

Mongolia Growth Group Ltd. Publishes April 2014 Monthly Letter to Shareholders

TORONTO, CANADA, June 4, 2014 /FSC/ Mongolia Growth Group Ltd. (YAK – TSXV and MNGGF – USA), a real estate investment and development company pursuing the dynamic growth of the Mongolian economy via ownership of institutional-quality commercial property assets in the capital city of Ulaanbaatar, Mongolia is pleased to announce the release of its April 2014 Shareholder Letter.

April 2014 Shareholder Letter

To the Shareholders of Mongolia Growth Group Ltd.,

In April 2014, MGG's core commercial property portfolio* experienced a same-store rental increase of 36.8% relative to April 2013 on properties owned 12 months or longer, as measured in local currency (Mongolian Togrog). Total billed revenue for April 2014 was 260.7 million Mongolian Togrog, as compared to 212.5 million Mongolian Togrog in April of 2013 or a 22.7% increase.** The occupancy rate for the core portfolio in April of 2014 was 95.9%, including an occupancy rate of 98.1% for core retail properties and an occupancy rate of 90.5% for core office properties.

Investment Portfolio and Borrowings Update

Investment Portfolio

During the month of April, we continued to implement our strategy of shifting MGG's asset mix away from smaller properties that cost more to maintain and manage, and towards larger institutional-quality assets that are easier to scale, as we build MGG into a leading real estate company in Mongolia. During April, we disposed of one property. Over the course of the first four months of 2014, we have disposed of a total of seven properties and received commitments to sell an additional two properties.

Borrowings

During April, MGG borrowed money from a highly respected bank in Mongolia, in order to complete the acquisition of a distressed asset at a substantial discount to current market prices. While property companies are usually significantly leveraged for better economics, we want MGG to retain a conservative balance sheet with ample liquidity to take advantage of future acquisition opportunities, like the purchase that was just completed. The company intends to reduce the borrowings through

continued sales of non-core assets, while in due course, exploring ways to refinance this new loan with cheaper overseas borrowings.

Mongolian Economic Update

During the first quarter of 2014, Mongolia's GDP grew 7.4%

Since our previous update to you:

- Mongolian Prime Minister Altankhuyag Norov issued a 100 day, 50-point agenda which promises to boost infrastructure, mining, manufacturing and the development of small and medium-sized businesses
- January to April trade deficit narrowed 82% to US \$93.7 million compared with a deficit of US \$528.3 million in 2013. Mongolia's exports increased by 18.1% compared to the prior year
- China has agreed to lend the Mongolian government US \$193 million to finance a highway along the Tuul river and Yarmag Bridge
- US-based "Freedom House" NGO released the press freedom index of countries and Mongolia improved 3 ranks compared to last year and is now ranked 74th place out of 197 nations that were ranked

We look forward to updating you again on our progress and new developments in the Mongolian economy next month.

Sincerely,

Harris Kupperman

Executive Chairman

Mongolia Growth Group Ltd.

*The core commercial property portfolio is defined as those commercial assets that are held for long term investment and excludes certain development assets which produce minimal rental revenues, certain assets that are actively being marketed and all residential properties. Two properties included in the calculation are accounted for as PP&E assets in the Company's financial statements as filed with SEDAR.

**Billed revenue represents the revenue billed to tenants, net of VAT. It does not take into account bad debt expense, late payment penalties, interest income or management fee revenue. Revenue numbers assume that Mandal Daatgal 's rental revenue was attributed to MGG during 2013, as opposed to having it removed on consolidation, for ease of comparisons.

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

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Mongolia Growth Group Ltd. is a publicly traded and leading property investment and development company in Ulaanbaatar, Mongolia. MGG owns an extensive property portfolio, in diversified segments of the property market, with an emphasis on institutional-grade commercial assets.

MGG undertakes its own property acquisitions, develops brownfield land assets and repositions outdated properties, relying on in-house services for all facets of both the investment portfolio and development side of the business. In addition, MGG acts as a full-service third party provider for institutional clients and tailors transactions covering acquisition-to-suit, build-to-suit, as well as refurbish-to-suit, for property owners and major tenants.

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.

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 redevelopment of real property in Mongolia; competition, financing and refinancing risks; risks to the consumer mortgage market; a lack of correlation between disposable income and consumption; risks related to economic conditions; risks related to mining and mining development in Mongolia; risks related to regulation of the real estate in Mongolia; political risk in Mongolia; changes in Mongolian taxation rules; reliance on key personnel; environmental matters; tenant risks; 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.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.