

Ticker Symbols

YAK-Canada & MNGGF-USA

**MONGOLIA**  
GROWTH GROUP

# Leveraged to Mongolia's Growth

## First Quarter 2014



## Caution Regarding Forward-Looking Information

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This presentation contains statements that, to the extent that they are not historical fact, may constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking statements or information may include financial and other projections and are statements which reflect the current reasonable expectations and assumptions of Management regarding the future growth, results of operations, performance and business prospects and opportunities of the Corporation.

Wherever possible, words such as "may", "would", "could", "should", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "aim", "endeavour" and similar expressions have been used to identify these forward-looking statements. These statements reflect Management's current beliefs based on its experience and expertise with respect to future events and are based on information currently available to Management. Management uses forward-looking statements because it believes they provide useful information with respect to the Corporation, and cautions readers that the information may not be appropriate for other purposes and should not be read as guarantees of future performance or results. In particular, this presentation contains forward-looking statements pertaining to the following: the future growth of Mongolia, resources located in Mongolia, the development of such resources, growth due to the possible extraction of said resources, the future growth of the GDP of Mongolia, rental rate increases, capitalization rate decreases, property valuation growth, historical growth of other cities being contiguous with the growth of Ulaanbaatar, Management's expectations of existing leases and revenue, future developmental plans, future rental rates, and the expansion of available property on a per person basis.

There are uncertainties inherent in forward-looking information, including factors beyond the Corporation's control. The Corporation undertakes no obligation to update forward-looking information if circumstances or Management's estimates or opinions should change except as required by law. The reader is cautioned not to place undue reliance on forward-looking statements.

Although the Corporation believes that the expectations reflected by the forward-looking statements presented in this presentation, these forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Corporation about itself and the businesses in which it operates. Information used in developing forward-looking statements has been acquired from various sources including third party consultants, suppliers, regulators and other sources. In some instances, material assumptions are disclosed elsewhere in this presentation in respect of forward looking statements. The material factors and assumptions used to develop the forward-looking statements include but are not limited to: information provided by third party data sources and a reliance on assumptions behind that information, reserve data from mining firms, plans to extract resources as publicized by mining firms, GDP growth, governmental tax revenue and a growing consumer economy, rental rate and capitalization rate changes in Mongolia and other commercial property markets and assumptions on their patterns of development, existing leases and existing development and a continued focus of commercial activity on Peace Avenue, and its vicinity.

Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements of the Corporation to be materially different from any future results, performance or uncertainty regarding achievements that may be expressed or implied by such forward-looking statements.

Those risks and uncertainties include, but are not limited to, those related to: liquidity in the global marketplace associated with current economic conditions, occupancy levels, access to debt and equity capital, interest rates, the relative illiquidity of real property, new entrants, unexpected costs or liabilities related to acquisitions or dispositions, construction, environmental matters, legal matters, the single importance on the Oyu Tolgoi project and the risk it doesn't development as expected; reliance on third party information to assess opportunities, reliance on key personnel, taxes, the trading price of the securities of the Corporation, lack of availability of acquisition or disposition opportunities for the Corporation and exposure to economic, real estate and capital market conditions in Mongolia. Mongolia by its nature is an emerging economy and subject to certain risks inherent in an emerging economy including less mature laws, higher risks of inflation, changing business conditions or erratic interpretations of law and regulatory and sovereignty risk. The included material is provided for informational purposes only as of the date hereof, is not complete, and may not contain certain material information about the Corporation, including important disclosures and risk factors associated with an investment in the Corporation. More complete disclosures and risk factors can be found in the Corporation's continuous disclosure filings available on SEDAR.

In addition, new factors and risks emerge from time to time and it is not possible for the Management to predict all of such factors and to assess in advance the impact of each such factor on the Corporation or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this presentation. These factors should be considered carefully and readers should not place undue reliance on forward-looking statements.

Although forward-looking statements contained in this presentation are based upon what Management currently believes to be reasonable assumptions, the Corporation cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. Forward-looking statements herein are made as of the date of this presentation and the Corporation does not assume any obligation to update or revise these forward-looking statements except as required by applicable securities laws.

