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MONGOLIA FRONTIER FUND

SUB-FUND SUPPLEMENT

A Segregated Account constituted as a distinct class of shares in EMERGING MANAGER PLATFORM LTD., an exempted company incorporated with limited liability under the laws of Bermuda as a mutual fund and registered as a segregated accounts company under the Segregated Accounts Companies Act 2000 of Bermuda, as amended.

MINIMUM INITIAL SUBSCRIPTION:

USD 10,000

INVESTMENT MANAGER:

Emerging Asset Management Ltd.
3 Burnaby Street,
T.J. Pearman Building
Hamilton HM12
P. O. Box 2460 HM JX
Bermuda

ADMINISTRATOR:

Apex Fund Services Ltd.
3 Burnaby Street,
T.J. Pearman Building
Hamilton HM12
P. O. Box 2460 HM JX
Bermuda

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, 2011

EMERGING MANAGER PLATFORM LTD.

THE MONGOLIA FRONTIER FUND SUB-FUND SUPPLEMENT

THIS SUPPLEMENT DATED 2011 (THE "SUPPLEMENT") IS SUPPLEMENTAL TO, FORMS PART OF AND SHOULD BE READ IN CONJUNCTION WITH THE PRIVATE OFFERING MEMORANDUM FOR EMERGING MANAGER PLATFORM LTD. (THE "COMPANY") DATED AND PUBLISHED AS LISTED IN THE SUBSCRIPTION APPLICATION FOR THE MONGOLIA FRONTIER FUND SUB-FUND (THE "MEMORANDUM"). DISTRIBUTION OF THIS SUPPLEMENT IS NOT AUTHORIZED UNLESS IT IS ACCOMPANIED BY A COPY OF THE MEMORANDUM. ALL DEFINED TERMS USED HEREIN AND NOT OTHERWISE DEFINED SHALL HAVE THE SAME RESPECTIVE MEANINGS AS SET FORTH IN THE MEMORANDUM.

A copy of this Supplement has been delivered to the Registrar of Companies in Bermuda in accordance with the Companies Act 1981 of Bermuda. Copies of the Memorandum are available during usual business hours on any weekday (Saturdays, Sundays and holidays excepted), on behalf of the Company, free of charge, from the offices of the Investment Manager (as hereinafter defined).

The Mongolia Frontier Fund Sub-Fund is a segregated account constituted as a distinct class of shares in the Company, a company incorporated under the laws of Bermuda as a segregated accounts company.

The shares in the Mongolia Frontier Fund Sub-Fund are offered pursuant to the terms of the Memorandum and this Supplement and are issued by the Mongolia Frontier Fund Sub-Fund, it being the designated name of this segregated account of the Company.

The directors of the Company (the "Directors") do not expect that an active secondary market will develop in the Mongolia Frontier Fund Sub-Fund Shares. No application has been made for the listing of the Mongolia Frontier Fund Sub-Fund Shares on any stock exchange however, the Directors reserve the right to do so in the future. The Directors, whose names appear in the Memorandum, accept full responsibility for the information contained in this Supplement and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The information contained in this Supplement should be read in the context of, and together with, the information contained in the Memorandum and distribution of this Supplement is not authorized unless accompanied by or supplied in conjunction with a copy of the Memorandum.

In making an investment decision, investors must rely on their own examination of the Company and the terms of the offering, including the merits and risks involved. No assurance can be given that the Company's or the Mongolia Frontier Fund Sub-Fund's investment objective will be achieved.

MONGOLIA FRONTIER FUND - SUB-FUND

Defined Terms

Business Day: a day on which banks in New York City, USA and the New York Stock Exchange all are open for business and such other days as the Directors may designate as Business Days from time to time;

Currency: The functional currency of the Sub-Fund is USD.

Company: Emerging Manager Platform Ltd., a Bermuda segregated accounts company;

Dealing Day: the first Business Day of each month;

High Water Mark: with respect to each series of the Mongolia Frontier Fund Sub-Fund shall mean the Net Asset Value of the relevant series of the Mongolia Frontier Fund Sub-Fund as of the end of the most recent calendar month for which a performance fee was paid or payable to the Investment Advisor as increased by the hurdle rate, or if no performance fee has been paid since the inception of Investment by the Investment Advisor, then the initial Net Asset Value of such series of the Mongolia Frontier Fund Sub-Fund as increased by the hurdle rate applicable;

Hurdle Rate: The hurdle rate in relation to the payment of the Performance Fee in respect of a Participating Share for any particular Performance Period is 10%

Investment Manager: Emerging Asset Management Ltd. 3 Burnaby Street, T.J. Pearman Building, Hamilton HM12, P. O. Box 2460 HM JX, Bermuda serves as investment manager of the Company in respect of the Mongolia Frontier Fund Sub-Fund.

Net Asset Value: The Net Asset Value of each class of Mongolia Frontier Fund Sub-Fund Shares in the Company is determined by reference to the market prices of the underlying assets in the Company attributable to such class at the close of business on the "Valuation Day" (the Business Day immediately preceding each Dealing Day). Assets for which market prices are not readily available will be valued as determined by the Directors after consultation with the Investment Manager. Fees and expenses of the Company will be accrued on a daily basis and subtracted from the assets of the Company in determining the Net Asset Value of each class of Mongolia Frontier Fund Sub-Fund Share. The Net Asset Value of each class of Mongolia Frontier Fund Sub-Fund Share calculated by dividing the

value of the total net assets of that class expressed in U.S. dollars (i.e. the value of the assets and cash, less liabilities and estimated cost of realization) by the number of shares in issue of that class. The resultant Net Asset Value per Mongolia Frontier Fund Sub-Fund Share is then expressed in USD adjusted to two decimal places.

