

# **Mongolia Growth Group Ltd.**

Condensed Interim Consolidated Financial  
Statements

(Unaudited)

For the three months ended

**March 31, 2017 and 2016**

(Expressed in Canadian dollars)

# Mongolia Growth Group Ltd.

## Condensed Interim Consolidated Statements of Financial Position (Unaudited)

For the three month period ended March 31

(expressed in Canadian dollars)

	March 31, 2017 \$	December 31, 2016 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash (note 5)	2,204,107	1,881,487
Marketable securities (note 8)	764,489	1,184,825
Other assets	155,591	137,753
	<u>3,124,187</u>	<u>3,204,065</u>
<b>Non-current assets</b>		
Investment properties (note 6)	28,333,061	29,501,350
Property and equipment (note 7)	1,811,506	1,805,861
	<u>30,144,567</u>	<u>31,307,211</u>
<b>Total assets</b>	<u>33,268,754</u>	<u>34,511,276</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade payables and accrued liabilities	519,165	1,192,397
Income taxes payable	13,365	162,104
	<u>532,530</u>	<u>1,354,501</u>
<b>Non-current liabilities</b>		
Deferred income tax liability	601,188	624,335
	<u>601,188</u>	<u>624,335</u>
<b>Total liabilities</b>	<u>1,133,718</u>	<u>1,978,836</u>
<b>Equity</b>		
Share capital (note 9)	54,064,265	54,130,373
Contributed surplus	6,849,976	6,849,976
Accumulated other comprehensive loss	(11,474,638)	(11,786,528)
Deficit	(17,304,567)	(16,661,381)
	<u>32,135,036</u>	<u>32,532,440</u>
<b>Total equity</b>	<u>32,135,036</u>	<u>32,532,440</u>
<b>Total equity and liabilities</b>	<u>33,268,754</u>	<u>34,511,276</u>

Commitment and contingencies (note 11)

Approved by the Board of Directors

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"Robert Scott" Director      "Harris Kupperman" Director

The accompanying notes are an integral part of these interim consolidated financial statements.

# Mongolia Growth Group Ltd.

## Condensed Interim Consolidated Statements of Comprehensive Loss

(Unaudited)

For the three month period ended March 31

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(expressed in Canadian dollars)

	March 31, 2017 \$	March 31, 2016 \$
<b>Revenue</b>		
Rental income	384,580	490,442
Loss on disposal of investment property	-	(10,352)
Other revenue	16,498	10,070
	<hr/>	<hr/>
<b>Total revenue</b>	<b>401,078</b>	<b>490,160</b>
<b>Expenses</b>		
Salaries and wages	363,346	261,928
Other expenses (note 14)	201,759	342,029
Share based payment (note 10)	-	151,912
Depreciation (note 7)	6,576	17,593
	<hr/>	<hr/>
<b>Total expenses</b>	<b>571,681</b>	<b>773,462</b>
<b>Net investment income</b>	349	3,903
Unrealized loss on short-term investments (note 8)	(467,520)	-
Foreign Currency Gain/loss	(8,474)	-
	<hr/>	<hr/>
<b>Net loss before income taxes</b>	<b>(646,248)</b>	<b>(279,399)</b>
Income taxes (note 9)	3,062	4,027
	<hr/>	<hr/>
<b>Net income (loss) for the period</b>	<b>(643,186)</b>	<b>(275,372)</b>
	<hr/>	<hr/>
<b>Net loss per share</b> (note 9)		
Basic		
From net loss for the period	(0.02)	(0.01)
Diluted		
From net loss for the period	(0.02)	(0.01)

The accompanying notes are an integral part of these interim consolidated financial statements.

# Mongolia Growth Group Ltd.

## Condensed Interim Consolidated Statements of Comprehensive Loss

(Unaudited)

**For the period ended March 31**

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(expressed in Canadian dollars)

	<b>March 31, 2017 \$</b>	<b>March 31, 2016 \$</b>
<b>Net loss for the period</b>	(643,186)	(275,372)
<b>Other comprehensive income (loss)</b>		
Items that may be subsequently reclassified to income or loss		
Unrealized gains on translation of financial statement operations with Mongolian Tögrög functional currency to Canadian dollar reporting currency	311,890	(4,254,751)
<b>Total comprehensive loss</b>	<b>(331,296)</b>	<b>(4,530,123)</b>

The accompanying notes are an integral part of these interim consolidated financial statements.

