

The Group

MONNIS
group of companies



MONNIS GROUP

President Message



Create Development Together

The influence of globalization, rapid economic growth and the development of technologies have made every aspect of our life more challenging. Together we create success with these developments.

Since the company was established, we've introduced variety of brands and technologies to Mongolian market. I believe the company Monnis International would not have achieved such progress without the efforts and dedication of our employees and business associates.

As always, to ensure our customers' continuous cooperation and satisfaction, we concentrate on supplying only qualified products and service by understanding their needs.

Chairman & CEO
MONNIS GROUP

A stylized, handwritten signature in black ink, consisting of several fluid, overlapping strokes.

CHULUUNBAATAR Baz

Brief Introduction

Mongolian leading company



PROFILE

Monnis International was established in 1998 as an official distributor of one of the world's leading car manufacturers, Nissan Motor Co., Ltd, in Mongolia. The company has now expanded its activities and has gained particular position in the fields of geology, mining, energy, construction, international freight forwarding, foreign trade, automotive service, communication, banking and air industry, with over 650 employees and 8 subsidiaries.

TIMELINE

- established in 1998, start business with Nissan Motor Co., Ltd (Japan)
- 2002 – official dealer of LIEBHERR Group (Germany)
- 2003 – supplying the thermo-electric power station with Fuchs lubricants (Germany)
- 2003 – providing Berco's hydraulic presses and undercarriage equipment (Italy)
- 2003 – official agent of Outotec mineral processing technologies (Finland)
- 2004 – official dealer of Good Year (USA)
- 2005 – cooperating with Baldwin filters (USA)
- 2006 – official dealer of BOMAG Group (Germany)
- 2007 – official dealer of North Hauler Ltd., (Terex) (China, UK)
- 2007 – official dealer of LeTourneau Technologies Inc. (USA)
- 2007– official distributor of Ansul (USA)
- 2008– official distributor of Intel (USA)
- 2009– official dealer of Cummins (USA)

Monnis International Head Company Divisions

Liebherr and Mining Division

- Liebherr, Terex, LeTourneau mining earthmoving and construction machinery
- Bomag road compaction and equipment
- Goodyear, Baldwin, Berco and Fuchs tire and oil
- Outotec mineral processing

Nissan Division

- Nissan and Infiniti sales
- Automotive Service and Parts and accessories

Administration and Operational Division

- Marketing
- Human resource
- Information Technology
- Executive office

Financial Management Division

- Accounting and Reporting
- Budgeting and Treasury

Business Development Division

- Project management and subsidiary management
- New Project initiative and management

CONSTRUCTION SECTOR





Chuluunzorigt Baz
President and CEO
Monnis Properties



Monnis Tower

MONNIS PROPERTIES

The company 'Monnis Properties' LLC was established in 2005 as the subsidiary of "Monnis International" Inc., contributing to the Mongolian real estate and construction market by providing new developing technologies and first-rate infrastructure. Our first project was the "Nissan Center" building located on Sun Road-13 in Sukhbaatar district, Ulaanbaatar city which was nominated as "Best Construction of 2006" by Mongolian Architects Union. Afterwards, we've delivered 15.031sq.m 15-story office center "Monnis Tower" in 2009 located in the center of Ulaanbaatar city. The building was a creation to meet the needs of a new century.

CONSTRUCTION SECTOR

Monnis Auto Service and Show room



MONNIS CONSTRUCTION



Smith S.Kim
President & CEO
MONNIS Construction

Monnis Construction was established in 2008 with a half Mongolian & half Korean investment. The company focuses on many residential & non residential building projects in Mongolia including hotel & apartment constructions.





THANKS FOR FLYING WITH US!



JARGALSAIKHAN Baz
President & CEO
Monnis Group
President of Aero Mongolia

INTRODUCTION OF AERO MONGOLIA

By performing first domestic passenger flight in June 03, 2003 in the history of Mongolian Civil Aviation Transportation the list of private airlines was added by one more company named "Aero Mongolia" Co., LTD. At the first stage of its establishment the company served with Holland manufactured aircraft "Fokker-50" and about 50 personnel offering permanent flight destinations to 4 different province centers as Dornod, Khuvsgul, Uvs and Bayankhongor.

Today Aero Mongolia employs more than 130 employees possessing 2 units of Fokker-50 with 50 seats each as well as 2 units of Fokker-100 with 108 seats each in total 4 aircrafts manufactured in 1992 respectively equipped with modern and safe equipments and technologies has been serving 5 international destinations and all domestic flights in Mongolia. The company is cooperating with glob-

ally recognized manufacturers such as Pratt & Whitney Canada, AAR Services, Fokker services B. V., Rolls-Royce, Dowty Propellers, Contact Air, CAE, Alteon-Boeing, Honey well and Oxford Aviation Academy.

Our pilots have gained extensive working experience being employed in Mongolian Civil Aviation Transportation for many years and have taken an 8,000-23,000 flight hours. They have been continuously improving and expanding their professional skills and knowledge attending training courses of Oxford Aviation Academy in Sweden. The flight stewards and stewardesses are trained and upgraded at Asian Aviation Training Center in Republic of Korea and Aviation Training Center in Beijing and has been regularly taken emergency and safety standard trainings offered by Mongolian Civil Aviation Authority. Our dedicated professional crews of engineers and technicians have participated numerous times in theoretical and practical courses at Fokker Service and Maintenance Training Center in Netherlands.

Today an "Aero Mongolia" airline is operating with following management structure:



THANKS FOR FLYING WITH US!