For the purpose of determining the Net Asset Value:

- (i) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof unless the Directors or their duly appointed delegates shall have determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof in which event the value thereof shall be deemed to be such value as the Directors or their duly appointed delegates shall deem to be the reasonable value thereof;
- (ii) except in the case of any interest in a unit trust, mutual fund corporation, open-ended investment company or other similar open-ended investment vehicle (a "managed fund") to which paragraph (iii) below applies and subject as provided in paragraphs (iv), (v) and (vi) below, all calculations based on the value of investments quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or over-the-counter market shall be made by reference to the last traded price (or, lacking any sales, at the mean between the last available bid and asked prices) on the principal exchange for such investments as at the close of business in such place on the day as of which such calculation is to be made; and where there is no such stock exchange, commodities exchange, futures exchange or over-the-counter market all calculations based on the value of the investment quoted by any person, firm or institution making a market in the investment (and if there shall be more than one such market maker then such particular market maker as the Directors or their duly appointed delegates may designate) shall be made by reference to the mean of the latest bid and asked price quoted thereon; provided always that if the Directors or their duly appointed delegates in their discretion consider that the prices ruling on an exchange other than the principal exchange provide, considering all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;

- (iii) subject as provided in paragraphs (iv), (v) and (vi) below, the value of each interest in any managed fund which is valued as at the same day as the Fund shall be the net asset value per unit, share or other interest in such managed fund calculated as at that day or, if the Directors or their duly appointed delegates so determine or if such managed fund is not valued as at the same day as the Fund, shall be the last published net asset value per unit, share or other interest in such managed fund (where available) or (if the same is not available) the last published redemption or bid price for such unit, share or other interest. In particular, if there are no price quotations available for the valuation of the managed fund, it shall be calculated in accordance with the values published, or reported in writing to the Fund as at or immediately before the relevant Valuation Point, by or on behalf of the managed fund, or if the managed fund is not valued as at or immediately before the relevant Valuation Point, shall be the last so published or reported value. Valuations may in the absolute discretion of the Directors or their duly appointed delegates be subject to later adjustment. In performing the calculations, the Directors or their duly appointed delegates shall be entitled to rely on the unaudited valuations and reports and estimated valuations received from third parties, including the managed fund and its administrator, agents, investment manager or advisor, or other dealing subsidiary and shall not be responsible for verifying nor shall they be required to verify either the contents or veracity of such valuations and reports;
- (iv) if no net asset value, bid, asked or redemption prices or price quotations are available as provided in paragraphs (ii) or (iii) above, the value of the relevant asset shall be determined from time to time in such manner as Directors or their duly appointed delegates shall determine;
 - (a) the initial value of an unquoted asset, including Special Investments, shall be the amount expended out of the Fund in the acquisition thereof (including in each case the amount of the stamp duties, commissions, legal and professional costs and other expenses incurred in the acquisition and vesting thereof); and
 - (b) the Directors or their duly appointed delegates may at any time and shall at such times or at such intervals as it, in the absolute discretion

determines, may request or cause a revaluation to be made of any such unquoted asset, by a professional person qualified to value such unquoted asset;

- (v) for the purposes of ascertaining quoted, listed, traded or market dealing prices, the Directors, the Manager, the Administrator, or their agents or delegates shall be entitled to use and rely upon mechanised and/or electronic systems of valuation dissemination with regard to valuation of investments of the Fund and the prices provided by any such system shall be deemed to be the last traded prices for the purposes of paragraph (ii) above;
- (vi) any security which is not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its fair value as determined by the Directors or their duly appointed delegates in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected and such other factors as the Directors or their duly appointed delegates in their sole discretion deem relevant in considering a positive or negative adjustment to the valuation;
- (vii) notwithstanding the foregoing, the Directors or their duly appointed delegates may, at their absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value; and
- (viii) any value (whether of a security or cash) otherwise than in USD shall be converted into USD at the rate (whether official or otherwise) which the Directors or their duly appointed delegates shall in their absolute discretion deem appropriate to the circumstances having regard, inter alia, to any premium or discount which they consider may be relevant and to costs of exchange.

"Last traded price," as referred to in paragraph (ii) above, refers to the last traded price reported on the relevant exchange for the day, commonly referred to in the market as the "settlement" or "exchange price", and represents a price at which members of the exchange settle between themselves for their outstanding positions. Where a security has not traded on a given date, the last traded price for such

security will be the "exchange close" price as calculated and published by the relevant exchange in accordance with its local rules and customs.

Investors should note that, under IFRS, investments should be valued at fair value and also that, under IFRS, bid pricing for long positions and asked/offer pricing for short positions respectively are considered to be representative of fair value for listed investments. However, under the valuation basis described above, listed investments are expected to be valued at the last traded price instead of bid or asked/offer pricing as required under IFRS which may lead to a different valuation had the valuation been performed in accordance with IFRS. To the extent that the valuation basis adopted by the Fund deviates from the IFRS, such non-compliance with IFRS may result in the auditors qualifying their opinion on those annual accounts depending on the nature and level of materiality of the non-compliance.

In calculating the Net Asset Value, no discount will be factored notwithstanding that any investments held are subject to any lock in periods, moratoriums or other restrictions on disposal. For audit purposes however, the Auditors may in accordance with applicable accounting standards and principles apply a discount. Accordingly, there may be differences between the net asset values of the Fund reflected in the audited financial statements and the Net Asset Value calculated in accordance with the valuation principles described in this Memorandum and in the Constitution.

Net New Appreciation: shall mean the difference, if any, between (i) the Net Asset Value of the relevant series of the Mongolia Frontier Fund Sub-Fund as of the end of such calendar month (without reduction for any performance fees paid or payable to the Investment Advisor for such calendar month as increased by hurdle rate or dividends declared or paid as of the end of such calendar month) minus (ii) the Net Asset Value of such series of the Mongolia Frontier Fund Sub-Fund as of the end of the most recent calendar month for which a performance fee was paid or payable to the Investment Advisor, with such amount reduced by the amount of the performance fee paid or payable for such prior calendar quarter and also reduced by any dividends declared or paid as of or subsequent to the end of such prior calendar month through the first day of the calendar month referred to in clause (i) above and increased by the amount of all additional share purchases since the end of the most recent calendar month for which a performance fee was paid. For purposes of calculating the first performance fee payable to the Investment Advisor, clause (ii) shall mean the initial Net Asset Value of the applicable series of the Mongolia Frontier Fund Sub-Fund at the beginning of Investment. For purposes of calculating Net New Appreciation, extraordinary fees and expenses and taxes shall be excluded;

Redemption Charge: shareholders that redeem Mongolia Frontier Fund Sub-Fund Shares during the first three (3) years after their subscription for such Mongolia Frontier Fund Sub-Fund Shares will be subject to a redemption charge with respect to the Mongolia Frontier Fund Sub-Fund Shares being redeemed. Redemptions made on or before the twelfth (12th) calendar month-end after the subscription for Mongolia Frontier Fund Sub-Fund Shares was made will be subject to a Redemption Charge of 3% of the Net Asset Value of such redeemed Mongolia Frontier Fund Sub-Fund Shares. The Redemption Charge will decrease by 1% after each subsequent twelfth (12th) calendar month-end after the subscription for the Mongolia Frontier Fund Sub-Fund Shares being redeemed. There will be no Redemption Charge on the Mongolia Frontier Fund Sub-Fund Shares redeemed after the thirty-sixth (36th) calendar month-end after the subscription for such Mongolia Frontier Fund Sub-Fund Shares being redeemed. Redemption Charges will be paid to the Investment Advisor;

Redemption Date: the first Business Day of each month;

Subscription Date: the first Business Day of each month;

Shareholder: means the registered holder of Mongolia Frontier Fund Sub-Fund Shares which have not been redeemed.