**To provide a liquid and transparent way to  
invest in Mongolia's growth...**

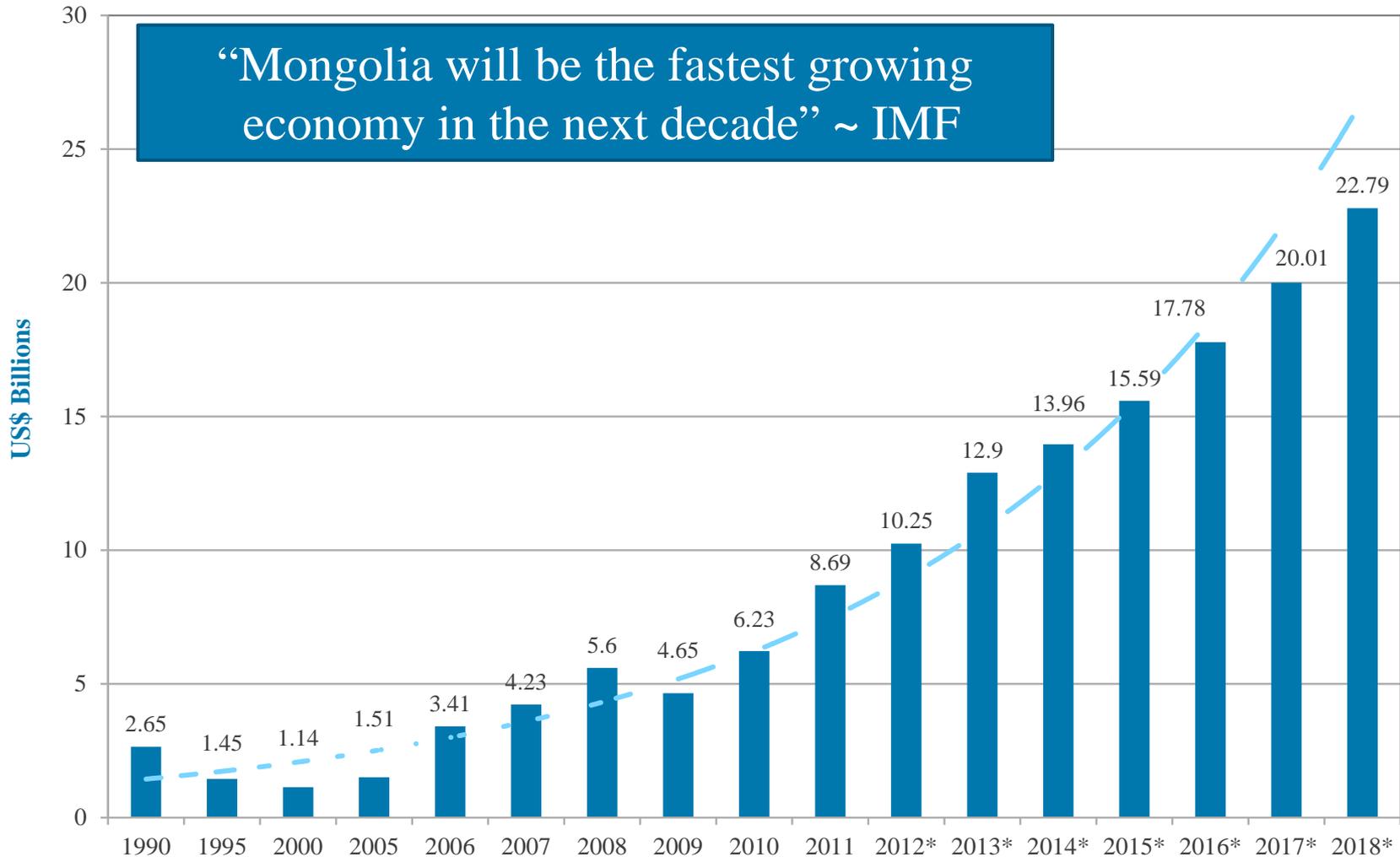




Source: Temasek Holdings (2010)

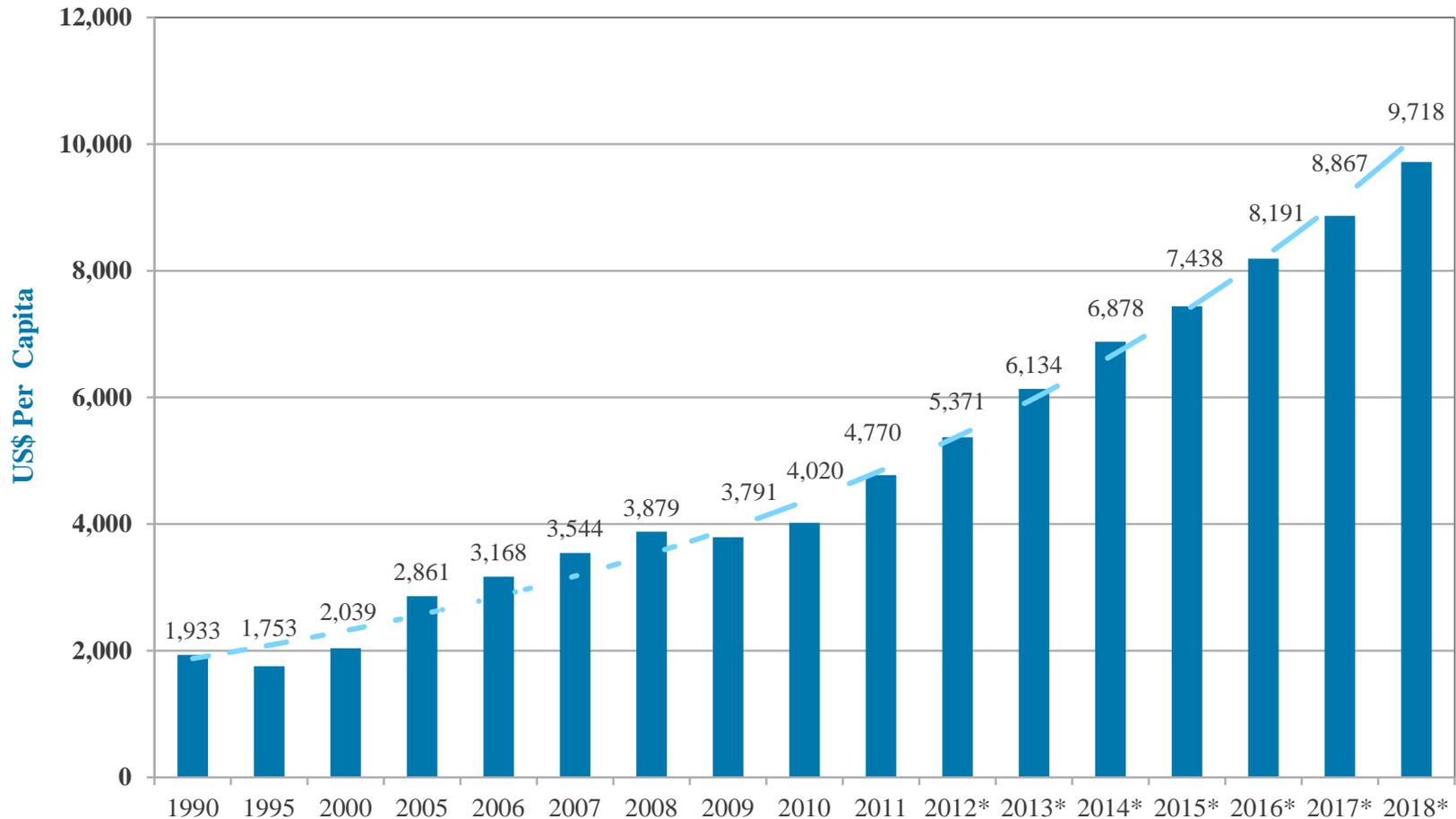
\*Others: Baganuur, Erdenet, Nariin Shukhait, Tumortei and Dornod