Aero Mongolia



- **Safety flight operation quality assurance department**
- **Finance and Sales department**
- Marketing division
- Foreign relations division
- Human resource division
- Supply and Catering division
- Passenger transport and service division
- Ticketing office
- Regional representative
- **Flight production department**
- Flight division
- Technical division
- Training division
- Flight crew
- Flight operation division
- Cabin service division
- Engineering division
- Technical supply

Our company's team provides the safety operation of fully equipped Fokker aircrafts with modern equipments at greatest quality service. Fokker aircrafts with excellent speed and flight distance ratio, absolute advantage to take-off and land on paved and loose landing sites are best suitable to Mongolian specifics and our engineers and technicians provide service and maintenance works for aircrafts under specially developed program for harsh continental weather condition.

During 6 years working experience our company has transported 860,000 passengers without any accidental cases and has become a **Nation wide carrier** enjoying respects from not only local public but also from foreign customers. Appraising our tremendous efforts the World Quality Committee has granted us trophies of "International Star of Quality" in September 21, 2006 in Paris, France and "White Golden Star" in September 22, 2008 marking out the achievements reached by our team on leadership, reforms and continuous endeavors for keeping qualified service meeting fabulous satisfactory of our customers. This achievement is recorded as a great success not only in history of our company but as well as remarkable milestone in history of Mongolian Civil Aviation Transportation.

THANKS FOR FLYING WITH US!





ENERGY SECTOR



ENKHBAATAR Dashnyam

Vice President
Director of Business Development Division
President & CEO Erchim Corporation



About Erchim Corporation

Erchim Corporation was established in 1974 under the name Amalgamated Repair Board and started its activity by conducting considerable repair of boilers of thermo-power stations in Darkhan city.

Timeline:

- Dec, 1989 – new industrial building equipped with about 260 up-to-date machineries within 11 thousand square meters into operation
- 1995 – started experiment, assemble & production of small sized boilers by setting up a Mongolian and Chinese joint venture “Zuukh” Co., Ltd
- Aug, 1996 – set up a Mongolian & Indian joint venture “EMP” Co., Ltd and started producing transformers with the capacity of 25-400kw
- Oct, 1996 – started producing detailed parts of high pressure of BKZ-220 boilers
- In 1998 – acted as chief implementer of renewal of the thermo power plant of Zuunbayan village and put boilers UKHZ-0.7 into operation in such provinces as Zavkhan, Kharkhorin and Bayankhongor.
- Apr, 1999 – operated a set of technological line to repair reels for high voltage electric machinery.

Implemented projects:

Between 1996-1999, worked as a sub-contractor of “ABB” Italian company which is the contractor of boiler renewal of Power Plant-3 and produced about 3000 tons products such as metal structure, pressure part components if 4 boilers BKZ 220-100.

In years of 1997-1999, distinguished as a contractor of international tender for boilers renewal of Power Plant-4, financed by the credit with remission of Japan and manufactured waterwall tubes & super heater of 4 boilers.

By the order of “Austria-Energy” company, we produced cyclones /3600mm*7100mm/ of 4 boilers and totally 80 tons of metal structures as well as participated in experimental and regulation measure.



ENERGY SECTOR

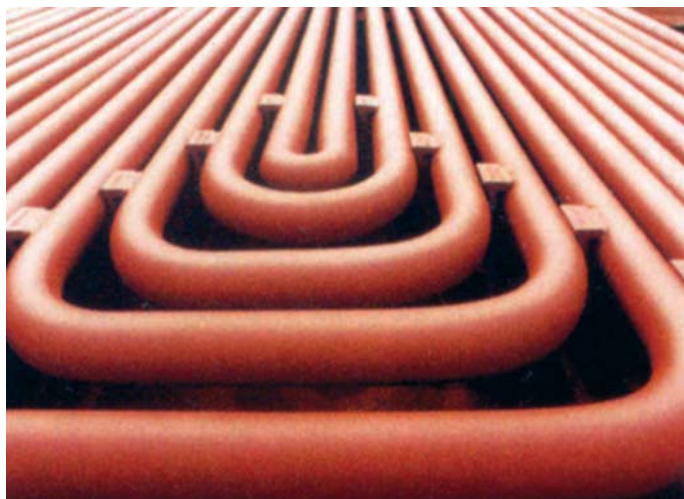


Development of Technolog

Since November 2001, Monnis has held controlling share of Erchim Corporation. Within the sphere of renewal for boilers of power plant 3 and 4, we have introduced the following techniques and technology for better production:

- R/6-NOV A apparatus to make heat treatment simultaneously for 6 welding joints
- ECAB welding apparatus
- CIA tube cutter
- Non destructive testing devices for welding joints such as X-ray, radiograph, magnetic powder and liquid penetrating.

The main service of the corporation now includes regulation, assembly, repair and manufacturing of basic and auxiliary equipment for power plants.



NISSAN



SHIFT_the good service



Communicating with customers is important and that's what we aim on.

BAYAR Purev
Director of Nissan Division



NISSAN CENTER

Nissan continues to offer attractive products and quality service worldwide through its 7900 dealers in 190 countries and starting from 1998 Mongolian costumers became a part of it.

Since 1998, Monnis International has been working as an official distributor of world leading Nissan Motor Company. As result of our effective relationship, we opened our Nissan Center in September 2006 in order to serve and provide reliable and guaranteed service to our customers. Nissan Center is not only the first world-standard car showroom in Mongolia but also became the largest car service center with a modern style. We offer car repairing, diagnostics, parts, consulting and selling and after-sell services. After those years of hard work, Nissan brand is very well-known as well as well-driven by the Mongolian customers and in the car market.