Key Features

The Offering: The Company is offering up to 9,900,000 non-voting, participating, redeemable shares par value \$0.001 per share which, at the discretion of the Directors, may be issued as Mongolia Frontier Fund Sub-Fund Shares. The Mongolia Frontier Fund Sub-Fund Shares will be offered on the first Business Day of each calendar month and at any other time determined by the Directors in their sole and absolute discretion (each, a “Subscription Date”).

Offer Price: The Mongolia Frontier Fund Sub-Fund Class A Shares will be issued on each Subscription Date, in successive series, at a price of USD1,000 per Mongolia Frontier Fund Sub-Fund Share. The Fund can create new share classes after the initial launch. See “THE OFFERING.”

Investment Manager: Emerging Asset Management Ltd., 3 Burnaby Street, T.J. Pearman Building, Hamilton HM12, P. O. Box 2460 HM JX, Bermuda to serve as investment manager of the Company in respect of the Mongolia Frontier Fund Sub-Fund.

Investment Advisor: The Investment Manager has retained Mongolia Asset Management Ltd to serve as the Investment Advisor (the “Investment Advisor”) of the MFF (Mongolia Frontier Fund) Sub-Fund.

Custodian/Prime Broker The Investment Manager has appointed Mongolian Securities Clearing House and Central Depository as the Custodian/Prime Broker to the Sub-Fund. The Investment Manager may, from time to time, terminate existing Custodian/Prime Brokers.

Cash Custodian HSBC Bank of Bermuda means Participating Class A shares

Shares

Investment Objective of the Mongolia Frontier Fund Sub-Fund:

The investment objective of the Mongolia Frontier Fund Sub-Fund is to achieve capital gains in the Net Asset Value of the Mongolia Frontier Fund Sub-Fund Shares. The Mongolian Frontier Fund Sub-Fund will invest in the following investments;

1. Mongolian public listed equities
2. Mongolian non-listed equities
3. Mongolian public listed fixed income securities both government bonds and corporate bonds
4. Bank deposits and Certificates of deposit issued by Mongolian Banks
5. Initial Public Offerings of Mongolian companies
6. Mongolian “theme” stocks that are listed in overseas markets like London, New York, Toronto and Australia and which derive most if not all of their economic activity from Mongolia
7. Derivate contracts and futures on Mongolian commodity exports such as Oil, Copper, Iron Ore and Gold

Minimum Initial Subscription:

The minimum initial subscription amount for new investors in the Mongolia Frontier Fund Sub-Fund Shares is USD 10,000 or the equivalent in any other reference currency. The Directors, in their sole and absolute discretion, may accept or reject all or any portion of any subscriptions and reduce, increase or waive the minimum subscription.

**Subscription
Procedure:**

Prospective investors must complete and execute a Subscription Agreement and deliver the same to the Administrator. Subscription Agreements must generally be received by the Administrator at least two (2) Business Days prior to the relevant Subscription Date (or such shorter period as may be determined by the Directors in their sole and absolute discretion). All investors must also make arrangements with the Administrator for the transmission of their subscription funds at least two (2) Business Days prior to the relevant Subscription Date before 5:00 p.m. (New York time).

Redemptions:

The Mongolia Frontier Fund Sub-Fund Shares may be redeemed upon at least ten (10) Business Days' written notice to the Administrator as of the close of business on the first day of any calendar month and any other day as designated by the Directors in their sole and absolute discretion (each, a "Redemption Date"). Mongolia Frontier Fund Sub-Fund Shares are redeemed at Net Asset Value per Mongolia Frontier Fund Sub-Fund Share. Partial redemptions may not reduce a Shareholder's investment to less than the applicable minimum investment amount.

The Company may suspend redemptions in certain limited circumstances as described in the Memorandum.

Redemption Proceeds: Unless redemptions have been suspended or redemption payments are delayed, redemption proceeds allocable to Mongolia Frontier Fund Sub-Fund Shares will generally be paid within thirty (30) calendar days of the relevant Redemption Date. Under certain circumstances as set forth in the Memorandum, the Company may limit or suspend redemptions and/or delay payment of redemption proceeds to redeeming Shareholders. No interest will be paid by the Company on redemption proceeds pending distribution to Shareholders. The Company will pay redemption proceeds in kind at the request of an investor subject to the approval of the Directors.

Eligible Investors: The Mongolia Frontier Fund Sub-Fund Shares are offered only to Non-U.S. Persons

Summary of Fees and Expenses

Organizational and Initial Offering Costs: The organizational and initial offering costs of the Mongolia Frontier Fund Sub-Fund will be borne by the Sub-Fund and amortized on a straight line basis over the first sixty (60) months following the commencement of the Mongolia Frontier Fund Sub-Fund's investment activities.

Distribution Fee: An up-front distribution fee of up to 5% of the subscription amount may be charged on all subscriptions. Such distribution fee will be paid to the Distributors, unless waived by the Directors in their sole and absolute discretion.

Administration Fee: The Mongolia Frontier Fund Sub-Fund will pay the Administrator (as hereinafter defined) an administrative fee based upon the Net Asset Value of the Mongolia Frontier Fund Sub-Fund. The Administrator's fee payable by the Mongolia Frontier Fund Sub-Fund will be charged on a sliding scale and subject to a monthly minimum amount. In addition, the Mongolia Frontier Fund Sub-Fund will reimburse the Administrator's out-of-pocket expenses as invoiced.

Investment Manager's Management Fee: The Mongolia Frontier Fund Sub-Fund will pay the Investment Manager a platform management fee, payable monthly in arrears, in an amount equal to $1/12^{\text{th}}$ of 0.25% of the Net Asset Value of each series of the Mongolia Frontier Fund Sub-Fund (approximately 0.25% annually)

Investment Advisor's Management Fee: The Mongolia Frontier Fund Sub-Fund will pay the Investment Advisor a management fee, payable monthly in arrears, in an amount equal to $1/12^{\text{th}}$ of 1.75% of the Net Asset Value of each series of the Mongolia Frontier Fund Sub-Fund (approximately 1.75.0% annually).