# Mongolia Growth Group Ltd.

## Condensed Interim Consolidated Statement of Changes in Equity

(Unaudited)

For the three month period ended March 31

(expressed in Canadian dollars)

	Share capital \$	Contributed surplus \$	Accumulated other comprehensive loss \$	Deficit \$	Total \$
<b>Balance at January 1, 2016</b>	54,369,332	6,738,875	(1,135,265)	(10,998,597)	48,974,345
Net loss for the period	-	-	-	(275,372)	(275,372)
Other comprehensive loss	-	-	(4,254,751)	-	(4,254,751)
	54,369,332	6,738,875	(5,390,016)	(11,273,969)	44,444,222
Share based payments	-	151,912	-	-	151,912
Treasury stock	(7,400)	-	-	-	(7,400)
<b>Balance at March 31, 2016</b>	<u>54,361,932</u>	<u>6,890,787</u>	<u>(5,390,016)</u>	<u>(11,273,969)</u>	<u>44,588,734</u>

	Share capital \$	Contributed surplus \$	Accumulated other comprehensive loss \$	Deficit \$	Total \$
<b>Balance at January 1, 2017</b>	54,130,373	6,849,976	(11,786,528)	(16,661,381)	32,532,440
Net loss for the period	-	-	-	(643,186)	(643,186)
Other comprehensive income	-	-	311,890	-	311,890
	54,130,373	6,849,976	(11,474,638)	(17,304,567)	32,201,144
Share repurchase	(66,108)	-	-	-	(66,108)
<b>Balance at March 31, 2017</b>	<u>54,064,265</u>	<u>6,849,976</u>	<u>(11,474,638)</u>	<u>(17,304,567)</u>	<u>32,135,036</u>

The accompanying notes are an integral part of these interim consolidated financial statements.

# Mongolia Growth Group Ltd.

## Condensed Interim Consolidated Statements of Cash Flows

(Unaudited)

For the three month period ended March 31

(expressed in Canadian dollars)

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	\$	\$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net loss for the period	(643,186)	(275,372)
Items not affecting cash		
Depreciation of property and equipment (note 7)	6,576	17,593
Share based payment (note 10)	-	151,912
Deferred taxes	(23,147)	(13,022)
Bad debt write off	280	-
Realized loss on disposal of investment properties (note 6)	-	10,352
Unrealized loss on marketable securities (note 8)	467,520	-
	<b>(191,957)</b>	<b>(108,537)</b>
Net change in non-cash working capital balances (note 12)	(832,892)	(37,849)
	<b>(1,024,849)</b>	<b>(146,386)</b>
<b>Financing activities</b>		
Share repurchase	(66,108)	(7,400)
	<b>(66,108)</b>	<b>(7,400)</b>
<b>Investing activities</b>		
Acquisition of marketable securities (note 8)	(47,177)	-
Net acquisition of property and equipment (note 7)	-	(128)
Net disposal of investment properties (note 6)	1,317,608	160,860
	<b>1,270,431</b>	<b>160,732</b>
<b>Effect of exchange rates on cash</b>	143,146	(74,654)
<b>Increase (decrease) in cash</b>	322,620	(67,708)
<b>Cash - Beginning of period</b>	1,881,487	1,035,272
<b>Cash - End of period</b>	<b>2,204,107</b>	<b>967,564</b>

The accompanying notes are an integral part of these interim consolidated financial statements.

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

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(expressed in Canadian dollars)

### **1 Corporate information**

Mongolia Growth Group Ltd. (MGG or the Company) was incorporated in Alberta on December 17, 2007, and is a real estate investment and development company participating in the growth of the Mongolian economy through the ownership of commercial investment property assets in Ulaanbaatar, Mongolia.

The Company's common shares were previously listed on the Canadian National Stock Exchange (CNSX). On January 9, 2013, the Company filed an application for the de-listing of the common shares from the CNSX and filed an application for the listing of common shares on the TSX Venture Exchange (TSXV). The Company is now listed on the TSXV, having the symbol YAK.

