H.E. Jargaltulga Erdenebat  
Minister of Finance  
Ministry of Finance  
Government Building 2  
United Nations’ Street 5/1  
Ulaanbaatar, 210646

Re: Mongolia-Austral a Partnership for Sustainable Development Trust Fund
Additional Financing for the Mining Infrastructure Investment Support
Project (TF016386)
Amendment to the Letter Agreement

Excellency:

We refer to the letter agreement (the “Agreement”) dated March 28, 2014 between Mongolia (“the Recipient”) and the International Bank for Reconstruction and Development and the International Development Association (collectively, the “World Bank”), both acting as administrator of the Mongolia-Australia Partnership for Sustainable Development Trust Fund (the “Trust Fund”), for the above-referenced project (the “Project”).

We further refer to: (i) your letter dated January 28, 2015, requesting the reallocation of the proceeds of the Grant; (ii) the provision by the Department of Foreign Affairs and Trade of the Government of Australia (the “Donor”) of the final tranche of funds (the “Additional Contribution”) in support of the Project; and (iii) the understandings reached during the implementation support mission from September 20-27, 2014, as recorded in paragraph 11 of the related Aide Memoire, on the reallocation of the proceeds of the Grant upon availability of the Additional Contribution.

In light of the above, we are pleased to inform you that, after due consideration, the World Bank hereby:

(i) reallocates the proceeds of the Grant allocated in the table in Section 3.01 of Annex to the Agreement as set out in the attachment to this letter; and

(ii) proposes to amend the second paragraph on the first page of the Agreement to read as follows (emphasis added):

The Recipient has now requested the Association to provide additional financing to implement certain scale-up activities under the Project. In response to the Recipient's request, the Association proposes to extend to the Recipient a grant in an amount not
to exceed four million fifty thousand United States Dollars (U.S.$4,050,000) (the "Grant") from the Mongolia-Australia Partnership for Sustainable Development Trust Fund (the "Trust Fund"), administered by the International Bank for Reconstruction and Development and the International Development Association (the "World Bank"), on the terms and conditions set forth or referred to in this letter agreement ("Agreement"), which includes the attached Annex.

The capitalized terms used in this letter of amendment have the same meanings assigned to them as in the Agreement and, except as specifically modified herein, all other provisions of the Agreement remain in full force and effect.

Please confirm your agreement to the foregoing on behalf of the Recipient by countersigning and dating the corresponding form of confirmation set forth below, and returning one fully signed original of this letter to us.

Upon receipt by the World Bank of the copy of this letter of amendment duly countersigned by the authorized representative of the Recipient, this amendment shall become effective as of the date of countersignature.

Sincerely yours,

[Signature]

Bert Hofman
Country Director, Mongolia
East Asia and Pacific Region

AGREED: MONGOLIA

By: [Signature]

Authorized Representative

Name: J. Erdenebat

Title: Minister

Date: 12/05/2015
<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Grant Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
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</thead>
<tbody>
<tr>
<td>(1) Goods and non-consulting services</td>
<td>1,120,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Consultants’ services</td>
<td>2,500,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Training and Workshops</td>
<td>310,000</td>
<td>100%</td>
</tr>
<tr>
<td>(4) Incremental Operating Costs</td>
<td>120,000</td>
<td>100%</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>4,050,000</strong></td>
<td></td>
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</tbody>
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