



MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

PROFIT WARNING

This announcement is made by Mongolia Energy Corporation Limited (“**MEC**”) pursuant to Rule 13.09 of the Listing Rules.

The board of directors (the “**Board**”) of MEC would like to inform its shareholders and potential investors that the unaudited interim results of MEC’s group (the “**Group**”) for the six months ended September 30, 2008 is expected to record a loss as compared to a profit for the corresponding period ended September 30, 2007. MEC disposed of its investment property as set out under the announcement of July 15, 2008. There was no income from disposal to buffer the finance costs in relation to the energy and related resources businesses of the Group during the six months ended September 30, 2008.

Shareholders and potential investors should exercise caution when dealing in the shares and securities of MEC.

This announcement is made by Mongolia Energy Corporation Limited (“**MEC**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of MEC would like to inform its shareholders and potential investors that the unaudited interim results of MEC’s group (the “**Group**”) for the six months ended September 30, 2008 is expected to record a loss as compared to a profit for the corresponding period ended September 30, 2007. MEC disposed of its investment property as set out under the announcement of July 15, 2008. There was no income from disposal to buffer the finance costs in relation to the energy and related resources businesses of the Group during the six months ended September 30, 2008.

As the Group’s unaudited interim results for the six months ended September 30, 2008 have not yet been finalized, the information contained in this announcement is only based on preliminary assessment on the unaudited management accounts of the Group and information currently available. The interim results of the Group for the six months ended September 30, 2008 are expected to be published by the end of December 2008.

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By the order of the Board of
Mongolia Energy Corporation Limited
Tang Chi Kei
Company Secretary

Hong Kong, October 27, 2008

As at the date hereof, the Board comprises seven directors, of which Mr. Lo Lin Shing, Simon, Mr. Liu Zhuo We, and Ms. Yvette Ong are executive directors, Mr. To Hin Tsun, Gerald is a non-executive director and Mr. Peter Pun ^{OBE, JP}, Mr. Tsui Hing Chuen, William ^{JP} and Mr. Lau Wai Piu are independent non-executive directors.