

COURT FILE NUMBER 1401-06625

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF MONGOLIA MINERALS
CORPORATION

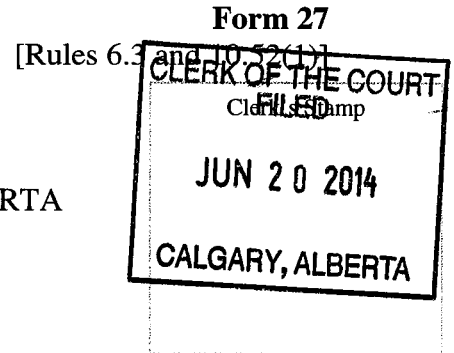
APPLICANT MONGOLIA MINERALS CORPORATION

DOCUMENT **APPLICATION BY MONGOLIA MINERALS
CORPORATION TO EXTEND TIME TO CALL AN
ANNUAL GENERAL MEETING**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

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File Number: 1144003



NOTICE TO RESPONDENT:

You have the right to state your side of this matter before the judge.

To do so, you must be in court when the application is heard as shown below:

Date:	June 30 , 2014
Time:	10:00 a.m. or so soon thereafter as the parties may be heard
Where:	Calgary Courts Centre, 601-5 th Street S.W., Calgary, Alberta
Before Whom:	Justice in Commercial Duty Justice Chambers

Go to the end of this document to see what else you can do and when you must do it.

Remedy sought:

1. An order:
 - (a) Declaring that the time for service of this application is abridged, this application is properly returnable on June 30, 2014 and that service of this application on the parties listed in paragraph 16 is sufficient and that service on any other persons of notice of this application is dispensed with;
 - (b) Extending the time for Mongolia Minerals Corporation (“**MMC**” or the “**Applicant**”) to hold the next annual meeting of its shareholders (“**AGM**”) to October 1, 2014; and
 - (c) Such other and further relief as this Honourable Court deems just.

Grounds for making this application:

General Background

2. MMC is an exploration and development stage company and its most significant assets are exploration and mining licenses for coal located in Mongolia (the “**Licenses**”). MMC is a corporation incorporated under the *Canada Business Corporations Act*, RSC 1985, c C-44, as amended (the “**CBCA**”).
3. MMC is insolvent and on June 16, 2014, obtained protection from its creditors (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) by way of an Initial Order granted by Justice LoVecchio on June 16, 2014 as amended on June 18, 2014 (the “**Initial Order**”).

4. MMC is required by the CBCA to hold an AGM on or before June 30, 2014. Due to the CCAA Proceedings, it is not in the best interests of MMC, its shareholders or any other stakeholder for MMC's management to be distracted from the insolvency proceedings by holding an AGM at this time. MMC is applying, pursuant to the CBCA and the CCAA, for an order extending the time to call its next AGM until October 1, 2014.

Specific Grounds

5. Pursuant to subsection 133(1)(b) of the CBCA, MMC is required to hold an AGM not later than fifteen months after holding the last preceding AGM but no later than six months after the end of the corporation's preceding financial year. Subsection 133(3) of the CBCA authorizes MMC to apply to the Court for an order extending the time for calling an AGM.

6. Pursuant to section 11 of the CCAA, this Honourable Court has the authority to make any order that it considers appropriate in the circumstances.

7. The Applicant's preceding financial year ended on December 31, 2013, and the last AGM was held on October 15, 2013, therefore MMC is required to call its next AGM on or before June 30, 2014, unless an order is made by this Honourable Court to extend the time to call an AGM.

8. The CCAA Proceedings have only just commenced and MMC is diligently working to develop a market solicitation process with a view to refinance MMC or sell the Licenses, thus repaying its secured creditors and providing value to MMC's other stakeholders.

9. Since the commencement of the CCAA Proceedings on June 16, 2014, MMC's Board of Directors met on June 18, 2014, to discuss the development of a market solicitation process and to discuss the possible sale of non-core assets (subject to Court approval). Members

of MMC's Board have been engaging in ongoing discussions with several potential purchasers for several non-core assets.

10. Holding an AGM is costly, and there is no other significant business to put before the AGM. The Company has not completed its audited financial statements for the year ended December 31, 2013, and as such, is not yet able to present such statements to the shareholders at the AGM at this time.

11. The shareholders of MMC have been kept apprised of the CCAA Proceedings and of MMC's intention to extend the time to call the AGM. The shareholders were advised by letter sent on June 17, 2014 (the "**Letter**") which advised that MMC had obtained creditor protection under the CCAA and advised the shareholders how to access materials filed in the CCAA Proceedings. The Affidavit of William Foster, sworn June 13, 2014 in support of MMC's application for creditor protection (the "**June 13 Affidavit**"), advised that MMC intends to apply to extend the time to call the AGM.

12. MMC plans to hold the next AGM before October 1, 2014 as MMC expects the CCAA Proceedings to have been terminated by that time.

