

17th December 2013

Interim Update

Following the Interim Update dated 26 August 2013, the Board of Directors of Mongolian Resource Corporation ("MRC") wishes to provide information to the market on its ongoing efforts to stabilize and strategically develop the Company going forward.

On Monday, 18 November 2013, the Board of Directors authorized its legal representatives in Mongolia to submit a civil claim to the district court of Khan-Uul, Mongolia seeking a judgment compelling Tanan Jargalsaikhan to: 1) implement MRCMGL's Board of Directors' Resolution discharging the Executive Director of the company; and 2) turn over the original copies of charter, certificates, stamps and other related documents of MRCMGL to its duly appointed Directors.

On Wednesday, 11 December 2013, Judge Oyun entered Order No. 5452 freezing the assets of MRC MGL, Gunbileg Trade and Gunbileg Gold. This order was registered with the Court Enforcement Office on Thursday, 12 December 2013.

According to the Judge's order:

1. Former MRC Director Tanan Jargalsaikhan's actions regarding the share transfer, property, and actions regarding: 1) the three (3) mineral licenses of MRCMGL; 2) the three (3) mineral licenses of Gunbileg Gold LLC; and 3) the mineral license of Gunbileg Trade LLC are all prohibited;
2. Any and all outflow from MRCMGL's, Gunbileg Gold LLC or Gunbileg Trade LLC's bank accounts is prohibited;
3. Any and all immovable and movable properties of MRCMGL, Gunbileg Gold LLC and Gunbileg Trade LLC's are immediately prohibited.

Although the Board is pleased with these positive developments, we anxiously await the Court's final ruling on the merits of MRC's case which will allow it to regain MRC's rightfully owned assets and to seek compensation and damages from the previous directors for their actions and criminal breaches under the Corporations Law by which the Company is governed.

As previously advised, once complete, the Board will endeavor to obtain a reliable understanding of the current state of the business, to raise additional capital to satisfy existing creditors and to resume trading as soon as possible.

The Board will continue to provide information to its shareholders and the market as soon as it becomes available.

For the Board,

John R Lee
Company Secretary

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