## Mongolia GDP Growth - 1990-2018



Source: IMF, April 2013 WEO  
\*IMF Staff Estimations

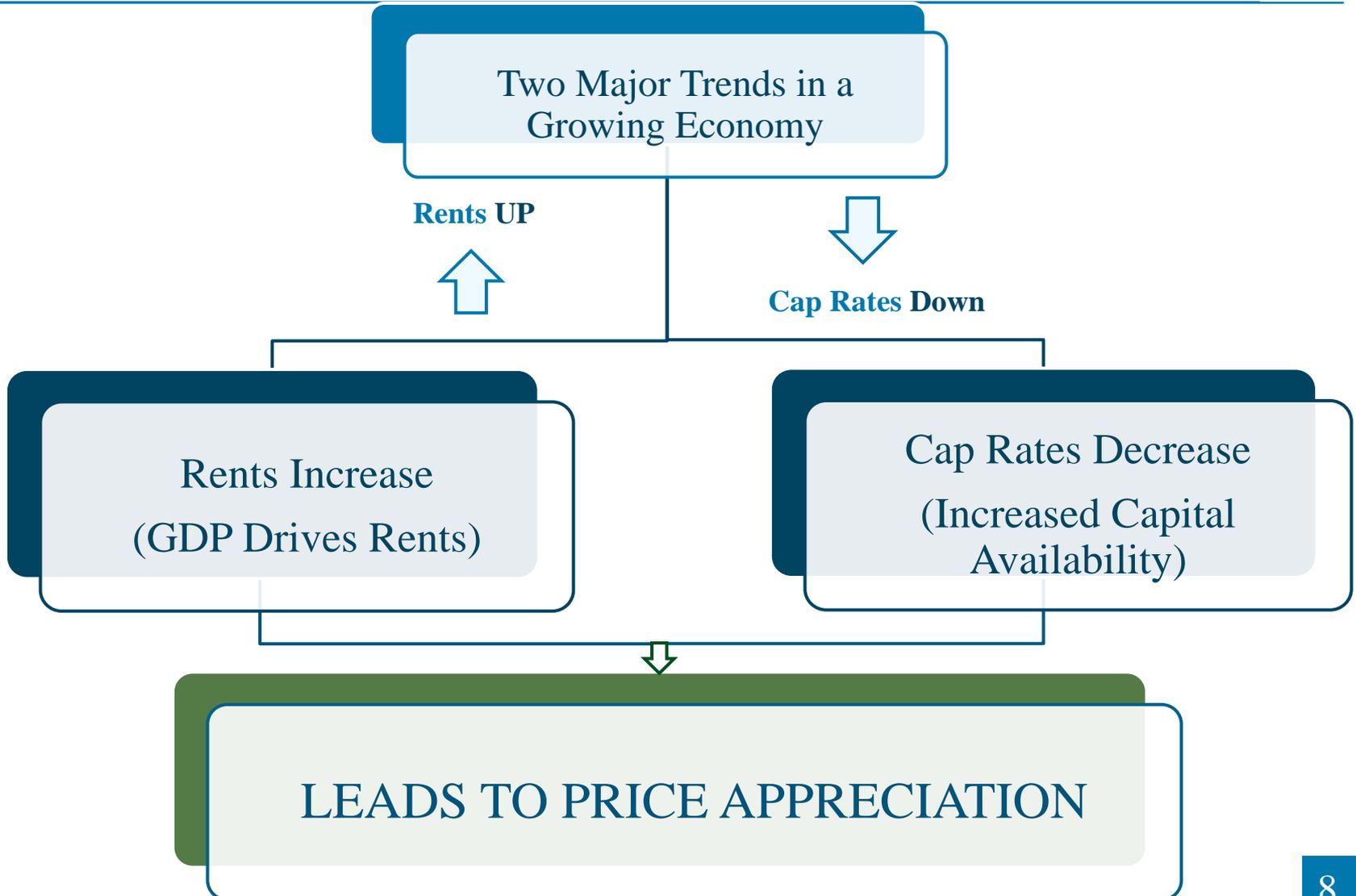
## Estimated Mongolia GDP Per Capita 1990 - 2018