We are planning on to raise Nissan car sales to 1000 units in year of 2010. To meet our customers need, we invite over foreign professionals and engineers from Nissan Motor Company and organize training to improve knowledge and skills of our employees.



NISSAN



SHIFT_the service

SHIFT_A single word that captures the passion and commitment that has revived Nissan and drives our future. Everything we touch, we shift. And everything we shift, we try to make better and uniquely Nissan.



NISSAN



Shift_the way you move

LIEBHERR



MINING POWER

Liebherr Division



We can reach Customer satisfaction through best practice of After Sales Service

GANZORIG Myakhlai
Director of Liebherr and Mining Division



LIEBHERR MINING DIVISION

Monnis International has become an official dealer of Liebherr group in 2002 which makes us the first national company to supply mining equipment and machinery.

Since then, we had supplied to Mongolian mining companies over 300 machines of wide range of Liebherr equipment and mining machineries such as bulldozers, excavators, mobile cranes, loaders and from 50 to 260 tones mining trucks through sales, leasing, rental.

Last two years we have been successfully providing world's biggest mining equipment such as LTM 1250 (250 tones) mobile crane, R996 (bucket capacity 34m³) excavator, PR764 bulldozer, LTM 1250 (250 tones) mobile crane and Le Tourneau L 950 (payload 25ton), Terex MT4400 (payload 260 ton) haul trucks.

The Liebherr mining machines move enormous amounts of material in the toughest un-imaginable conditions, with low operating costs and reliable performance. Recently, we assembled R996 (bucket capacity 34 m3) mining excavator, the biggest hydraulic mining excavator in Mongolia to Southgobi Sands`s Ovoot Tolgoi coal mine site. In 2010, we will supply more R996 excavator`s and mining trucks.

We are paying more attention to our after sales service, and component re- build workshop to improve our service for the customers, and to advance our engineer and technicians skills through intensive training program at OEM`s factory at the same time.

This year we will fortify our last year`s successful service to our key customers , South Gobi Sands LLC, Leighton LLC, Boroo Gold LLC, and Oyu Tolgoi project which are worldwide known biggest mining companies, and we are always proud to serve for them.



Our equipments are working successfully in Sothgobi sands mine site



MINING POWER

Liebherr's earthmoving equipment are successfully working at variety of Mongolian mines.



R-996 in South Gobi Sands mine site (after assembling)



Wheel loader L-580 in Erdenet mine site



R-974 in Boroo Gold mine site



Mobile crane LTM-1100 in Erdenet mine site



PR-752 in Boroo Gold mine site



R-994 in Erdenet mine site



MT4400 in South Gobi Sands mine site (after assembling)

Innovative solutions, mature technical design and components with long service lives guarantee minimum costs for each ton moved.

LIEBHERR





Powerful machines



TEREX

To delight our current and future construction, infrastructure, mining and other customers with value added offerings that exceed their present and future needs

Terex has expanded dramatically in recent years, primarily through a series of acquisitions and divestures designed to expand the product offering, improve geographic coverage and deliver value for Terex customers.

In September 2007, Monnis International has approved a dealership agreement with North Hauler Ltd., one of Terex's many partners. Terex is building a franchise under the Terex name. Our most significant sale has been the sale of 6 TR100C and 7 MT4400 trucks to Southgobi Sands LLC. Furthermore, we are focusing on generating the Terex mission on delivering products that are reliable and cost effective and producing equipment that improves its costumers' return on invested capital.

POWERFUL MACHINES





OUTOTEC

Outotec is the new name for Outokumpu Technology, the global technology leader in minerals processing and metallurgy. Outotec supplies equipment and complete plants for mining and metals industry.

Minerals processing equipment portfolio of outotec includes grinding mills, flotation cells, thickeners and or stream analyzers. Our Tank cells have the biggest unit size of the industry, 300 cubic meters.

Outotec story started already over 50 years ago, when outotec engineers developed flash smelting process. Today over 60% of world copper is smelted with outotec flash smelting method, Due to environmental concern, without forgetting the importance of lowest.

Besides several world class pyrometallurgical processes for copper, nickel, zinc, iron, chrome and precious metals to which outotec has a good solution to offer, we are offering also hydro metallurgical process alternatives for the same metals.



Zinc

nickel

copper

concentrates



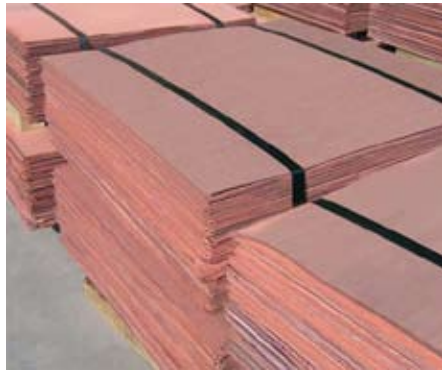
iron, steel

precious metals

aluminium

sulfuric acid

The newest Technology - OutoTec



OutoTec Technology is a global leader in designing, developing and supplying tailored plants, processes and equipment for the minerals and metals processing industries.

Outotec
More out of ore

The most revolutionary new process is Hydro copper which we have developed for over a decade. It will produce from copper concentrate directly copper wire rod. And no sulfuric acid is needed or produced.

Outotec tested successfully at the company's own demo plant in Finland the Hydro copper process with Erdenet concern trade. The test proved the benefits of Hydro copper.

At the moment the negotiations to build the first Hydro copper plants into Erdenet.

Outotec headquarters are in Finland the company employs 2000 people in 16 countries. The turnover will surpass 1 billion euros.

With outotec technology you will also get more out of ore.