MGG has one wholly-owned subsidiary at December 31, 2016, Mongolia Barbados Corp. Mongolia Barbados Corp. owns the wholly-owned subsidiaries MGG Properties LLC and Big Sky Capital LLC. Big Sky Capital LLC owns the wholly-owned subsidiaries, Carrollton LLC, Biggie Industries LLC, Orpheus LLC, Endymion LLC, Zulu LLC, Crescent City LLC, Main Street Acquisitions LLC (formerly known as Tchoupitoulas LLC), Oceanus LLC and Uya Ra LLC (together "the investment property operations"). The investment property operations are conducted in Big Sky Capital LLC and its subsidiaries. No active business operations occur in Mongolia Barbados Corp., MGG Properties LLC, Oceanus LLC, and Main Street Acquisitions LLC at this time. MGG's publicly traded securities are currently held in a brokerage account owned by Mongolia Barbados Corp.

The Company is registered in Alberta, Canada, with its Head Office at its registered address at Centennial Place, East Tower, 1900, 520 - 3rd Avenue S.W. Calgary, Alberta, Canada T2P 0R3. The Company's Canadian headquarters are located at 100 King Street West, Suite 5600, Toronto, Ontario, M5X 1C9, Canada. The Company's Mongolian investment property operations are based out of its office located at the MGG Properties Building on Seoul St. in Ulaanbaatar, Mongolia.

At March 31, 2017, the Company is organized into two business units based on the business operations:

- Big Sky Capital LLC and its subsidiaries own investment properties which are located in Ulaanbaatar, Mongolia and are held for the purpose of generating rental revenue, capital appreciation, and/or redevelopment; and
- The MGG Corporate office is located in Toronto, Canada and administers the financial resources, investment portfolio and corporate reporting and legal functions of the Company.

### **2 Basis of presentation**

The consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). The significant accounting policies used in the preparation of these consolidated financial statements are summarized in note 3.

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

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(expressed in Canadian dollars)

The consolidated financial statements, including the notes to the consolidated financial statements, are presented in Canadian dollars (\$) which is the Company's presentation currency and the functional currency of the parent company. The functional currency of the Company's operating subsidiaries is the Mongolian National Tögrög (MNT).

These consolidated financial statements were approved by the Board of Directors of the Company for issue on May 19, 2017.

### **3 Significant accounting policies**

The significant accounting policies are unchanged from those set out in the Company's 2016 annual consolidated financial statements. These policies have been applied to all periods presented in these interim consolidated financial statements, and have been applied consistently by both the Company and its subsidiaries using uniform accounting policies for like transactions and other events in similar circumstances.

### **4 Significant accounting estimates and judgements**

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net income (loss) in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Significant estimates made in the preparation of these condensed interim consolidated financial statements include the following areas:

- Fair value of investment properties - The estimate of fair value of investment properties is the most critical accounting estimate to the Company. An external appraiser estimates the fair value of the majority of investment properties annually. The fair value of investment properties is based on the nature, location and condition of the specific asset. The fair value of investment properties represents an estimate of the price that would be made in an arm's length transaction between knowledgeable, willing parties. The Company operates in the emerging real estate market of Mongolia, which given its current economic, political and industry conditions, gives rise to an increased inherent risk given the lack of reliable and comparable market information. The significant estimates underlying the fair value determination are disclosed in note 8 of the annual financial statements for the year ended December 31, 2016. Changes in assumptions about these factors could materially affect the carrying value of investment properties.
- Valuation of marketable securities and investments - The Company recognizes marketable securities and investments at fair value. Fair value is determined on the basis of market prices from independent

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

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(expressed in Canadian dollars)

sources, if available. If there is no market price, then the fair value is determined by using valuation models with inputs derived from observable market data where possible but where observable data is not available, judgment is required to establish fair values.