Investment Advisor's Performance Fee: As of the end of each fiscal year, the Investment Advisor will be entitled to receive a performance fee equal to 20% of the Net New Appreciation (as hereinafter defined), if any, achieved by each series of the Mongolia Frontier Fund Sub-Fund during the year subject to the High Water Mark with hurdle rate (as hereinafter defined).

Redemption Charge: Shareholders that redeem Mongolia Frontier Fund Sub-Fund Shares during the first three (3) years after their subscription for such Mongolia Frontier Fund Sub-Fund Shares will be subject to a sliding redemption charge (the “Redemption Charge”) with respect to the Mongolia Frontier Fund Sub-Fund Shares being redeemed. Redemptions made on or before the twelfth (12th) calendar month-end after the subscription for Mongolia Frontier Fund Sub-Fund Shares was made will be subject to a Redemption Charge of 3% of the Net Asset Value of such redeemed Mongolia Frontier Fund Sub-Fund Shares. The Redemption Charge will decrease by 1% after each subsequent twelfth (12th) calendar month-end after the subscription for the Mongolia Frontier Fund Sub-Fund Shares being redeemed. There will be no Redemption Charge on the Mongolia Frontier Fund Sub-Fund Shares redeemed after the thirty-sixth (36th) calendar month-end after the subscription for such Mongolia Frontier Fund Sub-Fund Shares being redeemed. Redemption Charges will be paid to the Investment Advisor.

General

Dividends: The Company does not anticipate paying any dividends in respect of the Mongolia Frontier Fund Sub-Fund Shares.

Access to Information: Prospective investors are urged to contact the Investment Manager with any questions they may have concerning any aspect of the Company or the offering of the Mongolia Frontier Fund Sub-Fund Shares.

Reports: Shareholders will receive monthly performance summaries and annual audited financial statements of the Company in respect of the Mongolia Frontier Fund Sub-Fund Shares.

Key Appointments

Administrator	Apex Fund Services Ltd. 3 Burnaby Street, T.J. Pearman Building Hamilton HM12 P. O. Box 2460 HM JX Bermuda Tel: +1 441 292 2739 Fax: +1 441 292 1884 info@apex.bm
NAV Calculation Agent	Apex Fund Services (Singapore) Pte. Ltd #06-14 Cyberhub 20 Bendemeer Road, Singapore 339914 Tel: +65 6295 2335 Fax: +65 6295 6355 info@apexfunds.sg
Auditor	Arthur Morris Century House, 16 Par La Ville Road, P.O. Box HM 1806, Hamilton HMFx, Bermuda Tel: +1 441 292 7478 Fax: +1 441 295 4164
Legal Advisor (Bermuda Law)	Alexanders Barristers & Attorneys 73 Front Street, 4th Floor Hamilton, HM 12, Bermuda Mail: PO Box HM 1458 Hamilton HM FX, Bermuda Tel: (441) 292 9332 Fax: (441) 292 2024

Investment Advisor Mongolia Asset Management Ltd
3 Burnaby Street,
T.J. Pearman Building
Hamilton HM12
P. O. Box 2460 HM JX
Bermuda

THE COMPANY

The Company is an exempted company incorporated on 3 November, 2008 for an unlimited duration as a mutual fund with limited liability under The Companies Act 1981 of Bermuda, as amended. The Company is registered as a segregated account company under the Segregated Accounts Companies Act 2000 of Bermuda (the “SAC Act”). As a matter of Bermuda law, provided that the conditions laid down in the SAC Act are complied with, assets attributable to each segregated account of the Company shall only be available to creditors in respect of that segregated account and the assets of that segregated account shall be protected from creditors of the Company who are not creditors in respect of that segregated account. The Mongolia Frontier Fund Sub-Fund is a segregated account of the Company.

Additional segregated accounts may be created with the same or different investment objectives and on the same or different terms from time to time as the Directors may determine.

INVESTMENT OBJECTIVE

The objective of the Mongolia Frontier Fund Sub-Fund is to achieve substantial medium-term gains in the Net Asset Value of the Mongolia Frontier Fund Sub-Fund Shares through the appointment of the Investment Advisor by the Investment Manager to implement investment strategies as described herein and through the appointment of the Investment Manager to closely monitor and control risk in relation to the assets of Mongolia Frontier Fund Sub-Fund.

There can be no assurance that the Mongolia Frontier Fund Sub-Fund will achieve its investment objective or that an investor will not lose some or all of the assets invested in the Company. See “RISK FACTORS” set forth in the Memorandum.

THE OFFERING

Up to 9,900,000 Shares are being offered pursuant to the Memorandum and the Supplements by the Company and by the Distributors designated by the Company. The shares issued pursuant to this Supplement shall be designated Mongolia Frontier Fund Sub-Fund Shares.

The minimum aggregate amount of proceeds which the Company must accept pursuant to this offering prior to the commencement of Investment for the Mongolia Frontier Fund Sub-Fund Shares is USD250,000. There is no maximum aggregate amount of proceeds which the Company may accept pursuant to this

offering of Mongolia Frontier Fund Sub-Fund Shares. The Mongolia Frontier Fund Sub-Fund Shares are being offered at \$1,000 per Share. Following the commencement of the Company's investment activities, Mongolia Frontier Fund Sub-Fund Shares will be offered in successive series, as of each Subscription Date, at a price of \$1,000 per Mongolia Frontier Fund Sub-Fund Share.

The Mongolia Frontier Fund Sub-Fund Shares are not offered to, and may not be purchased by, any U.S. Person.

The minimum initial subscription amount for new investors in the Mongolia Frontier Fund Sub-Fund Shares of the Company is USD 10,000 with respect to Mongolia Frontier Fund Sub-Fund Shares or the equivalent in any other reference currency. The minimum additional subscription amount for existing investors in the Company is USD 10,000 for Mongolia Frontier Fund Sub-Fund Shares or the equivalent in any other reference currency. The Directors, in their sole and absolute discretion, may accept or reject all or any portion of any subscriptions and reduce, increase or waive the minimum subscription amounts.

INVESTMENT STRATEGY OF THE COMPANY IN RESPECT OF THE MONGOLIA FRONTIER FUND SUB-FUND

The investment objective of the Company in respect of the Mongolia Frontier Fund Sub-Fund is to achieve medium-term capital gains by the appointment of the Investment Advisor to implement investment strategies detailed herein and by the appointment of the Investment Manager to closely monitor and control risk in relation to the assets allocated to the Investment Advisor.