Source: IMF, WEO  
\*IMF Staff Estimations

**If Mongolia is going to be one of the fastest growing economies over the next decade...**

**How Do You Invest?**



**Small Population**

+

**Resource Boom**

=

**Explosive Property Price  
Appreciation**



“With the second highest per capita GDP in the former Soviet Union, Kazakhstan is the obvious franchising leader in Central Asia and is poised to replicate the retail and franchising boom that Russia has experienced over the last decade.” ~ USA.gov



1991

BEFORE



2013

AFTER

“Consumers in Qatar have the highest disposable income in the world, driving consumption and demand for retail space.” ~ DTZ



BEFORE



AFTER

“The amount of retail space in Abu Dhabi will double to 1.8 million sq. meters by 2015” ~ Cushman & Wakefield



1954

BEFORE



2013

AFTER

“International brands are popular in Kuwait. Unlike other GCC countries, fashion sales are not driven by expatriates, but by locals with a lot of disposable income” ~ AT Kearny



1961

BEFORE



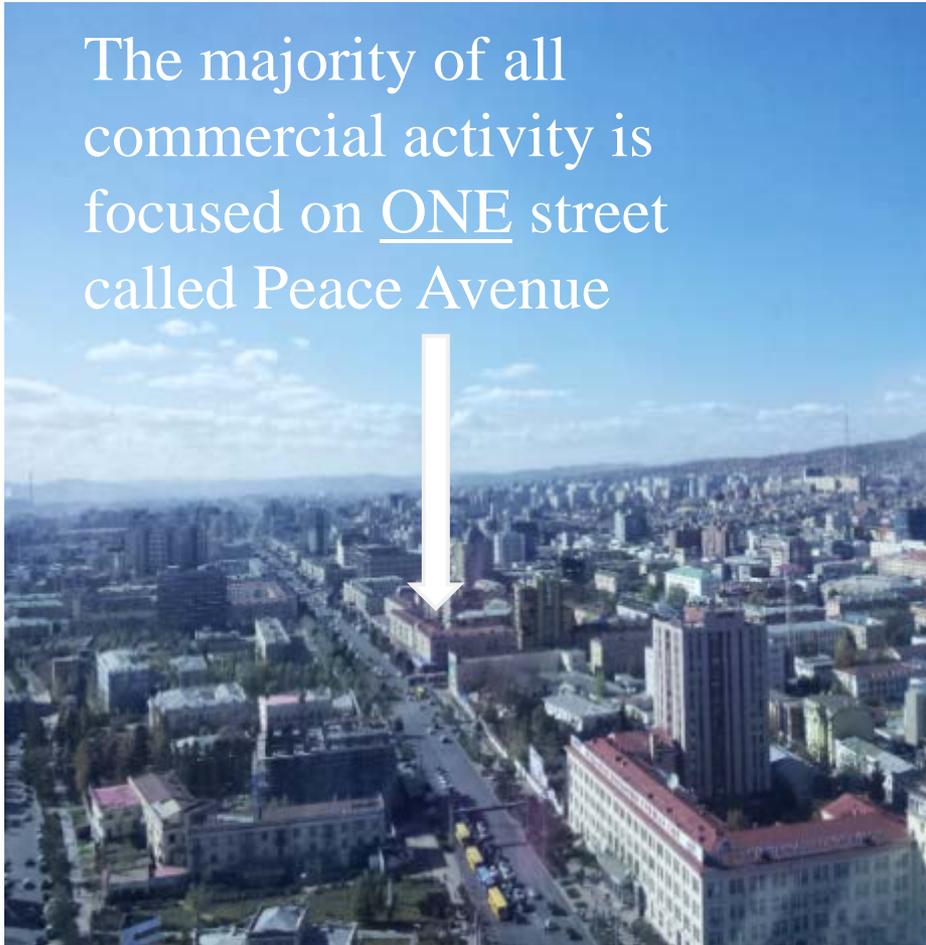
2013

AFTER

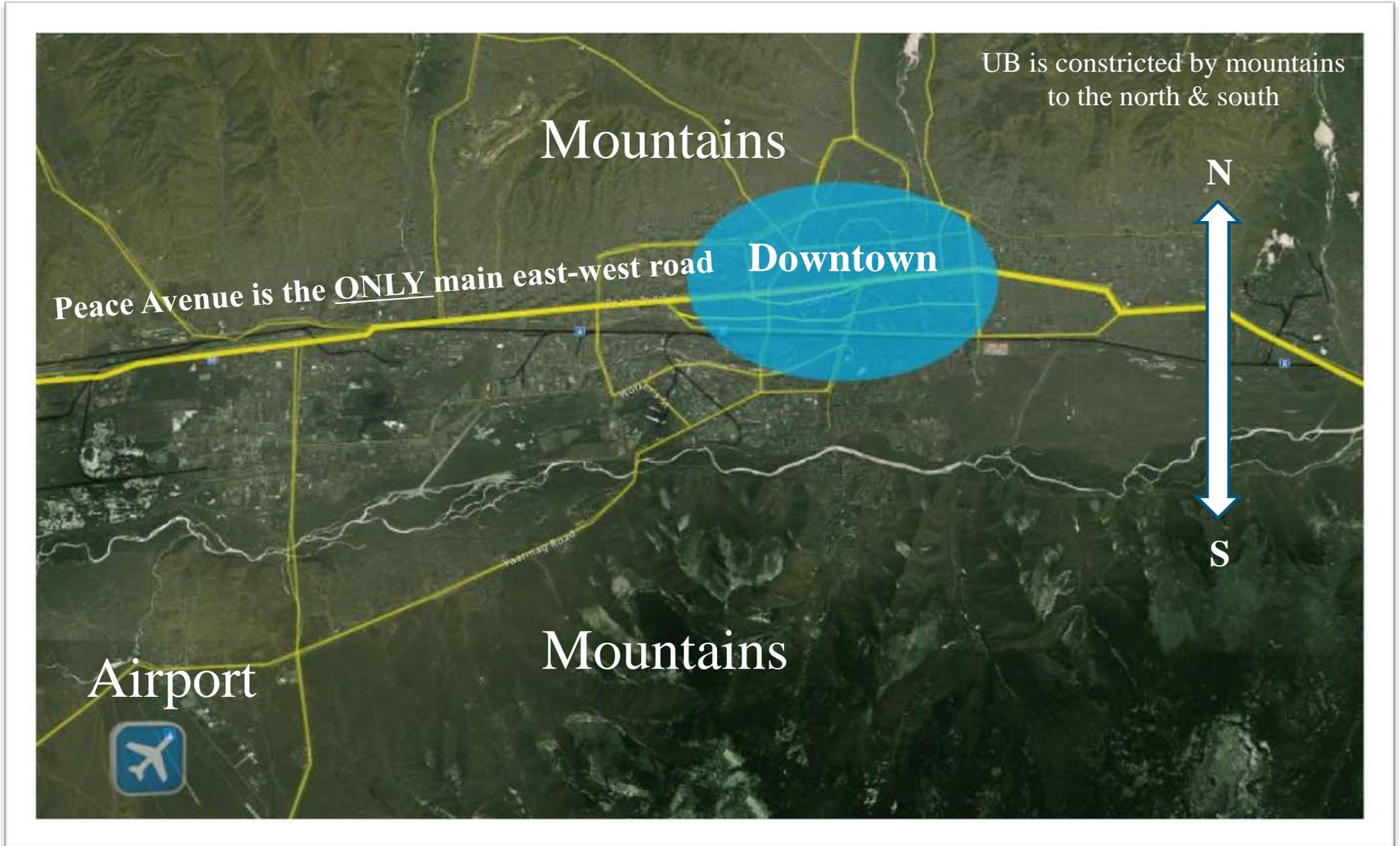
# Ulaanbaatar – Mongolia

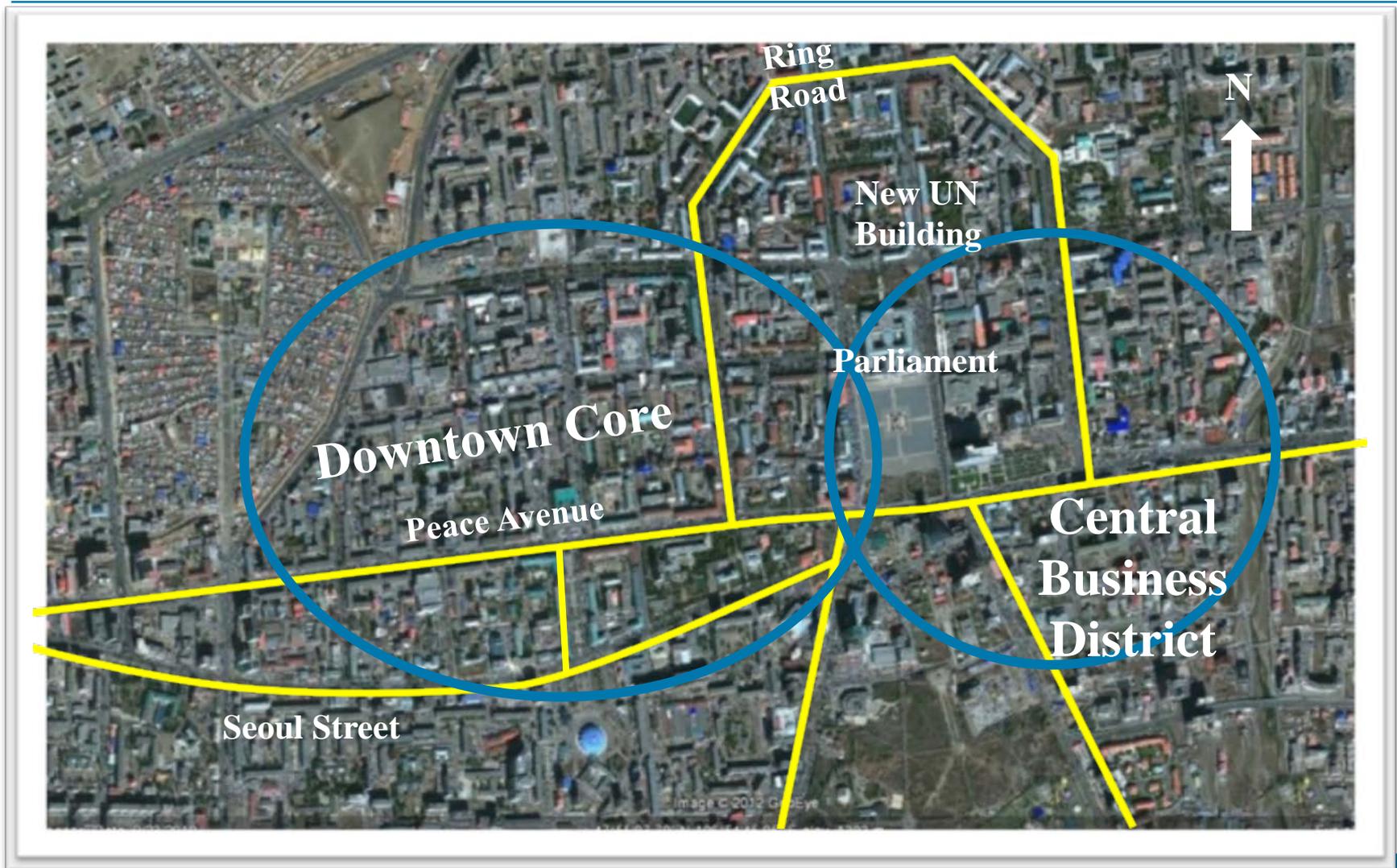
## A Unique Opportunity

The majority of all commercial activity is focused on ONE street called Peace Avenue



- The downtown corridor is only 3km long along Peace Avenue
- Only a handful of secondary streets downtown
- The majority of businesses want to be located downtown





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# MGG's Property Portfolio





- Focus on top quality properties on Peace Avenue & secondary streets
- Focus on leasable retail and office property
- Focus on redevelopment opportunities