- There is inherent uncertainty and imprecision in estimating the factors that can affect fair value, and in estimating fair values generally, when observable data is not available. Changes in assumptions and inputs used in valuing financial instruments could affect reported fair values.
- Accuracy of share based compensation expense - The estimate of the ultimate expense arising from share based compensation plans is another critical accounting estimate. There are several sources of uncertainty that need to be considered in the estimate of the share based compensation expense recorded by the Company. The ultimate expense is estimated by using a number of key assumptions such as the expected volatility of the share price, the dividends expected on the shares, the risk-free interest rate for the expected life of the option and future forfeiture rates. Further information on key assumptions including sensitivity analysis is included in note 8 of the annual financial statements for the year ended December 31, 2016.
- Operating environment of the Company - Mongolia displays many characteristics of an emerging market including relatively high inflation and interest rates. The tax and customs legislation in Mongolia is subject to varying interpretations and frequent changes. The future economic performance of Mongolia is tied to the continuing demand from China and continuing high global prices for commodities as well as being dependent upon the effectiveness of economic, financial and monetary measures undertaken by the Government of Mongolia together with tax, legal, regulatory and political developments. Management is unable to predict all developments that could have an impact on the Mongolian economy and consequently what effect, if any, they could have on the future financial position of the Company.

## 5 Cash

Cash at banks earns interest at floating rates based on daily bank deposit rates. The component of cash and cash equivalents account currently consists only of cash amounts held in banks or on hand.

The following table discloses the geographical location of cash and cash equivalents:

	<b>March 31, 2017</b>	<b>December 31, 2016</b>
	\$	\$
Barbados	798,061	45,275
Canada	886,801	1,408,483
Mongolia	519,245	427,729
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	2,204,107	1,881,487

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

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(expressed in Canadian dollars)

Cash is not collateralized, the carrying amount of cash approximates fair value.

### 6 Investment properties

	<b>March 31, 2017</b>	<b>December 31, 2016</b>
	<b>\$</b>	<b>\$</b>
Balance - beginning of period	29,501,350	46,473,749
Additions		
Acquisitions	131,387	-
Capital expenditures	-	22,617
Transfer from property and equipment	-	75,144
Disposals	(1,448,995)	(1,193,773)
Unrealized fair value adjustment	-	(5,728,003)
Foreign exchange adjustments	149,319	(10,148,384)
	<hr/>	<hr/>
Balance - end of period	<b>28,333,061</b>	<b>29,501,350</b>

During the first quarter of 2017, one investment property was sold at its fair value for cash considerations of \$1,317,608 and properties worth an estimated \$131,387. A deposit of \$673,585 had been received in November 2016 for the sale of this property. During the three month period ended March 31, 2016, one investment property was sold for cash consideration of \$229,603 resulting in a net loss of \$10,352 on the transaction.

As of March 31, 2017, included in investment properties are four (December 2016 – five) investment properties actively being marketed for sale that are to be disposed without redevelopment with a fair value of \$654,520 (December 31, 2016 - \$2,132,267).

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

March 31, 2017

(expressed in Canadian dollars)

### 7 Property and equipment

	<b>2016</b>			
	<b>Furniture and fixtures \$</b>	<b>Equipment \$</b>	<b>Buildings \$</b>	<b>Total \$</b>
<b>December 31</b>				
Cost	78,957	185,081	1,994,297	2,258,335
Accumulated depreciation	26,204	127,984	298,286	452,474
<b>Net book value</b>	<b>52,753</b>	<b>57,097</b>	<b>1,696,011</b>	<b>1,805,861</b>
<b>2017</b>				
	<b>Furniture and fixtures \$</b>	<b>Equipment \$</b>	<b>Buildings \$</b>	<b>Total \$</b>
<b>Cost</b>				
<b>At January 1</b>	78,957	185,081	1,994,297	2,258,335
Foreign exchange adjustment	479	1,566	12,285	14,330
<b>At March 31</b>	<b>79,436</b>	<b>186,647</b>	<b>2,006,582</b>	<b>2,272,665</b>
<b>2017</b>				
	<b>Furniture and fixtures \$</b>	<b>Equipment \$</b>	<b>Buildings \$</b>	<b>Total \$</b>
<b>Accumulated depreciation</b>				
<b>At January 1</b>	26,204	127,984	298,286	452,474
Depreciation	1,868	4,950	(242)	6,576
Foreign exchange adjustment	174	206	1,729	2,109
<b>At March 31</b>	<b>28,246</b>	<b>133,140</b>	<b>299,773</b>	<b>461,159</b>
<b>Net book value at March 31</b>	<b>51,190</b>	<b>53,507</b>	<b>1,706,809</b>	<b>1,811,506</b>