INVESTMENT STRATEGY OF THE INVESTMENT ADVISOR

The Investment Advisor will deploy funds deposited in the Mongolia Frontier Fund Sub-Fund in investment programs that seek to achieve medium-term capital gains through the implementation of widely diversified investment strategies. The Investment Advisor will allocate capital among a group of traders selected and monitored by the Investment Advisor that, taken together, result in the Mongolia Frontier Fund Sub-Fund's assets being traded pursuant to a wide variety of the investment strategies available in the alternative investment industry. The Mongolia Frontier Fund Sub-Fund will allocate its assets to such investment strategies that trade predominantly fund of funds, fixed instruments, futures and related derivative products, including, but not limited to forward contracts, swap contracts, options on futures and options on over-the-counter ("OTC") currency contracts as well as commercial loans and commodities. The Investment Advisor

uses both qualitative and quantitative asset allocation methodologies to blend these various strategies in an attempt to achieve consistent, high risk adjusted returns.

The exposure to fund of funds and commodity investment advisors will be limited to 25% of the total NAV of the Mongolia Frontier Fund Sub-Fund.

The Investment Advisor anticipates that the traders will employ at least the following systems and strategies for investment of the assets of the Mongolia Frontier Fund Sub-Fund: short-term, counter-trend, fundamental and systematic trend following.

The Investment Advisor may select traders and will determine both the initial asset allocation to each trader and any subsequent changes in asset allocations.

The Investment Advisor performs both qualitative and quantitative due diligence on each trader before the Investment Advisor makes any allocations. Once a trader meets the qualitative reviews, the Investment Advisor then analyzes the performance of such trader relative to its peer group and the other traders with current or prospective allocations from the Mongolia Frontier Fund Sub-Fund.

Once a trader meets the necessary criteria for inclusion in the portfolio, the Investment Advisor analyzes the effects of the trader's historical performance on the portfolio by statistically extracting historical patterns that determine the construction of the portfolio.

The Investment Advisor will constrain the models (although highly quantitative) to reflect the Investment Manager's investment philosophy, current biases and perceived risk. Some factors that lead to such constraints on the modeling include, but are not limited to, the need for increased diversification, current macro-economic conditions affecting specific strategies (either adversely or favorably) and risk factors not adequately reflected in historical performance.

The Investment Advisor, from time to time, will rebalance the portfolio. This will typically occur quarterly. The Investment Advisor will replace traders under certain circumstances including, without limitation, those listed below. The parameters that govern how much capital is allocated to one sector will change moderately depending on macro-economic events, investment conditions, or other factors that the Investment Advisor may act upon.

The Investment Advisor will remove a trader for the following reasons:

- Style drift;

- Abnormal volatilities not explained by exogenous events;
- Performance erosion relative to peers; and/or
- Any corporate event (at the manager level) that violates the Investment Advisor's selection criteria (i.e. resignation of senior trader).

The description of the Investment Advisor's investment strategy, trader selection process for the Mongolia Frontier Fund Sub-Fund and the strategies in general are not intended to be exhaustive. The exact details are proprietary and may vary over time. There is no assurance that the Investment Advisor's investment strategy will be profitable or that an investor will not lose some or all of its investment.

The Investment Advisor may have managed accounts which will maintain some cash balances. The Investment Advisor will invest these cash holdings in cash management strategies to enhance the yield on these cash positions.

Investment Restrictions

The policy of the Mongolia Frontier Fund Sub-Fund is to spread investment risk while preserving a neutral bias. There are no restrictions as to the sector or regional weights. Although the Mongolia Frontier Fund Sub-Fund's aim is to be nearly fully invested, there may be periods when most of the assets could be in cash or cash equivalent investments. The period of low investments are determined by market conditions, technical indicators, valuation levels and other fundamental factors.

LEVERAGE

Leverage may be utilized in investments by the Investment Advisor for the Sub-Fund. Various financing arrangements may be employed from time to time. This financing may be critical to the success of any of the investment strategies implemented in Investment for the Mongolia Frontier Fund Sub-Fund.

The description of the Investment Advisor's investment strategy and leverage mechanisms for the Mongolia Fund Frontier Sub-Fund is general and not intended to be exhaustive. The exact details are proprietary and may vary over time. There is no assurance that the Investment Advisor's investment strategy will be profitable or that an investor will not lose some or all of its investment in the Company. See "RISK FACTORS".

INVESTMENT MANAGER

Pursuant to an investment management agreement entered into by the Company, (on behalf of the Sub-Fund) and the Investment Manager, Emerging Asset Management Ltd. serves as the Investment Manager of the Company in respect of the Mongolia Frontier Fund Sub-Fund.

DIRECTORS OF THE INVESTMENT MANAGER

Mr. Peter Hughes is the Managing Director of Apex Fund Services Ltd., a specialist Management and Administration company, which provides management services to the Finance industry, specializing in the administration of collective investment schemes and investment holding companies founded in 2003. He qualified as a chartered accountant in 1994 and is currently a fellow of the Institute of Chartered Accountants in England and Wales. Between 2000 and 2003 he was the Chief Financial Officer of FMG Fund Managers Limited. He has over 14 years experience in the financial services industry.

Mr. John Bohan is the Managing Director of Apex Fund Services (Ireland) Ltd., a specialist Management and Administration company, which provides management services to the Finance industry, specializing in the administration of collective investment schemes and investment holding companies founded in 2003. He qualified as a certified accountant in 1999 and became a fellow of the Chartered Association of Certified Accountants in early 2004. He has worked in management positions with Apex Fund Services Ltd., in Bermuda, Citigroup, BNT-Alternative Investment Services and bank of Ireland Asset Management with over 13 years experience in the financial services industry.

INVESTMENT ADVISOR

Pursuant to an Investment advisory agreement by and among the Company, (on behalf of the Sub-Fund), the Investment Manager and the Investment Advisor (the "Investment Advisory Agreement"), Mongolia Asset Management Ltd., serves as the Investment Advisor of the Company in respect of the Mongolia Frontier Fund Sub-Fund. The Investment Advisor's main office is located at # 705 Blue Sky Tower, Peace Avenue 17, 1st Khoroo Sukhbaatar Square, Ulaanbaatar, Mongolia. Mongolia Asset Management as Investment Advisor's role is to advise the Investment Manager and implement the investment strategies as described herein with respect to the assets allocated by the Investment Manager to the Mongolia Frontier Fund Sub-Fund.