Leader in compaction

World market leader in compaction equipment BOMAG offer you the widest range of products backed by expert support and advice aimed at keeping your operation profitable



BOMAG

FAYAT GROUP

BOMAG

In order to develop the infrastructure; new roads, rail lines and airports have to be built and repaired throughout the country and that's where BOMAG can provide effective solution with a new technology and equipment reliable availability, high performance, long operating life, low operating cost. BOMAG is the world leading compaction activities and processes that fulfill a wide variety of different requirements with many equipment variations.

We strive to create all possibilities to respond to the demands of our clients. Therefore, it's an honor to present our BOMAG equipments.

Leader in compaction



FAYAT GROUP

BOMAG



Single Drum Roller



Tandem Vibratory Roller



Pneumatic Tyred Roller



Steel Wheel Roller

We, the team of MONNIS INTERNATIONAL strive to create all possibilities to respond for the demands of our clients. Therefore, it's the honor to us to present our new business line BOMAG equipment.

BOMAG is the world leader in measuring, documentation and control of compaction work during the compaction process, as well as after. BOMAG machines fulfill a wide variety of different requirements by way of the many available equipment variations and the worldwide employment of compaction experts.



Single Drum Vibratory Roller



Walk-Behind tandem Vibratory Roller



Vibratory Tamper



Single Drum Vibratory Roller

Leader in compaction

Quality conveyor belting, rubber track products for agricultural and construction applications, power transmission products, industrial hose and hydraulics.



One revolution ahead

Goodyear is one of the world's tire companies which manufactures and sells several lines of power transmission belts, hose and other rubber products for the transportation industry and various industrial and consumer markets, as well as rubber related chemicals for various applications since 1898. Today, Goodyear measures sales of nearly \$20 billion, although it took 53 years before the company reached the first billion-dollar-year milestone.

Since 2004, Monnis has supplied all varieties Goodyear tires to Mongolian customers; mining tigers like Boroo Gold LLC, Erdenet Corporation, Southgobi Sand LLC, Baganuur Joint Stock Co., and other companies for their own machineries and equipments. Also, in our Nissan Center we sell all sizes of Goodyear tires to our automobile users for their year-round use.



ALL SEASON



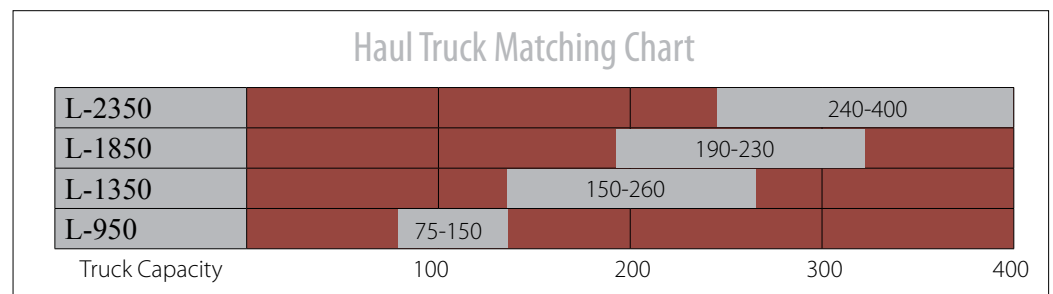


LeTourneau Technologies Inc. – Built On Experience.

What does LeTourneau stand for? Innovation; advancements in technology that improve and optimize how you do business today and tomorrow. Commitment; a company-wide promise to excel at providing you with the products and systems that help move your business forward. Product Performance; your assurance that the equipment and solutions LTI provides set the standard in the industry for productivity and high performance. And Customer Focus; ensuring that we'll be here for you after the initial sale.

LeTourneau offers the mining industry's broadest, most versatile line of giant loaders and dozers. LeTourneau machines deliver the widest choice of sizes, capacities, and horsepower. Ultimately, you won't find a better match of mine to machine than you will with LeTourneau. Every LeTourneau machine delivers advanced technology and mining-friendly features designed to increase productivity, fuel efficiency, speed of maintenance, and operator comfort, no matter how harsh the environment. The LeTourneau family of loaders ranges from the L-950 with 1,050 horsepower to the world's largest L-2350 with 2,300 horsepower, a massive 40 m³ bucket, and the capability of loading the world's largest mining trucks. Therefore, LeTourneau machines complement the product lines that Monnis already offers very well and together with our other brands, enables Monnis to be a "one-stop shop" for all of your mining equipment requirements.

LeTourneau and Monnis started their partnership in 2007. Monnis has already supplied the first LeTourneau loader and now largest wheel loader in Mongolia, which is currently operating in South Gobi province. Our partnership extends beyond marketing and is further driven by LeTourneau's objectives of Innovation, Commitment, Product Performance and Customer Focus. This will allow our customers to feel confident in choosing LeTourneau products for maximizing the value of their projects.



Baldwin Filters

Provides heavy-duty protection

Baldwin Filters is a worldwide manufacturer of heavy-duty filters. With over 4800 products for Air, Lube, Coolant, Transmission and Hydraulic.



Baldwin

Founded in 1936 by J.A Baldwin, Baldwin Filters offers over 4800 filter part numbers-the most comprehensive product line in the industry. Baldwin's goal is to have all manufactured products meet or exceed the OEM's specifications. Their design philosophy, coupled with manufacturing under QS9000 and ISO9001 quality programs, assures that you can feel confident about your choice and properly protects your equipment. Baldwin filters have started their sell in Mongolian since June 2006 and we have broaden our operation in major mining companies.



