COURT FILE NUMBER	1401-06625
COURT	COURT OF QUEEN'S BENCH OF ALBERTA IN BANKRUPTCY AND INSOLVENCY
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 OR ARRANGEMENT OF MONGOLIA MINERALS CORPORATION
APPLICANT	MONGOLIA MINERALS CORPORATION
DOCUMENT	**APPLICATION (Re: Stay Extension)**

Clerk's Stamp

CLERK OF THE COURT
FILED
JUL 11 2014
CALGARY, ALBERTA

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**Osler, Hoskin & Harcourt LLP** Suite 2500, 450-1st Street SW Calgary, Alberta T2P 5H1 Solicitors: A. Robert Anderson, Q.C. / Michael Bokhaut Phone: 403.260.7004/7023 Fax: 403.260.7024 Email: randerson@osler.com / mbokhaut@osler.com

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:	July 16, 2014
Time:	12:00 p.m., or so soon thereafter as counsel may be heard
Where:	Calgary Courts Centre, 601 – 5th Street SW, Calgary, AB
Before Whom:	The Honourable Mr. Justice A.D. Macleod

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

Remedy claimed or sought:

1. The Applicant, Mongolia Minerals Corporation ("**MMC**") respectfully requests an order, substantially in the form attached hereto as Schedule "**A**":

   (a) Abridging the time for service of this Application and supporting materials, if necessary, and declaring that service of same to be good and sufficient;

   (b) Granting an extension of the stay of proceedings (the "**Stay**") set out in the initial order granted by the Honourable Justice S.J. LoVecchio on June 16, 2014, as amended and restated on June 18, 2014 (the "**Initial Order**") up to and including August 15, 2014;

   (c) Sealing on the Court file the Confidential Exhibit to the Affidavit of William J. Foster, sworn on July 11, 2014 (the "**Confidential Exhibit**").

   (d) Such further and other relief as counsel for MMC may advise and this Honourable Court considers to be just and appropriate in the circumstances.

Grounds for making this application:

2. On June 16, 2014, MMC sought and obtained protection from its creditors pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended ("**CCAA**") by way of the Initial Order. The Initial Order provided for the Stay to extend until and including July 16, 2014. This Application marks the first application MMC has filed to extend the Stay.

3. Since the Initial Order, MMC has taken significant steps and undertaken significant effort to: (i) market MMC's non-core assets, including its Dalan project (the "**Dalan Project**"), and other assets, and (ii) seek alternate sources of financing. MMC has been working closely with the Monitor, its counsel, and its international contacts in support of the activities described in the Affidavit of William J. Foster sworn July 11, 2014, and as outlined in the First Report of the Monitor (the "**First Monitor's Report**").

4. MMC's marketing of the Dalan Project has generated significant interest from several prospective purchasers. MMC is currently engaged in detailed and ongoing negotiations with several prospective purchasers and it is MMC's belief that the execution of a sale agreement for the Dalan Project is imminent.

5. In addition to the Dalan Project, MMC is also negotiating with other prospects for equity investment, the sale of copper exploration and mining licenses and the sale of all of the Company's assets in conjunction with interim (debtor-in-possession) financing. A brief one month extension of the Stay will enable MMC to conclude negotiations for the sale

of the Dalan Project and the Company's other assets, or equity investment or interim financing.

6. Conclusion of a transaction will provide MMC with sufficient funds to support its restructuring efforts and proceed with the sales and investment solicitation process ("**SISP**"). The SISP will enable current shareholders to further invest in the Company, or failing that, to thoroughly canvass the market to refinance the Company or sell the Company's core asset.

7. MMC has been working in good faith and with due diligence in these proceedings and is of the belief that it is in the best interests of MMC and all stakeholders to continue these proceedings. It is fair and reasonable and in the best interests of all stakeholders that the Stay extension be granted to provide MMC with sufficient time to conclude negotiations and sell the Dalan Project (and/or other assets), or obtain equity investment or interim financing, and thereafter to conduct the SISP. This will maximize and realize the value of MMC's assets, repay the secured creditors, and benefit all other stakeholders.

8. The Confidential Exhibit contains commercially sensitive details regarding the Company's ongoing negotiations for the sale of the Dalan Project. The release of the information contained in the Confidential Exhibit would significantly prejudice the Company's efforts to market the Dalan Project and impair the Company's ability to maximize recovery from the sale of this and other assets. Sealing this information on the Court file is necessary in the circumstances as the disclosure of such information would harm the Company's commercial interests and provide all current and future prospective purchasers with an unfair bargaining position in relation to the Company.

