
MONGOLIAN RESOURCE CORPORATION LIMITED

ACN 127 620 482

NOTICE OF ANNUAL GENERAL MEETING

TIME: 10.30 am (AEDST)
DATE: 21 February 2012
PLACE: Level 1, 3 Spring Street
Sydney NSW Australia 2000

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 2) 9251 4908.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 10.30 am (AEDST) on Tuesday 21 February 2012 at:

Level 1, 3 Spring Street
Sydney NSW Australia 2000

YOUR VOTE IS IMPORTANT

The business of the Annual General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Mongolian Resource Corporation Limited, GPO Box 281, Sydney NSW 2001;
or
- (b) facsimile to the Company on facsimile number (+61 2) 8569 0916,

so that it is received not later than 10.30 am (AEDST) on 19 February 2012.

Proxy Forms received later than this time will be invalid.

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders will be held at 10.30 am (AEDST) on 21 February 2012 at Level 1, 3 Spring Street, Sydney NSW 2000.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders of the Company at 5.00 pm (AEDST) on 17th February 2012.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

ORDINARY BUSINESS

Financial Statements and Reports

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2011 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purpose of Section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2011.”

RESOLUTION 2 – RE-ELECTION OF DIRECTOR – NAIDANSUREN JARGALSAIKHAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“Naidansuren Jargalsaikhan, a Director who retires in accordance of Clause 13.4 of the Company's constitution, and being eligible, is re-elected as a Director”

RESOLUTION 3 – RE-ELECTION OF DIRECTOR – TANAN JARGALSAIKHAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“Tanan Jargalsaikhan, a Director who retires in accordance of Clause 13.4 of the Company's constitution, and being eligible, is re-elected as a Director”

RESOLUTION 4 – RE-ELECTION OF DIRECTOR – JOHN ROBERT LEE

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“John Lee, a Director who retires in accordance of Clause 13.4 of the Company’s constitution, and being eligible, is re-elected as a Director”

RESOLUTION 5 - APPOINTMENT OF AUDITOR

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of section 327B (1)(a) of the Corporations Act and for all other purposes, PricewaterhouseCoopers (ABN: 52 780 433 757) having been nominated by a Shareholder and having consented in writing to act in the capacity of auditor, be appointed as auditor of the Company.”

DATED: 18 JANUARY 2012**BY ORDER OF THE BOARD**

**JOHN LEE
COMPANY SECRETARY
MONGOLIAN RESOURCE CORPORATION LTD**

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the Annual General Meeting to be held at 10.30 am (AEDST) on 21 February 2012 at Level 1, 3 Spring Street, Sydney New South Wales, Australia.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

FINANCIAL STATEMENTS AND REPORTS

In accordance with the Constitution, the business of the Annual General Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2011 together with the declaration of the directors, the directors' report, the remuneration report and the auditor's report.

In accordance with amendments to the Corporations Act the Company is no longer required to provide a hard copy of the Company's annual financial report to Shareholders unless a Shareholder has specifically elected to receive a printed copy. These amendments may result in reducing the Company's printing costs.

Whilst the Company will not provide a hard copy of the Company's annual financial report unless specifically requested to do so, Shareholders may view the Company annual financial report on its website at:

www.mongolianresourcecorporation.com

RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

Pursuant to section 250R(2) of the Corporations Act a resolution that the Remuneration Report be adopted must be put to vote at the Company's Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

A reasonable opportunity will be provided for discussion on the Remuneration Report at the Annual General Meeting.

The provisions of the Corporations Act dealing with the non-binding vote on the Remuneration Report have recently been amended. The Corporations Act still provides that Resolution 1 need only be an advisory vote of shareholders and does not bind the Directors. However, in addition, the Corporations Act now provides that if the Company's Remuneration Report resolution receives a "no" vote of 25 per cent or more of votes cast at the Meeting, the Company's subsequent Remuneration Report must explain the Board's proposed action in response or, if the Board does not propose any action, the Board's reason for not making any changes. The Board will take the outcome of the vote, even if it receives a less than a 25% "no" vote, into consideration when considering the remuneration policy.