GLOBAL LEADER IN TECHNOLOGY

A-101™/LV5™ Mobile Equipment Fire Suppression Systems



ANSUL

ANSUL is a premium brand from the Tyco Fire Suspension Group. The full line of ANSUL special hazard fire extinguishers and hand line units; pre-engineered restaurant, vehicle, and industrial systems; sophisticated fire detection/suppression system and a complete line of dry chemical, foam, and gaseous extinguishing agents.

Since 2007, Monnis International has been supplying many major mining industrial equipments & companies with Ansul system. For example, we have fully supplied Boroo Gold mine site with Ansul Fire Suppression System. Furthermore, we are planning on placing the fire system to all of our heavy equipments.

From small vehicles to large off-road equipment, you'll find ANSUL systems protecting excavators, haul trucks, loaders, drag lines, dozers, drills, scrapers, graders, compactors, slag pot carriers, underground mining equipment, forestry and agricultural vehicles.



TOUGH CUSTOMERS



Cummins Inc., a global power leader, is a corporation of complementary business units that design, manufacture, distribute and service engines and related technologies, including fuel systems, controls, air handling, filtration, emission solutions and electrical power generation systems. Headquartered in Columbus, Indiana (USA), Cummins serves customers in approximately 190 countries and territories through a network of more than 500 Company-owned and independent distributor locations and approximately 5,200 dealer locations.

Monnis International became official dealer of Cummins in 2009. Cummins is one of the leading engine and power generator manufacturing company in the world. Cummins supplying engines to Liebherr, Terex, Letourneau and Kawasaki. We are working with Cummins Beijing, very closely to maintain and provide after service to Mongolian customers. Cummins Beijing has built up two warehouses & after service branches near to Mongolian two main ports which are Shivee Khuren and Gashuun Sukhait.

Cummins engines are found in nearly every type of vehicle and equipment on earth from emergency vehicles to 18-wheelers, berry pickers to 360-ton mining haul trucks and huge excavators. And every Cummins engine is backed by Cummins Genuine Parts and Service, providing total customer support from over 5,500 worldwide locations every hour and every minute of every day. In 2009 we have introduced 2 model of highly rated Cummins mining powered engines which as QSK60 (2500 HP & 1865 KW) and K1800E (3000 HP & 2240 KW).

Cummins Power Generation products include diesel and alternative-fueled electrical generator sets from 2.5 to 2,700 kW, alternators from 0.6 KVA to 30,000 KVA, transfer switches from 40 amps to 3,000 amps, paralleling switchgear and generator set controls. Monnis International giving financing, leasing, and renting options on Cummins Powered generators and other Cummins products to its customers and buyers.



Long operating life

These products are well known throughout the world where, by a long tradition, the Berco trademark is synonymous with reliability and quality.



Berco

Berco products are well known throughout the world where, by long tradition, its trademark is synonymous with reliability and quality. Founded more than 80 years ago as a small specialized company serving agricultural tractor repairs, Berco has gradually become a manufacturer of considerable size and leader in the field of production of tracked vehicle components, equipment for overhauling the undercarriages of earthmoving machinery and manufacture of machine tools for the reconditioning of internal combustion engines. Monnis International has become Berco's official provider in 2003 & broadly use undercarriage and earthmoving equipments by Berco particularly in Liebherr machineries



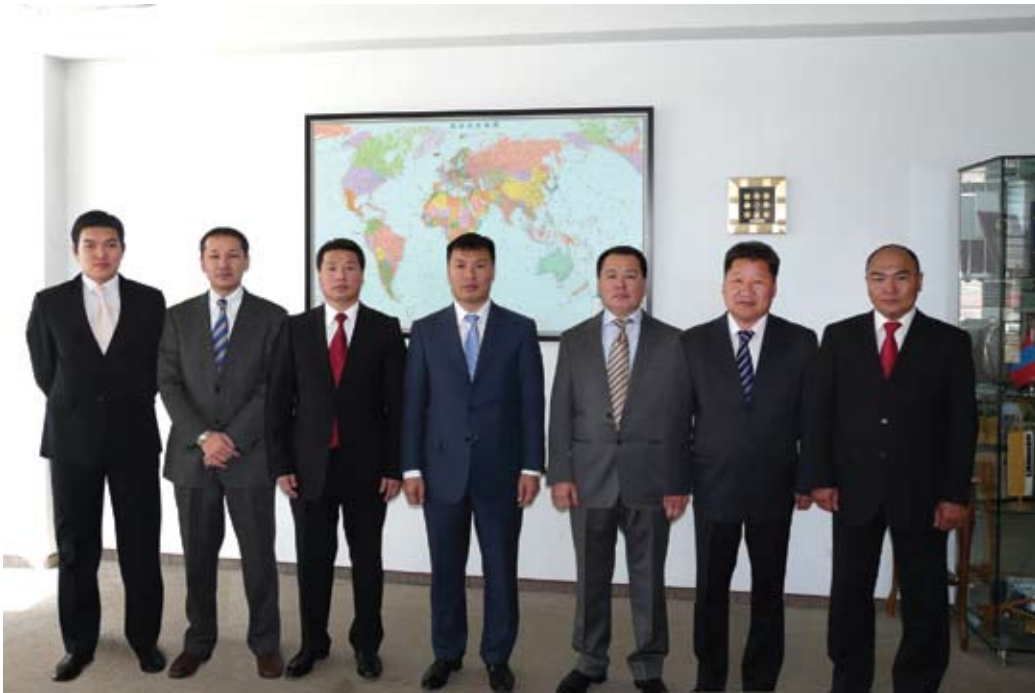
HIGH QUALITY





SUMMARY OF THE COMPANY

BOARD OF DIRECTORS



The company's Management Committee includes the members of the Executive Committee and other executives responsible for key areas of management of the company.