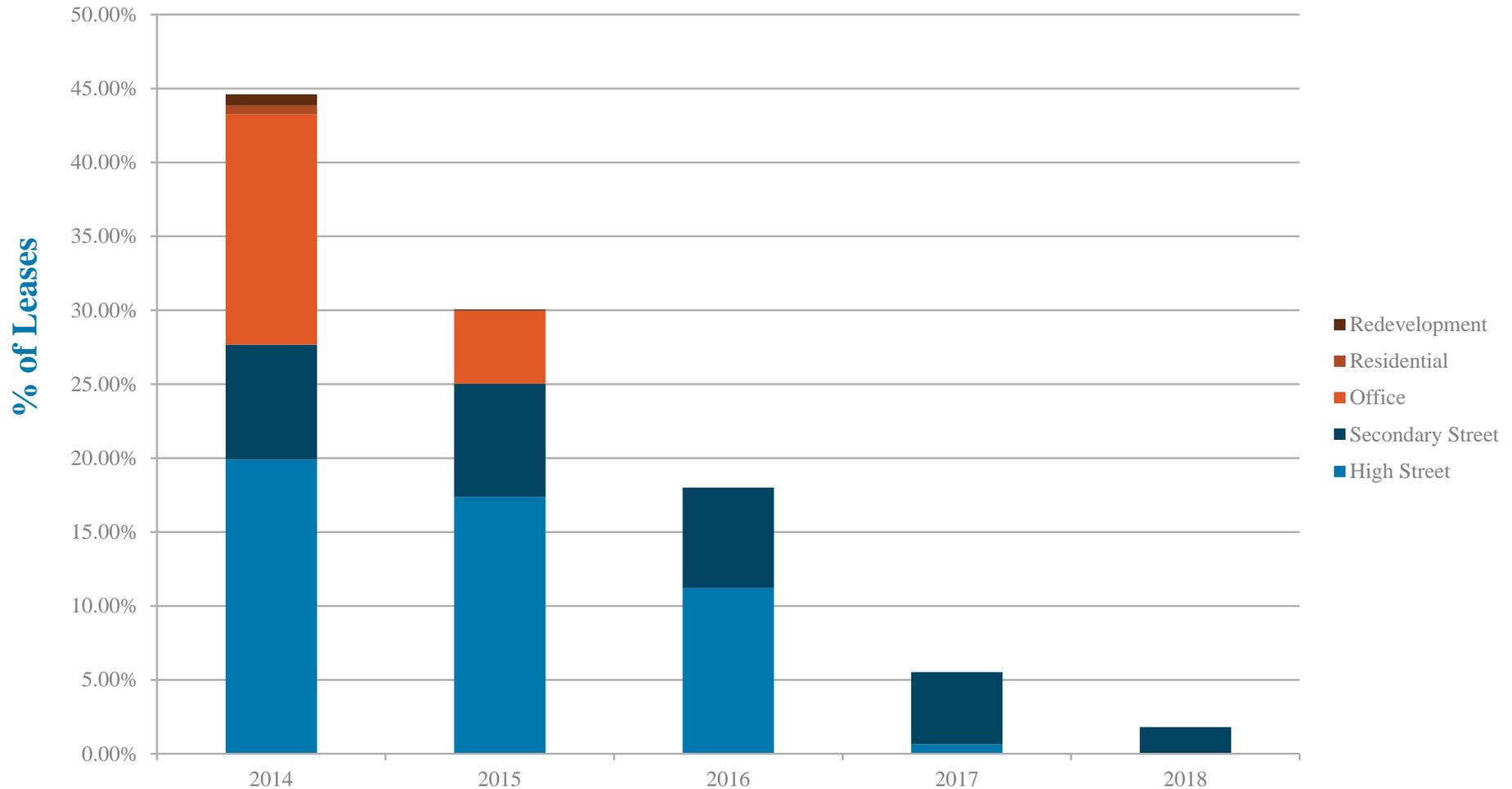
# Current Property Portfolio

Asset Type	Number of Properties	Meters <sup>2</sup>	Percentage Of Portfolio Based On Cost	Annualized Rental Revenue ('000 Mongolian Togrog)*	Percentage Of Total Revenue
Residential	4	211	0.7%	49,464	1.5%
Office <sup>^</sup>	4	3,680	16.5%	1,021,657	31.9%
Retail – High Street	25	4,397	20.7%	1,102,507	34.4%
Retail – Secondary Streets	14	1,544	7.3%	440,573	13.8%
Renovations	2	-	5.3%	-	-
Redevelopment	5	-	44.1%	466,368	14.5%
PP&E* <sup>^</sup>	2	-	0.4%	-	-