Materials or evidence to be relied upon:

9. The Affidavit of William J. Foster, sworn on July 11, 2014 (Confidential Exhibit "A" not included).

10. The First Report of the Monitor;

11. Such further and other evidence or materials as counsel may advise and this Honourable Court may permit.

Applicable rules:

12. The *Alberta Rules of Court*, Alta Reg. 124/2010 (the "**Rules**").

13. Such other Rules as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

14. The *Companies' Creditors Arrangement Act*, Act, RSC 1985, c C-36, as amended.

15. The *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.

16. Such other Acts and Regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

17. None.

How the application is proposed to be heard or considered:

18. In person, before the Honourable Mr. Justice A.D. MacLeod at the Calgary Courts Centre, 601 – 5th Street SW, Calgary, AB at 12 p.m. on July 16, 2014, or so soon thereafter as counsel may be heard.

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.

FORM OF ORDER

COURT FILE NUMBER	1401-06625	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA IN BANKRUPTCY AND INSOLVENCY	
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 OR ARRANGEMENT OF MONGOLIA MINERALS CORPORATION	
APPLICANT	MONGOLIA MINERALS CORPORATION	
DOCUMENT	**ORDER** **(Re: Stay Extension)**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**Osler, Hoskin & Harcourt LLP** Suite 2500, 450-1st Street SW Calgary, Alberta T2P 5H1 Solicitors: A. Robert Anderson, Q.C. / Michael Bokhaut Phone: 403.260.7004/7023 Fax: 403.260.7024 Email: randerson@osler.com / mbokhaut@osler.com	

DATE ON WHICH ORDER WAS PRONOUNCED:	July 16, 2014
NAME OF JUDGE WHO MADE THIS ORDER:	Honourable Mr. Justice A.D. Macleod
LOCATION OF HEARING:	Calgary, Alberta

UPON the application of Mongolia Minerals Corporation ("**MMC**") heard on July 16, 2014; **AND UPON** having read the Application of MMC, and the Affidavit of Bill Foster, sworn on

July 11, 2014 (the "**Foster Affidavit**"); **AND UPON** having reviewed Confidential Exhibit "A" to the Foster Affidavit; **AND UPON** having read the First Report of the Monitor; **AND UPON** having reviewed the Initial Order granted by Justice LoVecchio on June 16, 2014, as amended on June 18, 2014 (the "**Initial Order**"); **AND UPON** hearing from counsel for the Applicant, counsel for the Monitor and any other counsel present, **IT IS HEREBY ORDERED, ADJUDGED, AND DECLARED THAT:**

1. The time for service of this application and supporting materials is hereby abridged and deemed good and sufficient and this application is properly returnable today.

2. The stay of proceedings granted in the Initial Order is extended until and including August 15, 2014.

3. Confidential Exhibit "A" to the Foster Affidavit (the "**Confidential Exhibit**") is hereby ordered to be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states that:

   THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED BY MONGOLIA MINERALS CORPORATION; and

   THE CONFIDENTIAL MATERIALS ARE SEALED PURSUANT TO THE ORDER ISSUED BY _____________ ON ● , 2014.

4. MMC shall serve, by courier, ordinary mail, fax or e-mail transmission a copy of this Order on all parties listed in Schedule "A" to this Order and by posting a copy of this Order on the Monitor's website and service of this Order on any other party is dispensed with.

____

J.C.Q.B.A.

SCHEDULE "A" TO THE ORDER (Re: Stay Extension)

MMC CCAA Application - Service Summary

Below is a table setting forth the date, manner and status of service to the various persons served.

Dated	Name	Description	Manner of Service
June 13, 2014	**Dundee** • Dundee Corporation (Sivan Fox) • Dundee Capital Markets (David Anderson)	Major investor (equity and Notes) • Parent corporation of Dundee entities (Ms. Fox is VP, Legal of Dundee Corporation) • Investment dealer arm of Dundee (Mr. Anderson is Vice Chairman, head of investment banking; he and Ned Goodman are MMC's main contacts at Dundee)	E-mail • david.legeyt@dentons.com • david.mann@dentons.com • ron.matheson@dentons.com • sfox@Dundeecorporation.com
June 13, 2014	**Mr. Enkhtaivan Chimed** • Directly • Davies (Cam Rusaw and Brett Seifred)	MMC's Mongolian partner, preferred shareholder and major Noteholder (through his holding company, White Falcon Inc.) Davies is counsel to Mr. Enkhtaivan Chimed.	E-mail • enkhtaivanch@yahoo.ca and info@tsagaanshonkhor.com • crusaw@dwpv.com and bseifred@dwpv.com
June 13, 2014	Lim Ken Gin	One of the major Noteholders	E-mail • imsglim@hotmail.com
June 13, 2014	Paloduro Investments • Bob Cross	One of the major Noteholders (note: Bob Cross is also director of MMC)	E-mail • bcross@kepisandpobe.com
June 13, 2014	Valiant Trust Company • General "inquiries" e-mail as per Notice in Note Indenture • Dan Sander (contact throughout Notes Offering)	Trustee under the Note Indenture	E-mail • inquiries@valianttrust.com • Dan.sander@valianttrust.com