(As of January 06, 2010)

1
MONNIS GROUP
Chairman & CEO
CHULUUNBAATAR Baz

2
Monnis Group
President & CEO
President of Aero Mongolia
JARGALSAIKHAN Baz

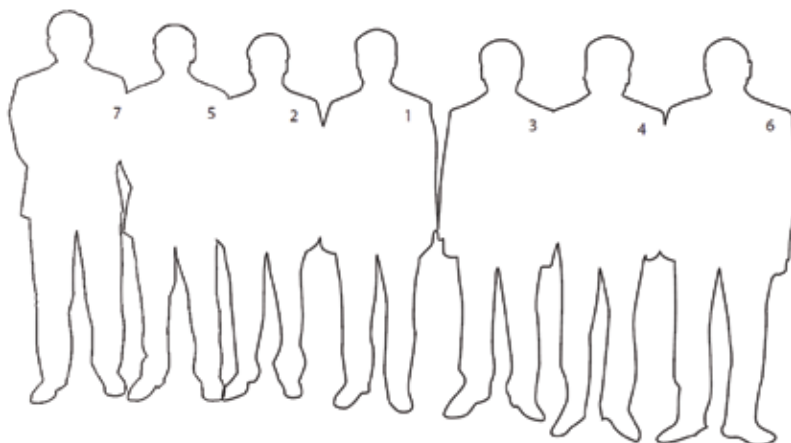
3
Monnis Properties
President & CEO
CHULUUNZORIGT Baz

4
Vice president
Business Development Division
Director
Erchim Corporation
President & CEO
ENKHBAATAR Dashnyam

5
Liebherr and Mining Division
Director
GANZORIG Myakhlai

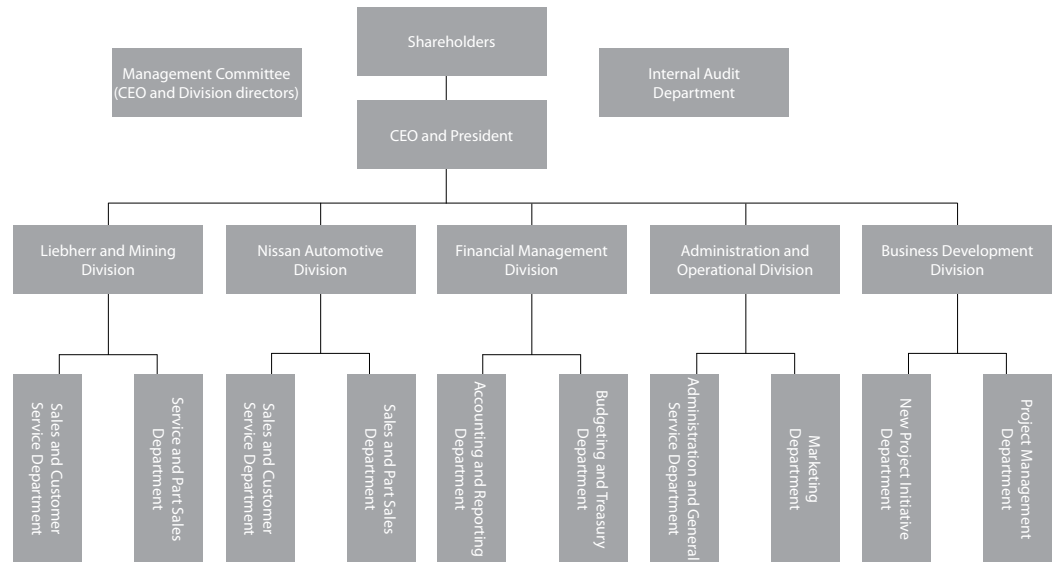
6
Nissan Division
Director
BAYAR Purev

7
Administration and Operational
Division
Director
GANTULGA Bulgan



ORGANIZATION CHART

MONNIS INTERNATIONAL



The Group companies

- MONNIS International
 - MONNIS Properties
 - MONNIS Com
 - MONNIS Investment
 - MONNIS Airservice
 - MONNIS Mining
 - Erchim Concern
 - AeroMongolia
 - MONNIS Construction
- Kitz**
- Group Holding Company
 - Production Company
 - Sales and service companies
 - Finance and banking

Three years summary

by USD

	2007	2008	2009 / first half
Sales	76,130,806.00	117,437,973.7	48,194,031.8
Investment	9,656,150.00	36,800,852.3	16,142,533.1
Total assets	54,052,336.00	133,853,436.1	138,921,371.3
Net income /after tax/	484,540.00	1,622,580.3	495,031.1
Employees	300	600	650