The Investment Advisory Agreement sets forth the Investment advisory services to be provided by the Investment Advisor. The Investment Advisory Agreement provides that, to the extent permitted by applicable law, the Investment Advisor will not be liable, in damages or otherwise, for any act or omission unless constituting gross negligence, willful misconduct or bad faith in the performance of its duties under such agreement. The Investment Advisory Agreement terminates on December 31, 2015. Thereafter, the Investment Advisor, the Investment Manager, the Company (on behalf of the Mongolia Frontier Fund - Sub-Fund) as applicable, may terminate the Investment Advisory Agreement effective at the close of business on the last day of any fiscal year by giving not less than thirty (30) days prior written notice. No party may assign the Investment Advisory Agreement without the prior written consent of the other parties, except that the Investment Advisor may freely assign its rights and obligations to any other entity directly or indirectly controlled by it or its principals. The Investment advisory services of the Investment Advisor will be non-exclusive and the Investment Advisor is free to and does provide investment advisory services for others.

DIRECTORS OF THE INVESTMENT ADVISOR

Mr. Michael Preiss is Founder and Chief Investment Officer of Mongolia Asset Management.

Mr. Preiss was born in Germany and raised in Switzerland. He currently resides in Singapore. He has 17 years experience in global financial markets have worked in London, Paris, Hong Kong, Dubai and Singapore in various investment and research functions. He held senior positions with HSBC Private Bank as well as Standard Chartered Bank. Mr. Preiss is a graduate of the European Business School with a major in Finance and International Economics, having studied at the schools centers in London, Paris and Bologna, Italy in the respective local languages. In addition he studied in Japan, Korea, and China. Mr. Preiss is a columnist for various finance magazines around the world. Mr. Preiss has taught extensively on Finance and Wealth Management in Asia, Middle East and Africa. He has also been a guest lecturer at the Chinese University of Hong Kong where he taught a course on Technical Analysis as well as a course on Banking & Financial Institutions with a focus on China's Financial System. In Singapore he taught a course on Credit Derivatives at SMU (Singapore Management University) Mr. Preiss has also been invited to teach and has designed courses for The Graduate School of The People's Bank of China, China's Central Bank.

Mr. Oscar Mendoza is Founder & Chief Operating Officer of Mongolia Asset Management.

Oscar Mendoza was born and raised in Mexico and currently resides in Ulaan Bataar, Mongolia. Mr. Mendoza is a Graduate of The University of North Texas in the United States where he completed his undergraduate degree with Honors in Political Science and Finance. After five years of work experience in the U.S., Mr. Mendoza moved to Japan where he obtained his MBA at the International University of Japan. He graduated as Salutatorian for his class while completing full course requirements in four distinct concentration areas. Mr. Mendoza has extensive Investment Banking experience in Mongolia. He actively led and successfully closed several financing transactions in ECM and has facilitated and structured several tailored investment banking transactions within DCM scope for Mongolian firms. Mr. Mendoza is frequently invited as guest speaker for various panel discussions and conferences held in Beijing, Hong Kong and Ulaan Baatar. He is also a recurrent editorial expert for several Mongolian Newspapers and Television Shows where his area of expertise and advice are publicly revealed. Mr. Mendoza is also board member of various top Mongolian Companies and has provided a couple of finance related lectures to graduate students at the National University of Mongolia and the Mongolian University of Science and Technology.

REPORTS

An annual audited financial statement of the Company as per IFRS will be sent to Shareholders in respect of the Mongolia Frontier Fund Sub-Fund Shares which report is expected to be delivered to Shareholders within one hundred and eighty(180) days of the end of each fiscal year (or as promptly as practicable thereafter). The first audited report will be issued for the first fiscal year which reflects at least three (3) months Investment activity. Unaudited monthly reports which state the Net Asset Value of the Mongolia Frontier Fund Sub-Fund Shares of the Company will be sent to Shareholders for each calendar month as soon as practicable after the end of each calendar month.

DIVIDEND POLICY

The Company is not precluded from paying dividends on the Mongolia Frontier Fund Sub-Fund Shares, but it is not anticipated that it will do so.

SPECIFICS OF CERTAIN FEES AND EXPENSES

Organizational and Initial Offering Fees and Expenses

The Investment Advisor has advanced all fees and expenses incurred in connection with the organization of the Mongolia Frontier Fund Sub-Fund and the initial offer and sale of Mongolia Frontier Fund Sub-Fund Shares, including, without limitation, fees and expenses of attorneys and accountants, printing costs and promotional expenses. The Investment Advisor may also advance payment for certain services related to the Mongolia Frontier Fund Sub-Fund such as the monthly minimum fees paid to the Administrator.

Following the commencement of its investment activities, the Mongolia Frontier Fund Sub-Fund will reimburse the Investment Advisor, as applicable, for the total of such fees and expenses. While the financial statements of the Mongolia Frontier Fund Sub-Fund will be prepared in conformity with International Financial Reporting Standards, the organizational fees and expenses of the Mongolia Frontier Fund Sub-Fund will be amortized over the first sixty (60) months of its existence because the Investment Advisor believes such treatment is more equitable than expensing the entire amount of the organizational fees and expenses in the first year of operations. Investors should note that under IFRS, establishment costs should be expensed as incurred. The Investment Advisor has considered the potential impact of such non-compliance and does not, as at the date of this Supplement, expect this issue to materially affect the Sub-Fund's performance or the Net Asset Value of the Sub-Fund. However, such divergence from the IFRS may, in certain circumstances, result in a qualification of the annual audited financial statements.

Distribution Fees

An up-front distribution fee of up to 5% of the subscription amount may be charged on subscriptions. The Directors may waive such distribution fee in their sole and absolute discretion. The distribution fees will be paid to the Distributors.

Administration Fees

The Company, on behalf of the Mongolia Frontier Fund Sub-Fund has appointed Apex Fund Services Ltd. (the "Administrator") to serve as the administrator of the Mongolia Frontier Fund Sub-Fund pursuant to an Administration Agreement between the Company (on behalf of the Mongolia Frontier Fund Sub-Fund) and the Administrator (the "Administration Agreement"). Under the Administration Agreement, the services provided by the Administrator include the following: (i)

the maintenance of the Share Registers for the Mongolia Frontier Fund Sub-Fund relating to Share ownership and the redemption of Shares; (ii) receipt of requests for redemption; (iii) authorization of redemption payments; and (vi) other services as agreed on by the parties. The Administrator maintains the principal Share Register of the Company in its office in Bermuda.

The Administrator will also perform various services as the NAV Calculation Agent include the following: (i) maintenance of the books and records of the Company including computation of the interim Net Asset Value; (ii) coordination of the annual audit; (iii) preparation of shareholder account statements; and (vi) other services as agreed on by the parties.

