



October 17, 2013

September 2013 Monthly Newsletter

Dear Shareholders of Mongolia Growth Group Ltd.,

I'd like to start off by pointing out that this is the September letter to shareholders—there wasn't an August letter.

The big news over the past few weeks has been the extraordinary session of parliament which has led to the recent passing of the Foreign Investment Law which repeals the Strategic Entities Foreign Investment Law (SEFIL) which was passed in May 2012. SEFIL was a hindrance to foreign investment—now that it has been repealed we expect to see a number of substantial projects move forward that had previously been on hold. The repeal of SEFIL after a little more than a year shows that Mongolia is capable of recognizing a mistake and rapidly adjusting in order to continue attracting foreign capital. The new Foreign Investment Law has many provisions that make the law even more advantageous to foreign firms than the pre SEFIL law and shows Mongolia's continued commitment to being a preferred destination for foreign investment.

Over the past year there has been a lot written about the macroeconomic climate in Mongolia—much of it uninformed. I felt that as an investor who is actively involved in Mongolia, I should also weigh in on the topic and I recently wrote an article for Marc Faber's Gloom Boom & Doom Report in regards to the macro climate in Mongolia and why I see it improving in the near future—this was before SEFIL passed

—We have added a copy of the article below, for your enjoyment.

Where Did All the Mongolia Bulls Go?

Sincerely,

Harris Kupperman
Chairman & CEO
Mongolia Growth Group Ltd.

For further details on the foregoing document, please refer to the Corporation's filing on SEDAR.
For more information on Mongolia Growth Group Ltd., please see our website:
www.MongoliaGrowthGroup.com

Or contact:
Genevieve Walkden
GWalkden@mongoliagrowthgroup.com

Forward-looking Information Cautionary Statement

Information and statements contained in this Letter to Shareholders that are not historical facts are “forward-looking information” within the meaning of applicable Canadian securities legislation and involve risks and uncertainties. Examples of forward-looking information and statements contained in this Letter to Shareholders include information with respect to: our belief that our listing on the TSXV will increase the liquidity of our shares and our ability to continue to attract new investors; our prospects for being able to agree upon acceptable terms for the purchase of properties that we are researching; our anticipation that our current small recurring losses will become small gains; our expectation that our three office assets under renovation, when fully leased, will substantially increase revenue rentals with minimal additional costs; and our plans for 2013.

Forward-looking information is necessarily based upon a number of assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. MGG cautions the reader that such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to: risks associated with investment in and development of real property in Mongolia and the insurance business in Mongolia; competition, financing and refinancing risks; risks related to economic conditions; risks related to regulation of the real estate and insurance business in Mongolia; political risk in Mongolia; changes in Mongolian taxation rules; claims against our insurance policies differing from our assumptions; reliance on key personnel; environmental matters; tenant and policyholder risks; risk of insurance fraud; and other risk factors more particularly described in in MGG’s filings with Canadian securities regulators, which filings are available at www.sedar.com. Additional risks and uncertainties not presently known to MGG or that MGG currently believes to be less significant may also adversely affect MGG. Forward-looking information is designed to help you understand management’s current views of our near and longer term prospects, and it may not be appropriate for other purposes. MGG does not undertake any obligation to update or revise forward-looking information, whether as a result of new information, future events or otherwise, except to the extent legally required.

The TSXV has not reviewed and does not accept responsibility for the adequacy or accuracy of this Letter to Shareholders.

