



MONGOLIA ENERGY CORPORATION LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 276)

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

We have noted the recent decrease in the price and increase in the trading volume of the shares of the Company (“**MEC**”) and wish to state that we are not aware of any reasons for such fluctuation.

We also confirm that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09, which is or may be of a price-sensitive nature which have not been set forth under the earlier announcements of MEC.

For completeness, MEC notes that there was a newspaper report by Ming Pao of January 7, 2008, relating to Mr. Liu Cheng Lin being apparently investigated around a decade ago, which obviously has no relevance to the concessions acquired and being acquired by MEC in western Mongolia, the title of which has been confirmed by Mongolian legal counsel.

In fact, MEC has today consulted Mr. Liu and he stated that because of an investigation of a third party whom he knew, he was drawn into an investigation for which he provided all assistance in accordance with his civic duties which was the end of the matter. Further, Mr. Liu stated that his change of name in 2006 was simply because of an acquaintance who suggested the new name was auspicious and this was a number of years afterwards.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

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

Hong Kong, January 7, 2008.

As at the date hereof, the Board comprises six Directors, of which Mr. Lo Lin Shing, Simon 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.