The fees payable to the Administrator are based on their standard schedule of fees charged by the Administrator for similar services.

Under the Administration Agreement, the Administrator will not, in the absence of gross negligence, willful default or fraud on the part of the Administrator, be liable to the Company or to any investor for any act or omission, in the course of, or in connection with, providing services to the Mongolia Frontier Fund Sub-Fund or for any loss or damage which the Company may sustain or suffer as the result of, or in the course of, the discharge by the Administrator of its duties pursuant to the Administration Agreement.

The Mongolia Frontier Fund Sub-Fund will indemnify the Administrator so that its maximum liability to the Company, its shareholders, or to others, for any reason relating to services rendered shall be limited to the fees paid for such services giving rise to the liability, except to the extent finally determined by a court of competent jurisdiction to have resulted from gross negligence, wilful misconduct, breach of fiduciary duty or reckless disregard of duties. The Company and its shareholders also will indemnify the Administrator and hold it harmless from and against any expense, loss, liability or damage arising out of any claim asserted or threatened to be asserted in connection with serving in good faith. The Administrator shall have no obligation to review, monitor or otherwise ensure compliance with the investment policies, restrictions or guidelines or any other term or condition within any of the offering documents nor will they be responsible for any Investment decisions of the Company all of which decisions will be made by the Investment Manager and Investment Adviser.

Investment Manager's Management Fee

The Mongolia Frontier Fund Sub-Fund will pay the Investment Manager a platform management fee payable monthly in arrears, in an amount equal to $1/12^{\text{th}}$ of 0.25% of the Net Asset Value of each series of the Mongolia Frontier Fund Sub-Fund (approximately 0.25% annually). For purposes of calculating the management fee, Net Asset Value is determined before reduction for the management fee, or any management fee or performance fee accrued or payable to the Investment Advisor as of such calendar month-end and after giving effect to any subscriptions, dividends or redemptions accrued or paid as of such calendar month. If a Shareholder redeems all or some of its Mongolia Frontier Fund Sub-Fund Shares, the Investment Management Agreement is terminated or the Mongolia Frontier Fund Sub-Fund is dissolved as of any day other than the end of a calendar month, the Investment Manager will be paid a pro-rated management fee based upon the ratio that the number of days through the date of such event bears to the total number of days in the calendar month.

Investment Advisor's Management Fees

The Mongolia Frontier Fund Sub-Fund will pay the Investment Advisor a management fee, payable monthly in arrears, in an amount equal to $1/12^{\text{th}}$ of 1.75% of the Net Asset Value of each series of shares of the Mongolia Frontier Fund Sub-Fund (approximately 1.75% annually). For purposes of calculating the management fee, Net Asset Value is determined before reduction for the management fee accrued or payable to the Investment Manager or the management or performance fee accrued or payable to the Investment Advisor as of such calendar month-end and after giving effect to any subscriptions, dividends or redemptions accrued or paid as of such calendar month-end. If a Shareholder redeems all or some of its Mongolia Frontier Fund Sub-Fund Shares, the Investment Advisory Agreement is terminated or the Mongolia Frontier Fund Sub-Fund is dissolved as of any day other than the end of a calendar month, the Investment Advisor will be paid a pro-rated management fee based upon the ratio that the number of days through the date of such event bears to the total number of days in the calendar month. Pursuant to the Investment Advisory Agreement, the Investment Advisor may elect to defer the receipt of all or a portion of the management fees payable to it

Investment Advisor's Performance Fees

Commencing upon the close of business on the last Business Day of the first calendar year following the commencement of investment activities, and upon each

calendar year thereafter, the Mongolia Frontier Fund Sub-Fund shall pay the Investment Advisor 20% of the Net New Appreciation (as hereinafter defined), if any, achieved by each series of the Mongolia Frontier Fund Sub-Fund during such calendar year subject to high water market as increased by the hurdle rate.

For purposes of calculating the Investment Advisor's performance fees with respect to any series of the Mongolia Frontier Fund Sub-Fund for any calendar year, "Net New Appreciation" shall mean the difference, if any, between (i) the Net Asset Value of the relevant series of the Mongolia Frontier Fund Sub-Fund as of the end of such calendar year as increased by the hurdle rate (without reduction for any performance fees paid or payable to the Investment Advisor for such calendar year or dividends declared or paid as of the end of such calendar year) minus (ii) the Net Asset Value of such series of the Mongolia Frontier Fund Sub-Fund as of the end of the most recent calendar year for which a performance fee was paid or payable to the Investment Advisor, with such amount reduced by the amount of the performance fee paid or payable for such prior calendar year and also reduced by any dividends declared or paid as of or subsequent to the end of such prior calendar year through the first day of the calendar year referred to in clause (i) above and increased by the amount of all additional share purchases and reduced by redemptions since the end of the most recent calendar year for which a performance fee was paid. For purposes of calculating the first performance fee payable to the Investment Advisor, clause (ii) shall mean the initial Net Asset Value of the applicable series of the Mongolia Frontier Fund Sub-Fund at the beginning of Investment. For purposes of calculating Net New Appreciation, extraordinary fees and expenses and taxes shall be excluded.

If at any time the Net Asset Value of any series of the Mongolia Frontier Fund Sub-Fund is below the High Water Mark, no performance fee will be charged to such series of the Mongolia Frontier Fund Sub-Fund until such series of the Mongolia Frontier Fund Sub-Fund's Net Asset Value has reached or exceeded the High Water Mark with hurdle rate as of a performance fee calculation date.

The performance fee will be calculated and deducted as a liability in the calculation of the Net Asset Value of each series of the Mongolia Frontier Fund Sub-Fund on the valuation day.

The "High Water Mark" with respect to each series of the Mongolia Frontier Fund Sub-Fund shall mean the Net Asset Value of the relevant series of the Mongolia Frontier Fund Sub-Fund as of the end of the most recent calendar year for which a performance fee was paid or payable to the Investment Advisor, or if no performance fee has been paid since the inception of Investment by the Investment

Advisor, then the initial Net Asset Value of such series of the Mongolia Frontier Fund Sub-Fund.

The “Hurdle Rate” in relation to the payment of the Performance Fee in respect of a Participating Share for any particular Performance Period is 10%.

Once a performance fee is assessed, it is not refundable if the relevant series of the Mongolia Frontier Fund Sub-Fund incur losses thereafter. Pursuant to the Investment Advisory Agreement, the Investment Advisor may elect to defer the receipt of all or a portion of the performance fees payable to it.

