) against the Company, or alternatively damages for breach of contract by the Company, as surety under a written contract of guarantee made on 2 June 2010, together with interest and costs.*

*'As disclosed in the Announcement, the Company disputes the contractor's fees invoiced by Leighton and the services provided by Leighton under the Khushuut Mining Agreement. The Company has instructed its legal adviser to defend the claims and to raise counterclaims against Leighton.*

*'Given that the litigation process is at an early stage, the Company considers that it is not practical to assess its potential impact on the Group at this moment. In any event, the Company will vigorously contest the claims and take all steps as appropriate to defend the proceedings. If the Company is found liable for the claims under the Writ, in the absence of unforeseeable circumstances, the Group will still have sufficient working capital for running its business in the ordinary course.*

*'The Company will keep the shareholders of the Company and public investors informed of any further material developments in connection with the above action by way of further announcement(s) as and when appropriate.'*

It was on January 31, 2013, that Mongolia Energy Corporation made mention of the potential problems that were surfacing at its Khushuut Coal Mine.

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