

Sculptor Finance (AS) Ireland Limited
Sculptor Finance (MD) Ireland Limited
Sculptor Finance (SI) Ireland Limited
(incorporated with limited liability under the laws of Ireland)
5 Harbourmaster Place, IFSC,
Dublin 1, Ireland

Mongolia Energy Corporation Limited
41st Floor
New World Tower 1
16–18 Queen's Road Central
Hong Kong
Attention: Mr. Simon Lo

**PRIVILEGED AND CONFIDENTIAL
WITHOUT PREJUDICE**

13 November 2013

Dear Sirs,

**RESTRUCTURING PROPOSAL IN RESPECT OF THE HK\$466,800,000 3.5%
CONVERTIBLE NOTED DUE 2013 ISSUED BY MONGOLIA ENERGY CORPORATION
LIMITED (THE "COMPANY")**

We refer to our emails dated 11 November 2013 and 13 November 2013 setting out the terms of our revised and restated counter proposal (the "**Restated Counter Proposal**"). Unless a contrary indication appears, terms defined and references construed in our email dated 29 October 2013 in relation to the original counter proposal shall have the same meaning and construction in this letter.

This letter is the execution version of the Restated Counter Proposal mentioned in our email dated 13 November 2013.

Subject to the conditions set out further below, we are prepared to agree to a moratorium on the following terms:

- (i) to forbear from taking any action to enforce the Company's obligations to repay the amounts due under the Notes, including all accrued and unpaid interest, for a period of 6 months from the date of maturity (i.e. until 12 May 2014) (the "**Standstill Period**");
- (ii) the Company shall seek to extend the maturity of the 3.5% convertible note issued to Golden Infinity Co., Ltd ("**GICL**") to a date after the Standstill Period and/or shall agree with GICL a moratorium on its repayment obligations thereunder until a date after the Standstill Period and, in either case, on terms not in any way more favourable than the terms set out in this letter; and
- (iii) the Company shall not repay any financial indebtedness of the Group that may fall due or become payable within the Standstill Period and shall agree a moratorium with the relevant creditor in respect of such payment obligation(s) until a date after the Standstill Period and

which shall be on terms that are not in any way more favourable than the terms set out in this letter.

Our Restated Counter Proposal is conditional on the following principal terms:

- (i) until full redemption of the Notes, neither the Company nor any of its subsidiaries shall do any of the following:
 - (a) dispose any assets, other than in the ordinary course of business;
 - (b) prepay or repay any other indebtedness, except for any trade payables incurred on bona fide arm's length terms; or
 - (c) grant any security interests in respect of present or future indebtedness;
- (ii) the moratorium set out above shall cease upon any of the following events occurring:
 - (a) default on any other indebtedness of the Company or its subsidiaries; or
 - (b) commencement of any enforcement proceedings or insolvency proceedings against the Company or any of its subsidiaries; and
- (iii) the terms and conditions of the moratorium shall be subject to definitive documents to be entered between the Company and us.

The term "financial indebtedness" used in the Restated Counter Proposal is intended to cover all indebtedness which has the commercial effect of a borrowing but would not extend to operational indebtedness, and the term "indebtedness" is intended to cover all forms of indebtedness whether financial indebtedness or otherwise.

For the avoidance of doubt, the terms set out above supercedes any prior discussions or communications between us concerning the Company's indebtedness under the Notes. Please confirm by return that the terms of this Restated Counter Proposal as set out above is acceptable to you.

We reserve all rights and remedies in connection with the Notes and nothing in this letter shall be construed as a waiver of our rights and/or remedies.

This letter is governed by Hong Kong law.

Yours faithfully,

For on behalf of

Sculptor Finance (AS) Ireland Limited

A handwritten signature in cursive script, appearing to read "Carmel Naughton", is written over a horizontal line.

Name: CARMEL NAUGHTON

Title: DIRECTOR

For on behalf of

Sculptor Finance (MD) Ireland Limited

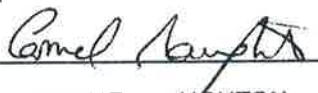
A handwritten signature in cursive script, appearing to read "Carmel Naughton", is written over a horizontal line.

Name: CARMEL NAUGHTON

Title: DIRECTOR

For on behalf of

Sculptor Finance (SI) Ireland Limited

A handwritten signature in cursive script, appearing to read "Carmel Naughton", is written over a horizontal line.

Name: CARMEL NAUGHTON


Title: DIRECTOR

Acknowledged and Agreed:

We hereby acknowledge receipt of your letter above dated 13 November 2013 and confirm our agreement to the terms of the Restated Counter Proposal as set out therein.

For on behalf of

Mongolia Energy Corporation Limited



Name: Lo Lin Shing Simon
Title: Chairman

Date: 15 November 2013