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JUDICIAL CENTRE
OF CALGARY

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 OR ARRANGEMENT OF MONGOLIA MINERALS CORPORATION
APPLICANT	MONGOLIA MINERALS CORPORATION
DOCUMENT	**APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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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:	November 26, 2014
Time:	1:15 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 Madam Justice Horner

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**" or the "**Company**") 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 December 19, 2014;

   (c) Extending the time for MMC to hold the next annual meeting of its shareholders ("**AGM**") to 60 days after the completion of the CCAA process;

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

Grounds for making this application:

The Stay of Proceedings

2. On June 16, 2014, MMC sought and obtained protection from its creditors pursuant to the *Companies' Creditors Arrangement Act* ("**CCAA**") by way of the Initial Order. The Initial Order provided for a Stay which was most recently extended by Justice Strekaf to November 30, 2014 (the "**October Order**"). The Stay is currently set to expire on November 30, 2014.

3. Since the Initial Order, MMC has taken significant steps and expended significant effort to (i) market the Dalan Assets (defined below), one of MMC's non-core assets, (ii) seek further investors and alternate sources of financing, and (iii) develop a Sales and Investment Solicitation Process to define a process to widely market MMC's core asset, the Khotgor Project. MMC has been working closely with the Monitor, its counsel, and its international contacts in support of the activities listed above all of which are further described in the Affidavit of William J. Foster sworn on August 14, 2014 (the "**August Affidavit**"), and in the Affidavit of William J. Foster sworn on July 11, 2014 (the "**July Affidavit**").

The Dalan Sale Agreement

4. On September 4, 2014, MCGT LLC ("**MCGT**"), a subsidiary of MMC, executed a purchase and sale agreement with a purchaser (the "**Purchaser**") for the Dalan Assets, as defined below (the "**Dalan Sale Agreement**").

5. Pursuant to the Dalan Sale Agreement, MCGT agreed to sell and transfer the minerals mining license (the "**Dalan License**") and all documents, data and other information related to the Dalan License which covers territory located in the Dalanjargalan Soum,

Dornogobi Province of Mongolia (the "**Dalan Assets**"). The Dalan Sale Agreement was approved by this Honourable Court by way of an order dated September 5, 2014.

6. The first installment of the purchase price for the Dalan Assets was received on or about September 10, 2014. The second installment will not be paid until the Mineral Resource Authority of Mongolia ("**MRAM**") approves the transfer of the Dalan License to the Purchaser.

Delay in Closing the Dalan Sale Agreement

7. The October Order extended the Stay until November 30, 2014. At that time, MMC expected that extending the Stay until November 30, 2014 would provide sufficient time to effect the closing of the Dalan Sale Agreement. However, delays in closing have made it likely that the Dalan Sale Agreement will not close before the current Stay expires.

8. In order to close the Dalan Sale Agreement, MRAM must approve the transfer of the Dalan License from the Company to the Purchaser. The parties submitted an application to MRAM for approval on November 10, 2014. MMC expects the approval process to take approximately ten or more business days.

9. At all times, the Company has been diligently taking all steps necessary to close the Dalan Sale Agreement and has incurred significant additional expense in doing so. Although the Dalan Sale Agreement contemplates that the Purchaser would undertake most of the work related to obtaining the required MRAM approval, MMC has been driving this process and working diligently with its Mongolian counsel to identify and collect or prepare the required documentation.

10. Despite the delay, MMC is of the belief that the Dalan Sale Agreement will close before the expiry of the Stay period requested. Once the Dalan Sale Agreement closes, MMC will receive substantial additional funds on account of the remainder of the purchase price due to MMC on connection with such sale. This will provide the Company with sufficient funds to pay the professional fees and disbursements (the "**Restructuring Fees**") of its counsel, the Monitor and the Monitor's counsel (the "**Restructuring Professionals**") and commence the implementation of a market solicitation process to find additional financing or sell the Company's remaining assets for the best possible price.

The Annual General Meeting

11. Pursuant to subsection 113(1)(b) of the *Canada Business Corporations Act*, RSC 1985, c C-44 (**"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 its previous 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.

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

13. The Applicant's preceding financial year ended on December 31, 2013, and the last AGM was held on October 15, 2013.

14. On June 20, 2014, this Honourable Court granted an order to extend the time within which MMC was required to hold the next annual meeting of its shareholders until October 1, 2014. Since then, MMC has been engaged on the Dalan sale process.