In addition, the Corporations Act amendments now set out a 'two-strikes' re-election process. Under the 'two strikes' re-election process, if the Company's Remuneration Report receives a "no" vote of 25% or more of all votes cast at two consecutive annual general meetings, (that is, 'two-strikes'), a resolution (the 'spill resolution') must be put to the second annual general meeting, requiring shareholders to vote on whether the Company must hold another general meeting (known as the 'spill meeting') to consider the appointment of all of the Directors who stand for re-appointment (other than the Managing Director). If the spill resolution is approved by a simple majority of 50% or more of the eligible votes cast,

the 'spill meeting' must be held within 90 days of that second annual general meeting (unless none of the Directors, other than the Managing Director, stand for re-appointment). Further information will be provided on the 'spill resolution' and 'spill meeting' for any annual general meeting at which the Company may face a 'second strike'. The remuneration levels for Directors, Officers and Senior Managers are competitively set to attract and retain appropriate Directors and key management personnel.

RESOLUTIONS 2 TO 4 – RE-ELECTION OF DIRECTORS

Clause 13.4 of the Constitution requires that all the Directors (except the Managing Director) who have been appointed since the last Annual General Meeting shall retire at the next Annual General Meeting.

A Director who retires under clause 13.4 of the Constitution is eligible for re-election.

Naidansuren Jargalsaikhan, Tanan Jargalsaikhan and John Lee each retire under clause 13.4 of the Constitution and all seek re-election.

RESOLUTION 5 – APPOINTMENT OF AUDITOR

Resolution 5 seeks Shareholder approval for the appointment of PricewaterhouseCoopers as auditor for the Company.

In accordance with Section 328B (1) of the Corporations Act, the Company has obtained a nomination from a Shareholder for PricewaterhouseCoopers to be appointed as auditor for the Company. A copy of this nomination is attached as Annexure A.

In accordance with Section 328A(1) of the Corporations Act, PricewaterhouseCoopers has provided the Directors with written notification of its consent to act as auditor for the Company subject to Shareholder approval of Resolution 5.

If Resolution 5 is passed, the appointment of PricewaterhouseCoopers for the Company will take effect at the close of this Annual General Meeting.

ENQUIRIES

Shareholders are required to contact John Lee, the Company Secretary on (+ 61 2) 9251 4908 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

Annual General Meeting means the meeting convened by the Notice of Meeting.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Company means Mongolian Resource Corporation Ltd (ACN 127 620 482).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

Notice of Meeting or **Notice of Annual General Meeting** means this notice of annual general meeting including the Explanatory Statement.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

AEDST means Australian Eastern Daylight Saving Time observed in Sydney, New South Wales, Australia.

ANNEXURE A – NOMINATION OF AUDITOR

Mongolian Resource Corporation Limited
Suite 9, 1200 Hay Street
West Perth, WA 6005

12th January 2012:

Dear Sirs,

I, Stockley Davis, being a member of Mongolian Resource Corporation Limited (**Company**), nominate PricewaterhouseCoopers (ABN: 52 780 433 757) in accordance with Section 328B(1) of the *Corporations Act 2001* (Cth) (**Act**) to fill the office of auditor of the Company.

Please distribute copies of this notice of this nomination as required by Section 328B(3) of the Act.



Stockley Davis

PROXY FORM

**APPOINTMENT OF PROXY
MONGOLIAN RESOURCE CORPORATION LTD
ACN 127 620 482**

ANNUAL GENERAL MEETING

I/We

of

being a member of Mongolian resource Corporation Ltd entitled to attend and vote at the Annual General Meeting, hereby

Appoint

Name of proxy

OR

the Chair of the Annual General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the Annual General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the Annual General Meeting to be held at 10.30 am (AEDST), on 21 February 2012 at Level 1, 3 Spring Street, Sydney New South Wales, Australia, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

OR

Voting on Business of the Annual General Meeting

	FOR	AGAINST	ABSTAIN
Resolution 1 – Adoption of remuneration report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 – Re-election of Director – Naidansuren Jargalsaikhan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 – Re-election of Director – Tanan Jargalsaikhan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 – Re-election of Director – John Robert Lee	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 – Appointment of auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not to be counted in computing the required majority on a poll.

Signature of Member(s):

Date: _____

Individual or Member 1

Sole Director/Company Secretary

Member 2

Director

Member 3

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

MONGOLAIN RESOURCE CORPORATION LTD
ACN 127 620 482

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at an Annual General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members must sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Mongolian Resource Corporation Ltd, GPO Box 4216, Sydney, NSW 2001; or
 - (b) Facsimile to the Company on facsimile number +61 2 8569 0916,so that it is received not later than 10.30 am (AEDST) on 19th February 2012.

Proxy forms received later than this time will be invalid.