13. MMC plans to provide notice of the next AGM to all of its shareholders in adherence with the prescribed notice period under the CBCA. Since the time of its incorporation, MMC has not been notified of any application by its shareholders pursuant to the CBCA requiring the Company to hold an AGM .

14. Postponing the AGM and the voting on ordinary annual business would not prejudice the shareholders of the Applicant. However, calling an AGM at this time would severely distract MMC's Board of Directors from focusing on the immediate task at hand, being

the development of a market solicitation process to rescue MMC from its current financial troubles. Delaying the calling of the AGM is in the best interest of the Applicant and its shareholders.

15. Accordingly and pursuant to subsection 133(3) of the CBCA and section 11 of the CCAA, it is appropriate to grant an extension of the time to call an AGM until October 1, 2014.

Service

16. MMC will serve notice of this application in the following way:

- (a) By sending a letter to all shareholders advising of the application and directing the reader to the Monitor's website where the materials in support of this application shall be posted;
- (b) By serving counsel for the Monitor, the secured creditors listed in Schedule "A" to this application, and the Director under the CBCA via email, facsimile or ordinary mail.

Material or evidence to be relied on:

17. The affidavit of William J. Foster, sworn June 20, 2014; and

18. Such further and other material as the Applicant may advise and this Honourable Court may allow.

Applicable rules:

19. Rules 6.3 of the *Alberta Rules of Court*, Alta Reg 124/2010, as amended.

Applicable Acts and regulations:

20. Section 11 of the CCAA; and

21. Subsection 133 of the CBCA.

Any irregularity complained of or objection relied on:

22. None.

How the application is proposed to be heard or considered:

23. In person, before the presiding Justice in Commercial Duty Justice Chambers.

AFFIDAVIT EVIDENCE IS REQUIRED IF YOU WISH TO OBJECT.

WARNING

If you do not come to court either in person or by your lawyer, the court may give the applicant what they want in your absence. You will be bound by any order that the court makes, or another order might be given or other proceedings taken which the applicant is entitled to without any further notice of them to you. If you want to take part in this application, you or your lawyer must attend in court on the date and time shown above. If you intend to rely on an affidavit or other evidence when the originating application is heard or considered, you must reply by giving reasonable notice of that material to the applicant.

Schedule “A”

Name	Manner of Service
Dundee • Dundee Corporation (Sivan Fox) • Dundee Capital Markets (David Anderson)	E-mail • david.legeyt@dentons.com • david.mann@dentons.com • ron.matheson@dentons.com
Mr. Enkhtaivan Chimed • Cam Rusaw • Brett Seifred)	E-mail • enkhtaivanch@yahoo.ca • info@tsagaanshonkhor.com • crusaw@dwpv.com bseifred@dwpv.com
Lim Ken Gin	E-mail • imsglim@hotmail.com
Paloduro Investments • Bob Cross	E-mail • bcross@kepisandpobe.com
Valiant Trust Company • General “inquiries” e-mail • Dan Sander	E-mail • inquiries@valianttrust.com • Dan.sander@valianttrust.com

FORM OF ORDER

COURT FILE NUMBER 1401-06625

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C.
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MATTER OF A PLAN OF COMPROMISE
AND ARRANGEMENT OF MONGOLIA
MINERALS CORPORATION

APPLICANT MONGOLIA MINERALS CORPORATION

DOCUMENT **ORDER**

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Suite 2500, 450 – 1st Street SW
Calgary, Alberta T2P 5H1

Solicitors: A. Robert Anderson, Q.C. / Michael Bokhaut
Phone: (403) 260-7004 / 7023
Facsimile: (403) 260-7024
Email: randerson@osler.com / mbokhaut@osler.com
File Number: 1144003

DATE ON WHICH ORDER WAS PRONOUNCED: June 30, 2014

NAME OF JUDGE WHO MADE THIS ORDER:

LOCATION OF HEARING: Calgary, Alberta

UPON the application of Mongolia Minerals Corporation (the "**Applicant**") to extend the time to call an annual general meeting; **AND UPON** having read the Application, the Affidavit of William J. Foster, sworn on June 20, 2014 and filed; **AND UPON** hearing counsel for the Applicant; **AND UPON** being satisfied that it is in the best interests of the Applicant and

its shareholders to extend the time by which the Applicant's next annual general meeting may be held; **IT IS HEREBY ORDERED, ADJUDGED AND DECLARED THAT:**

1. The time for service of this application is abridged, this application is properly returnable on June 30, 2014, and service of this application is good and sufficient.
2. Service of this Order shall be effected by:
 - (a) Serving a copy of this Order on counsel for the monitor, Ernst & Young (the "**Monitor**") and on the secured creditors listed in Schedule "A" to the application;
 - (b) Posting a copy of this Order on the Monitor's websiteand service on any other persons of this Order is dispensed with.
3. The time within which the Applicant is required to hold the next annual meeting of its shareholders is hereby extended to October 1, 2014.

Justice of the Court of Queen's Bench of
Alberta