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## *Business*

### **Premier Meets Businessmen**

Ulaanbaatar, January 2 (MONTSAME) On December 31 of 2014, the Prime Minister Ch.Saikhanbileg received businessmen and exchanged views with them on Mongolia's economic situation and on measures to be taken for the national economy.

The PM thanked the businessmen for making great efforts despite the problems in the national economy in 2014 and emphasized an importance of the businessmen-government collaboration in overcoming the difficulties. "The cabinet will do all its best to create nice conditions for business," he underlined, "the government will focus on adopting the laws on business transparency, on properties and on package laws".

A head of the Mongolian National Chamber of Commerce and Industry (MNCCI) and this meeting's organizer Ch.Lhagvajav said the government and businessmen definitely will overcome the economic difficulties, and added that first measures will be taken within six months. The wealth-makers will be the main factor to abolish the economic problems when they are provided with a financial and economic freedom, he underlined. The gathered supported it and proposed their ideas and views.

The Premier said this meeting should be held every month.

[Source](#)

## *Mining*

### **Tavan Tolgoi tender negotiation to begin today**

January 4 (UB Post) The negotiation to establish a strategic investment agreement between the Mongolian government and the three-party consortium of China Shenhua Energy Co Ltd of China, Sumitomo Corporation of Japan, and Energy Resource LLC of Mongolia will begin on January 5.

The Tavan Tolgoi tender working group had a meeting with representatives from the three-party consortium selected as an investor to cooperate on operating the Tavan Tolgoi deposit, on December 24.

At the meeting, the sides agreed to begin the negotiations on January 5, and pledged to seek all possible means to successfully carry out the investment and development of the Tavan Tolgoi coal deposit.

Head of the working group and Minister of Mongolia M.Enkhsaikhan, Minister of Mining R.Jigjid, Minister of Finance J.Erdenebat, and Minister of Roads and Transportation N.Tumurkhoo met with the consortium's representatives.

Representing the consortium, CEO of Energy Resources LLC G.Battsengel, Deputy CEO of Energy Resources LLC L.Oyunbat, Board Chairman of China Shenhua



Overseas Development and Investment Co., Ltd Shao Junjie, and General Manager of Sumitomo Corporation's Ulaanbaatar Office Hiroto Fujiwara attended the meeting.

M.Enkhsaikhan remarked, "The Tavan Tolgoi project requires about four billion USD in investment. In this respect, it is a world-scale project. The selected investor's representation of three nations – Mongolia, China, and Japan – increases the project's value."

CEO of Energy Resources LLC G.Battsengel commented, "We would like to express our readiness to provide substantial impetus to the development of Mongolia through utilizing the experiences we have gained hitherto."

Hiroto Fujiwara noted, "Our company has been operating in Mongolia since 1992. With regards to this project, we will focus on selling coal to nearby third markets."

Board Chairman of China's Shenhua's Overseas Development and Investment Co., Ltd Shao Junjie highlighted, "Shenhua Group is an experienced entity that has implemented several international projects. Judging from projects being implemented in Southeast Asian countries, large-scale projects are more likely to thrive when implemented in cooperation with an experienced domestic company. Cooperating with Mongolian and Japanese firms, we will operate in conformity with market principles and in the scope of Mongolian laws."

In conducting the negotiation, the parties agreed to adhere to a mutually beneficial strategy, basing the negation on trust, discussing all problematic aspects of the project, and striving to find cooperative and creative solutions to each issue.

Members of the working group informed the representatives of the criteria to adhere to in the negotiations, including keeping the status of the domestic company as a majority stakeholder throughout the entire project, retaining the ownership of the deposit by the Mongolian government, being able to sell the deposit's products to Japanese and other foreign markets, contributing to regional development, respecting and contributing to the development of traditional Mongolian culture, and having no harmful effects on the environment.

[Source](#)

## *Regional*

# **New Asian bank to be operational by year-end**

January 3 (smetimes.in) The Asian Infrastructure Development Bank (AIDB) is expected to go into operation before the end of 2015, according to China's ministry of finance. The ministry said that the founding nations of the bank are expected to complete negotiations over and subscription of the bank's charter and regulations before June this year, Xinhua reported.



A ministry statement also said that the Maldives has become the latest prospective founding member of the bank after a consensus was reached among the 22 existing members Dec 31.

So far, the number of Prospective Founding Members of the AIDB has increased to 23. These are Bangladesh, Brunei, Cambodia, China, India, Indonesia, Kazakhstan, Kuwait, Laos, Malaysia, Mongolia, Myanmar, Nepal, Oman, Pakistan, the Philippines, Qatar, Singapore, Sri Lanka, Thailand, Uzbekistan, Vietnam, and the Maldives. The finance ministry said any country interested in the AIDB was welcome to join the bank.

The AIDB, an inter-governmental regional development institution in Asia, has an authorised capital of \$100 billion and the initial subscribed capital is expected to be around \$50 billion.

According to a memorandum of understanding signed in October 2014, Beijing will be the host city for the AIDB's headquarters.

[Source](#)

## Company News

# Prophecy Coal completes acquisition of Pulacayo-Paca Project

January 5 (steelguru.com) Prophecy Coal Corporation announced that it has successfully acquired Apogee Minerals Bolivia SA, ASC Holdings Limited and ASC Bolivia LDC (which hold ASC Bolivia LDC Sucursal Bolivia, the holder of Apogee Silver Ltd's mining JV interest in the Pulacayo-Paca project) (collectively, the "Apogee Subsidiaries") from Apogee on the terms described in the Company's news release dated November 4th 2014.

Shareholders of Apogee overwhelmingly approved the transaction, with shareholders holding over 31% of the common shares voting 99.4% in favour of the transaction at a Special Meeting held on December 29th 2014.

In consideration, the Company has paid Apogee USD 250,000 and issued to Apogee 60 million common shares (the "Consideration Shares"). The Consideration Shares have been deposited into escrow pursuant to an escrow agreement, which allows for the release of the Consideration Shares over time, when Prophecy's shares trading on the Toronto Stock Exchange reach certain price levels or in the face of certain major triggering events.

Prophecy has also agreed to assume all liabilities of the Apogee Subsidiaries. The escrow agreement also provides for a standstill on the voting of the Consideration Shares while they are held in escrow, and the voting of all released Consideration Shares in support of Prophecy's management so long as Prophecy continues to be engaged in its current business.



Apogee has also appointed Harald Batista to its board of directors. Mr Batista is also a current director of Prophecy.

The Pulacayo-Paca project may be the most significant project acquisition in Prophecy's history and the Company looks forward to developing and exploring this prolific silver district to its full potential.

Separately, the name change of Company to "Prophecy Development Corp.", approved by Prophecy shareholders at its Special Meeting held on Meanwhile, Prophecy Coal Corp. is a Canadian public company listed on the Toronto Stock Exchange that is engaged in developing mining and energy projects in Mongolia and Bolivia.

[Source](#)