Held For Sale	11	-	5.0%	124,381	3.9%
<b>Total</b>	<b>67</b>	<b>9,832</b>	<b>100%</b>	<b>3,204,950</b>	<b>100%</b>

\*Annualized Rental Revenue is calculated by taking the March billed rent and multiplying it by 12

<sup>^</sup>The corporate head office is not included in PP&E for the purposes of this slide, however it is considered PP&E in the Company's financial statements

As of March 31, 2014



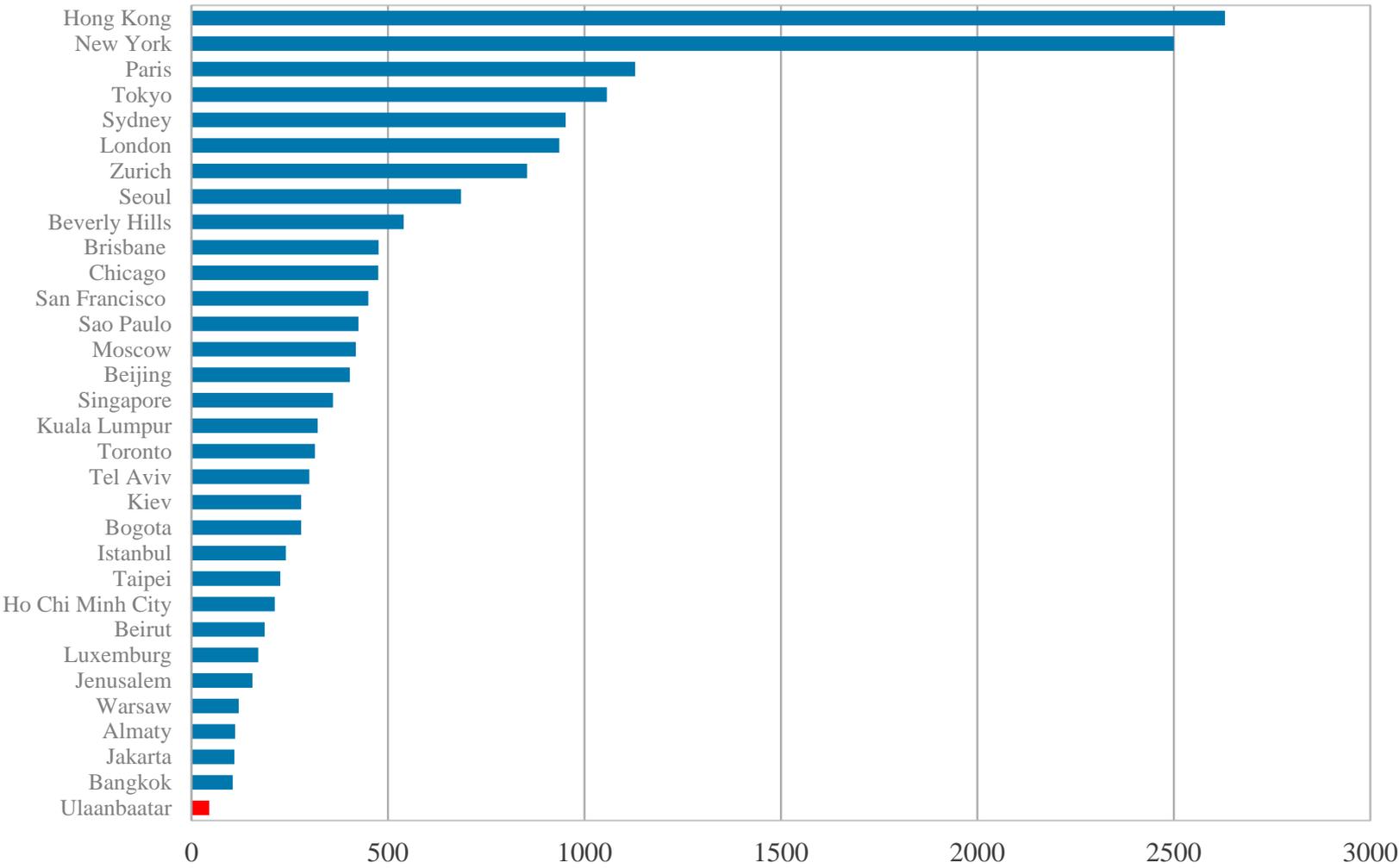
Lease expiration percentages are based on the percentage of the Company's annualized rent as of March 31, 2014.