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

March 31, 2017

(expressed in Canadian dollars)

### 8 Marketable Securities

	March 31, 2017	December 31, 2016
	\$	\$
<b>Common shares of public companies:</b>		
<b>Fair value - beginning of the year</b>	1,184,825	-
Purchases	47,177	453,698
Foreign exchange gains	7	86
Unrealized loss	(467,520)	731,041
<b>Fair value - end of the period</b>	<b>764,489</b>	<b>1,184,825</b>

### 9 Equity

#### Common shares purchased

During the three month period, 196,000 shares were purchased at an average price of \$0.34 per share (Q1 2016 -18,500 shares were purchased at an average price of \$0.40 per share).

#### Common shares cancelled

During the three month period, 282,500 shares were cancelled and none were held in treasury at March 31, 2017 (Q1 2016 – nil).

#### Stock options

A summary of the Company's options as at March 31, 2017 and December 31, 2016 and changes during the periods then ended follows:

	March 31, 2017	Weighted average exercise price \$	December 31, 2016	Weighted average exercise price \$
Balance, beginning of period	3,358,000	1.11	3,288,000	1.45
Options expired	(35,000)	1.90	(280,000)	4.21
Options cancelled	-	-	-	-
Options granted	-	-	350,000	0.38
Options forfeited	-	-	-	-
Options exercised	-	-	-	-
Balance, end of the period	<b>3,323,000</b>	<b>1.10</b>	<b>3,358,000</b>	<b>1.11</b>
Exercisable	<b>3,323,000</b>	<b>1.10</b>	<b>3,358,000</b>	<b>1.11</b>

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

March 31, 2017

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(expressed in Canadian dollars)

Weighted remaining average life (years)	-	2.53	-	2.74
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### Restricted Stock Awards

A summary of the Company's RSAs as at March 31, 2017 and December 31, 2016 and changes during the periods then ended follows:

	March 31, 2017	December 31, 2016
Balance, beginning of period	-	23,393
RSAs cancelled	-	-
RSAs granted	-	-
RSAs forfeited	-	(3,623)
RSAs vested	-	(19,770)
Balance, end of the period	-	-

During the first three months of the year, no new RSAs were granted, none were forfeited and none vested.

### Weighted Average Number of Shares

The following table summarizes the shares used in calculating earnings (loss) per share:

	March 31, 2017 \$	December 31, 2016 \$
Weighted average number of shares – basic	34,633,899	35,297,108
Effect of dilutive stock options	-	-
Weighted average number of shares – diluted	34,633,899	35,297,108

Basic earnings (loss) per share are derived by dividing net income (loss) for the period by the weighted average number of common shares outstanding for the period. The effect of potentially dilutive securities is excluded if they are anti-dilutive.

## 10 Related party transactions

Parties are generally considered to be related if the parties are under common control or if one party has the ability to control the other party or can exercise significant influence or joint control over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

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(expressed in Canadian dollars)

Key management personnel of the Company include all directors and executive management. The summary of compensation for key management personnel is as follows:

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>\$</b>	<b>\$</b>
Salaries and other short-term employee benefits	57,072	45,560
Share-based payments	-	64,372
	<hr/>	<hr/>
	57,072	109,932
	<hr/>	<hr/>

### 11 Commitments and contingencies

From time to time and in the normal course of business, claims against the Company may be received. On the basis of management's assessments and professional legal advice, management is of the opinion that no material losses will be incurred and no provision or disclosure has been made in these condensed interim consolidated financial statements.

The Company indemnifies its directors and officers against any and all claims or losses reasonably incurred in the performance of their service to the Company to the extent permitted by law.

### 12 Supplementary cash flow information

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
	<b>\$</b>	<b>\$</b>
Changes in non-working capital arising from		
Other assets	(18,511)	(68,794)
Trade payables and accrued liabilities	(667,105)	1,090
Income taxes payable	(147,276)	29,855
	<hr/>	<hr/>
Changes in non-cash working capital from operating activities	(832,892)	(37,849)
	<hr/>	<hr/>

Income taxes paid during the quarter were \$28,394 (March 31, 2016 \$4,027).