15. Holding an AGM is costly, and there is no significant business to put before the AGM. Holding the AGM during CCAA Proceedings would require MMC to divert a significant portion of its limited resources to a meeting that would not significantly impact the shareholders and would not assist MMC in developing a market solicitation process or reorganizing its affairs.

16. In order to reduce the Company's expenses at this sensitive time and permit management and the Board to focus on the CCAA process, it would be appropriate to postpone the calling of the AGM until 60 days after the CCAA process has been completed. Postponing the AGM will enable the Company to focus its limited resources on the restructuring process and the closing of the Dalan Sale Agreement.

17. Postponing the AGM and the voting on ordinary annual business would not prejudice the shareholders of the Applicant and delaying the calling of the AGM is in the best interest of the Applicant and its shareholders.

18. 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 60 days after the CCAA process has been completed.

Good Faith and Due Diligence

19. MMC has been working in good faith and with due diligence in these proceedings. It is fair and reasonable and in the best interests of all stakeholders that the Stay extension and the AGM extension be granted to provide the parties with sufficient time to close the Dalan Sale Agreement and enable the Restructuring Professionals to complete all work necessary to close the agreement.

Materials or evidence to be relied upon:

20. The Affidavit of William J. Foster, sworn on November 21, 2014.

21. The Affidavit of William J. Foster, sworn on October 20, 2014.

22. The Affidavit of William J. Foster, sworn on September 4, 2014 (Confidential Exhibit not included).

23. The Affidavit of William J. Foster, sworn on August 14, 2014 (Confidential Exhibit not included).

24. The Affidavit of William J. Foster, sworn on July 11, 2014.

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

Applicable rules:

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

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

Applicable Acts and regulations:

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

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

30. The *Canada Business Corporations Act*, RSC 1985, c C-44, as amended.

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

Any irregularity complained of or objection relied on:

32. None.

How the application is proposed to be heard or considered:

33. In person, before the Honourable Madam Justice Horner at the Calgary Courts Centre, 601 – 5th Street SW, Calgary, AB at 1:15 p.m. on November 26, 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	
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Osler, Hoskin & Harcourt LLP
Suite 2500, 450-1st Street SW
Calgary, Alberta T2P 5H1
Solicitors: A. Robert Anderson, Q.C. / Taylor Schappert
Phone: 403.260.7004 / 7039
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Email: randerson@osler.com / tschappert@osler.com

DATE ON WHICH ORDER WAS PRONOUNCED:	November 26, 2014
NAME OF JUDGE WHO MADE THIS ORDER:	The Honourable Madam Justice Horner
LOCATION OF HEARING:	Calgary, Alberta

UPON the application of Mongolia Minerals Corporation ("**MMC**") heard on November 26, 2014; **AND UPON** having read the application of MMC and the Affidavit of William J. Foster, sworn on November 21, 2014 (the "**November Affidavit**"); **AND UPON** having read the Fifth Report of the Monitor dated November 21, 2014 (the "**Monitor's Fifth Report**"); **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** having reviewed the Order (Re: Approval of Purchase and Sale Agreement) granted in these proceedings by the Honourable Madam

Justice Strekaf on September 5, 2014 (the "**September Order**"), which, *inter alia*, approved a purchase and sale agreement over some of MMC's non-core assets (the "**Dalan Sale Agreement**"); **AND UPON** having read the Order (Re: Stay Extension) also granted in these proceedings by the Honourable Madam Justice Strekaf on October 23, 2014 (the "**October Order**"), which, *inter alia*, extended the stay of proceedings to November 30, 2014; **AND UPON** being satisfied that it is in the best interests of MMC and its shareholders to extend the time by which MMC's next annual general meeting may be held; **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 December 19, 2014.

3. The time within which MMC is required to hold the next annual meeting of its shareholders is hereby extended until 60 days after the CCAA process has been completed.

4. MMC shall serve, by courier, ordinary mail, fax or e-mail transmission a copy of this Order on all parties present at this application, on all parties who are presently on the service list established in this proceeding, and by posting a copy of this Order on the Monitor's website and such service shall be deemed good and sufficient.

J.C.Q.B.A.