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## How Does Ulaanbaatar Stack Up Today?



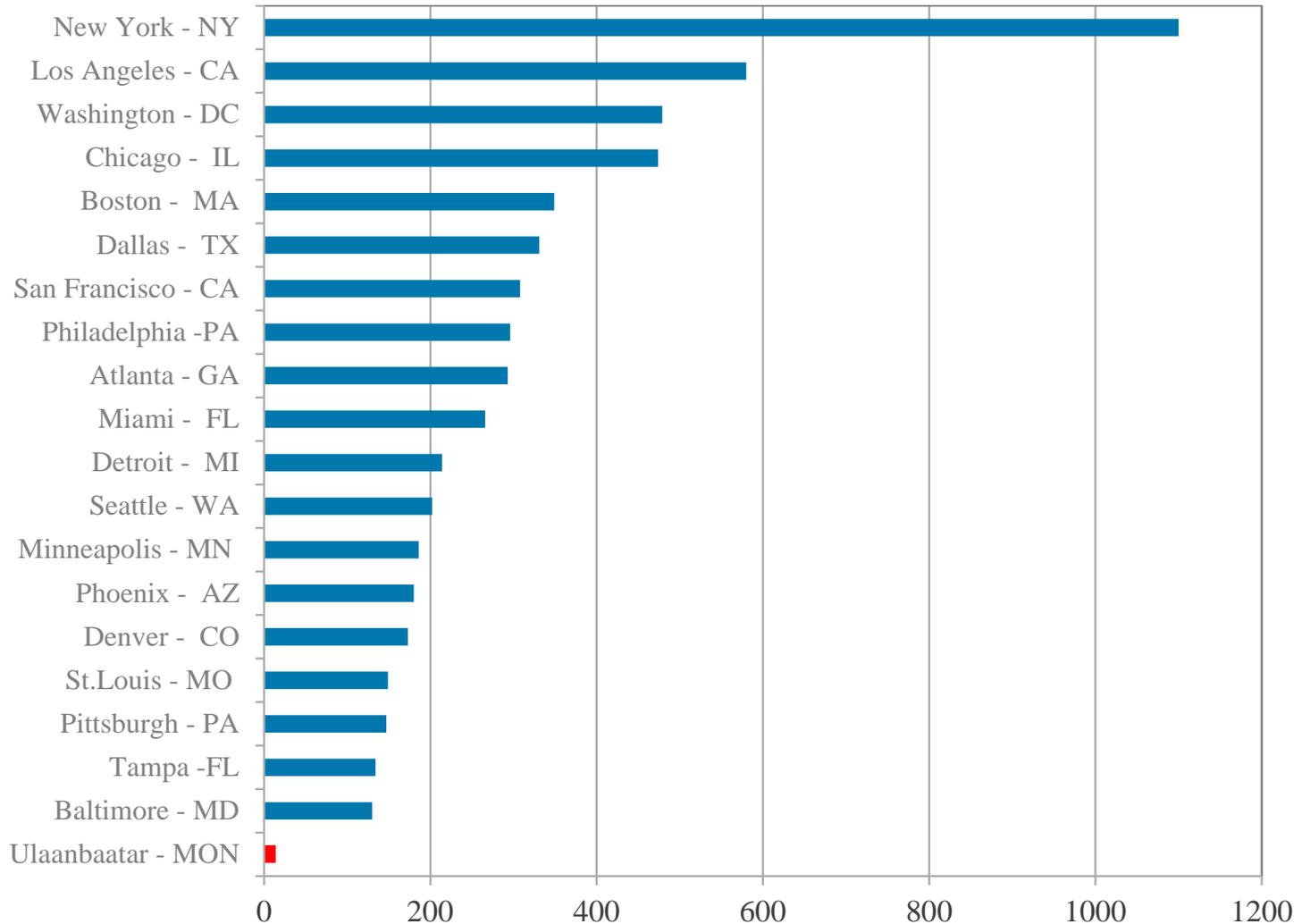
# Most Expensive High Street Retail



Source: Cushman & Wakefield

US\$/Sq.ft/year

# Office Space per Capita



- Founded in February 2011
- Management & Board own approximately 30%
- No salaries or options for founding management
- Raised \$51 million
- Invested approximately \$40 million in property
- Listed on TSXV (YAK-V & MNGGF:USA)

For more information please visit:  
[www.MongoliaGrowthGroup.com](http://www.MongoliaGrowthGroup.com)

or contact:

[info@mongoliagrowthgroup.com](mailto:info@mongoliagrowthgroup.com)