### 13 Segment information

The Company's Operations are conducted in two reportable segments as Investment Property Operations and Corporate. The Company reports information about its operating segments based on the way management organizes and reports the segments within the organization for making operating decisions and evaluating performance.

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

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(expressed in Canadian dollars)

Investment Property operations consist of commercial and residential investment property in Mongolia held for the purposes of rental revenue, capital appreciation or redevelopment. These properties are managed by Big Sky Capital LLC and its subsidiaries.

The Company evaluates performance based on net income (loss) before income taxes.

	<b>Three months ended March 31, 2017</b>		
	<b>Investment property</b>	<b>Corporate</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rental income	384,580	-	384,580
Property operating expenses	(403,591)	-	(403,591)
Share based payment	-	-	-
Unrealized mark to market loss	-	(467,520)	(467,520)
Other expenses	(37,170)	(124,344)	(161,514)
Depreciation	(6,576)	-	(6,576)
Net investment income	278	71	349
Loss on disposal of Investment property	-	-	-
Other revenue	16,498	-	16,498
Foreign currency gain (loss)	2,575	(11,049)	(8,474)
Net loss before income taxes	<b>(43,406)</b>	<b>(602,842)</b>	<b>(646,248)</b>

	<b>Three months ended March 31, 2016</b>		
	<b>Investment property</b>	<b>Corporate</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Rental income	490,442	-	490,442
Property operating expenses	(400,512)	-	(400,512)
Share based payment	(53,809)	(98,103)	(151,912)
Unrealized mark to market loss	-	-	-
Other expenses	(77,662)	(125,783)	(203,445)
Depreciation	(16,301)	(1,292)	(17,593)
Net investment income	3,900	3	3,903
Loss on disposal of Investment property	(10,352)	-	(10,352)
Other revenue	10,070	-	10,070
Foreign currency gain (loss)	-	-	-
Net loss before income taxes	<b>(54,224)</b>	<b>(225,175)</b>	<b>(279,399)</b>

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

(expressed in Canadian dollars)

	<b>March 31, 2017</b>		
	<b>Investment property \$</b>	<b>Corporate \$</b>	<b>Consolidated \$</b>
<b>Total assets</b>	30,801,739	2,467,015	33,268,754
Property and equipment	1,811,506	-	1,811,506
Investment properties	28,333,061	-	28,333,061
Period Expenditures			
Property and equipment	-	-	-
Investment properties	131,387	-	131,387

	<b>March 31, 2016</b>		
	<b>Investment property \$</b>	<b>Corporate \$</b>	<b>Consolidated \$</b>
<b>Total assets</b>	46,090,185	151,062	46,241,247
Property and equipment	2,698,907	5,079	2,703,986
Investment properties	42,204,173	-	42,204,173
Period Expenditures			
Property and equipment	128	-	128
Investment properties	13,482	-	13,482

	<b>Revenue</b>		<b>Property and equipment</b>		<b>Investment property</b>	
	<b>March 31, 2017 \$</b>	<b>March 31, 2016 \$</b>	<b>March 31, 2017 \$</b>	<b>March 31, 2016 \$</b>	<b>March 31, 2017 \$</b>	<b>March 31, 2016 \$</b>
Canada	-	-	-	5,079	-	-
Mongolia	401,078	490,160	1,811,506	2,698,907	28,333,061	42,204,173
	401,078	490,160	1,811,506	2,703,986	28,333,061	42,204,173

# Mongolia Growth Group Ltd.

## Notes to Condensed Interim Consolidated Financial Statements

(Unaudited)

**March 31, 2017**

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(expressed in Canadian dollars)

### 14 Other expenses

	For the three months ended March 31	
	2017 \$	2016 \$
Investor Relations	7,518	13,986
Repairs and Maintenance	6,585	26,471
Office	11,917	13,437
Professional fees	60,061	136,292
Travel	11,293	7,956
Advertising	1,897	2,683
Land and property tax	34,664	47,098
Insurance	10,978	17,407
Utilities	39,746	49,357
Other	17,100	27,342
	<hr/>	<hr/>
	201,759	342,029