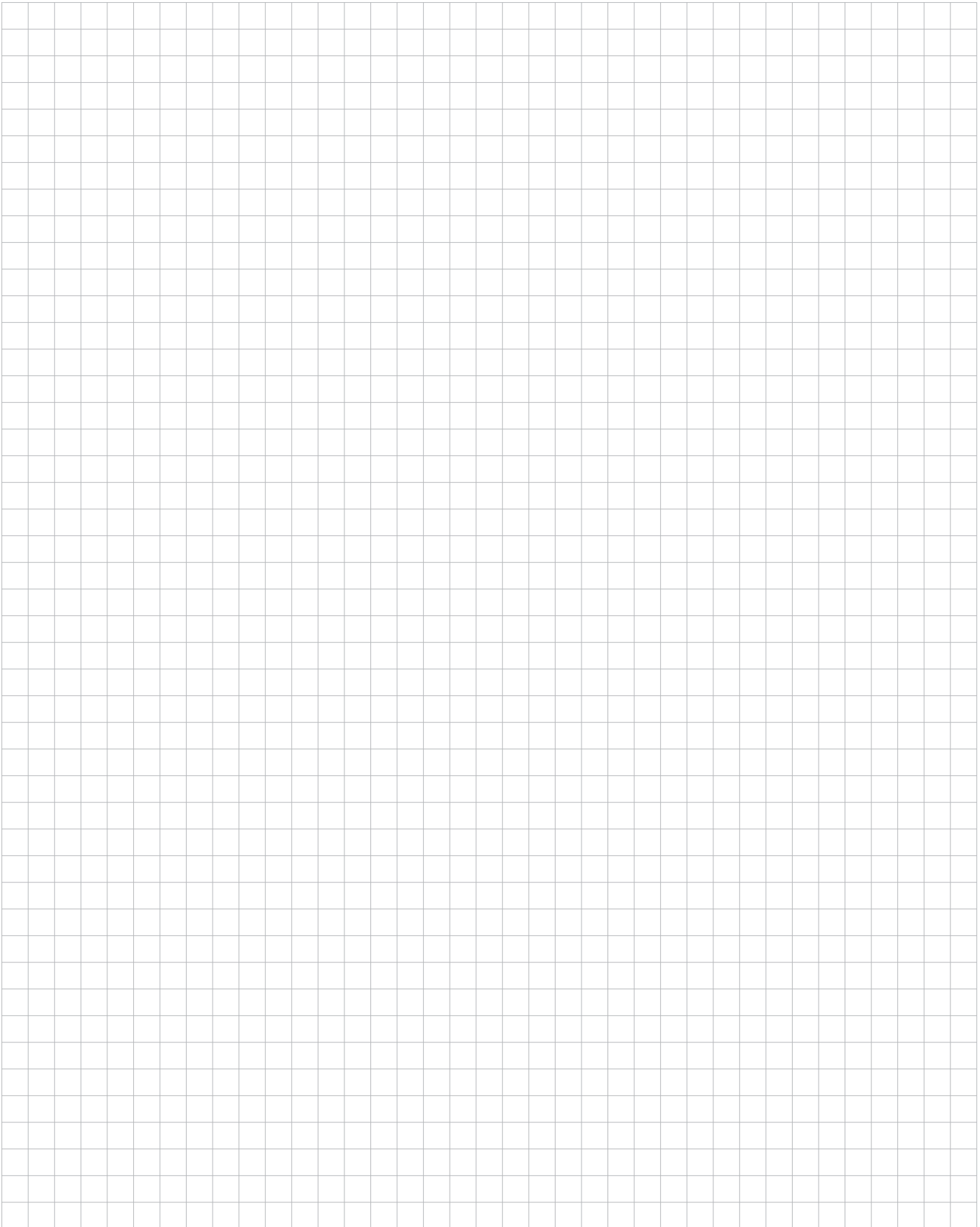


Ganga lake & Altan-Ovoo
Sukhbaatar province, Mongolia

Name: _____

Date: _____

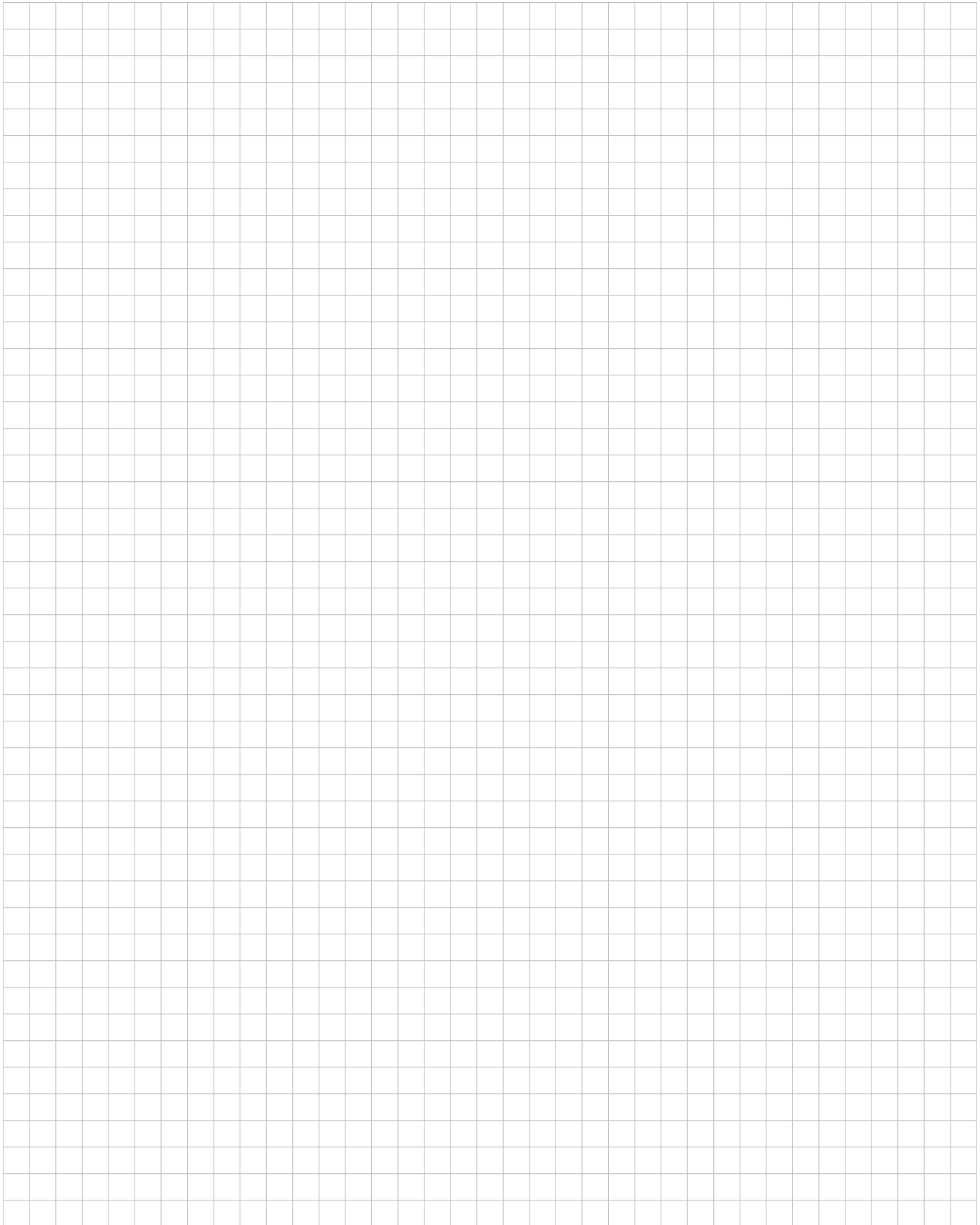
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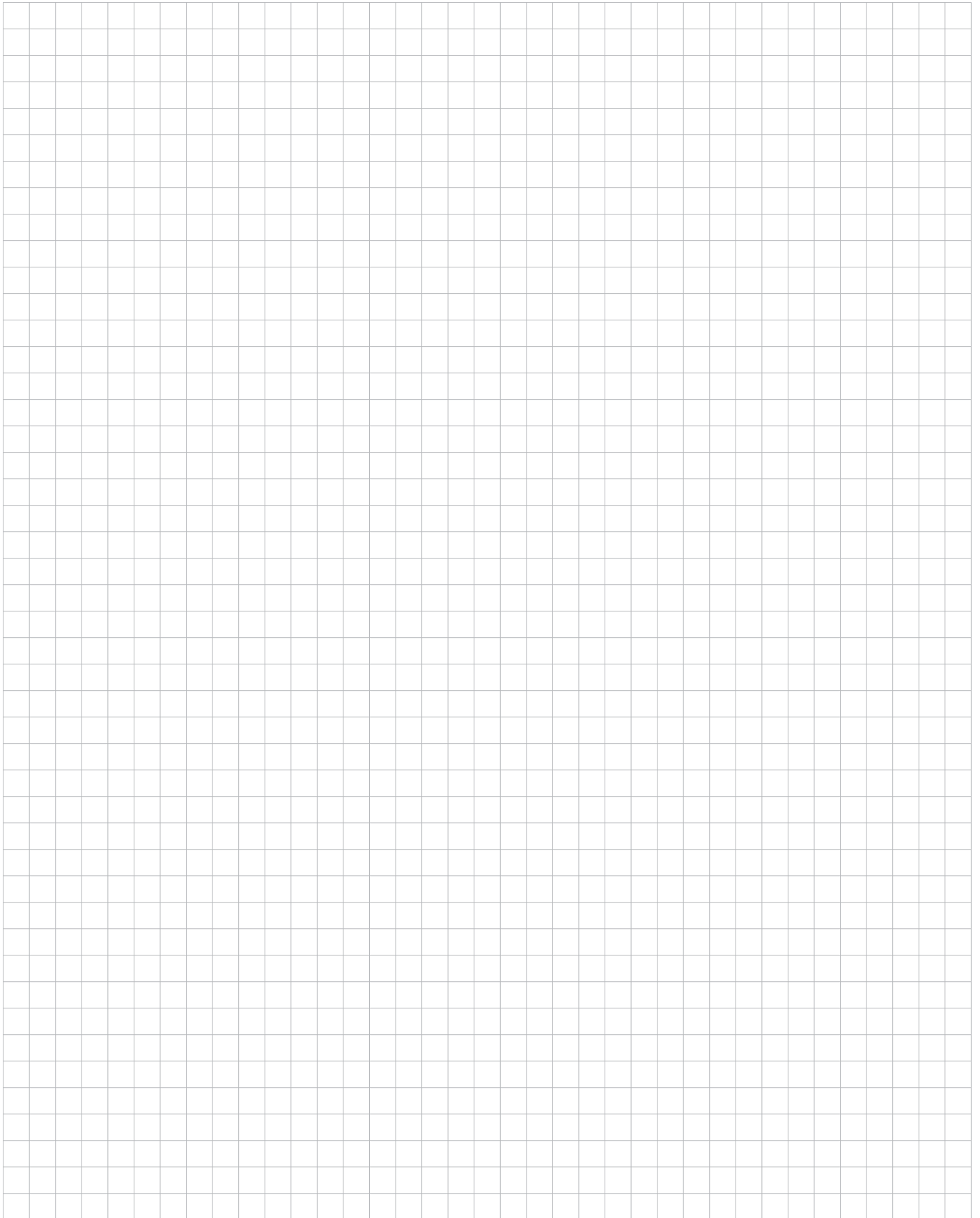
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Date: _____

Memo



MONNIS Group

MONNIS Construction

MONNIS Properties

MONNIS Air Service

MONNIS Com

ERCHIM CORPORATION

AEROMONGOLIA LLC

MONNIS Investment
MONNIS Mining

www.monnis.com

MONNIS INTERNATIONAL

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