If for any reason, the Mongolia Frontier Fund Sub-Fund is dissolved or the Investment Advisory Agreement is terminated as of a date other than the last day of a calendar year, the performance fees shall be calculated and paid to the Investment Advisor as if such date were the last day of the then current calendar year.

As soon as practicable after the each Performance Period, all Series of Participating Shares of a Class which shall have borne a Performance Fee in respect of the Performance Period will be converted (by way of redemption and reissue) into a single Series of the relevant Class, being the oldest Series of the relevant Class to have borne a Performance Fee in respect of the relevant Performance Period. This may result in the number of Participating Shares held by a Participating Shareholder changing. The value of the Participating Shareholder’s investment will not change due to the consolidation.

Fees Charged by trading counterparties

In addition to the Investment Advisor’s management and incentive fees, Mongolia Frontier Fund Sub-Fund will bear management and incentive fees charged by the traders. Such fees will be equal to or less than each trader’s customary management and incentive fees.

Redemption Charges

Shareholders that redeem Mongolia Frontier Fund Sub-Fund Shares during the first three (3) years after their subscription for such Mongolia Frontier Fund Sub-Fund Shares will be subject to a Redemption Charge with respect to the Mongolia Frontier Fund Sub-Fund Shares being redeemed. Redemptions made on or before the twelfth (12th) calendar month-end after the subscription for Mongolia Frontier Fund Sub-Fund Shares was made will be subject to a Redemption Charge of 3% of the Net Asset Value of such redeemed Mongolia Frontier Fund Sub-Fund Shares.

The Redemption Charge will decrease by 1% after each subsequent twelfth (12th) calendar month-end after the subscription for the Mongolia Frontier Fund Sub-Fund Shares being redeemed. There will be no Redemption Charge on the Mongolia Frontier Fund Sub-Fund Shares redeemed after the thirty-sixth (36th) calendar month-end after the subscription for such Mongolia Frontier Fund Sub-Fund Shares being redeemed. Redemption Charges will be paid to the Investment Advisor.

SUBSCRIPTIONS

Persons wishing to subscribe for the Mongolia Frontier Fund Sub-Fund Shares should complete the Subscription Agreement attached to the Memorandum, which includes, among other things, representations that the subscriber is a Non-U.S. Person as such term is defined under the caption “THE OFFERING” in the Memorandum. Completed Subscription Agreements and the appendixes attached thereto must be received by the Administrator (by facsimile with the original Subscription Agreement and the appendixes attached thereto sent via airmail), with a copy sent via facsimile to the Investment Manager, together with a wire transfer for the full amount of the subscription, at least two (2) Business Days prior to a Subscription Date.

A “Subscription Date” means the first Business Day of each calendar month and/or such other days as the Directors may designate from time to time.

Subscription monies must be paid by wire transfer and should be remitted net of bank charges Currency in accordance with the wire transfer instructions set forth in the Subscription Agreement. Failure to remit the full amount due will be treated as a subscription for the amount remitted.

A subscription for Mongolia Frontier Fund Sub-Fund Shares will not be processed and Mongolia Frontier Fund Sub-Fund Shares will not be allotted until receipt of notification that a prospective Shareholder’s funds have been cleared in the full amount of the subscription. The Company reserves the right to reject any subscription or to accept only part of a subscription for any reason. If a subscription is not accepted or is accepted only in part, the amount paid on the subscription or the balance thereof will be returned without interest and returned at the risk of the prospective Shareholder. Fractions (up to four decimal places) of Mongolia Frontier Fund Sub-Fund Shares may be issued.

Share certificates will not be issued. Mongolia Frontier Fund Sub-Fund Share ownership will be reflected in book entries recorded by the Registrar and Transfer Agent.

REDEMPTIONS

Unless redemptions have been suspended or redemption payments have been delayed, Mongolia Frontier Fund Sub-Fund Shares in any series may be redeemed by a Shareholder at the Net Asset Value per Mongolia Frontier Fund Sub-Fund Share in such series as of each Redemption Date by sending a written notice of redemption to the Administrator, except as noted below. Redemption requests must be received by the Administrator at least ten (10) Business Days prior to any Redemption Date in order to be acted on as of that Redemption Date unless the Directors, acting in their sole and absolute discretion, waive any of such conditions. No redemption that applies to less than all of a Shareholder's Mongolia Frontier Fund Sub-Fund Shares may result in the Shareholder owning Mongolia Frontier Fund Sub-Fund Shares after giving effect to the redemption with an aggregate Net Asset Value of less than \$10,000 in case of the Mongolia Frontier Fund Sub-Fund Shares or the equivalent in any other reference currency. The Directors, in their sole and absolute discretion, may waive any of the foregoing restrictions. A "Redemption Date" means the first Business Day of each calendar month and/or such other days as the Directors may designate from time to time.

Shareholders that redeem their Mongolia Frontier Fund Sub-Fund Shares during the first thirty-six (36) months after their subscription for such Mongolia Frontier Fund Sub-Fund Shares will be subject to a Redemption Charge with respect to the Mongolia Frontier Fund Sub-Fund Shares being redeemed. See "SPECIFICS OF CERTAIN FEES AND EXPENSES-Redemption Charges," above.

If the number and value of Mongolia Frontier Fund Sub-Fund Shares to be redeemed is not specified, a redemption notice will be assumed to apply to all Mongolia Frontier Fund Sub-Fund Shares held by the redeeming Shareholder. Subject to certain restrictions and unless redemptions have been suspended, net redemption proceeds will be paid either by wire transfer (at the expense of the redeeming Shareholder) of the redemption amount to the account designated by the Shareholder in the request for redemption or by sending a check for the amount to the address specified by the Shareholder. Subject to the Bye-Laws, redemption proceeds will generally be paid within thirty (30) calendar days of the relevant Redemption Date. Prospective Shareholders should be aware that the relevant redemption price will be based on unaudited accounts.

In accordance with the Bye-Laws and as set out in the Memorandum, the Directors may suspend or defer redemptions and may delay redemption payments under certain circumstances. The Company may find it necessary upon the request for redemption by a Shareholder to set up a reserve for determined contingent

liabilities and withhold all or a certain portion of the Shareholder's redemption proceeds. The right of a Shareholder to redeem Mongolia Frontier Fund Sub-Fund Shares is contingent upon the Company and the Mongolia Frontier Fund Sub-Fund having assets sufficient in the view of the Directors to discharge its liabilities on the relevant Redemption Date.

The Company has the right to cause the mandatory redemption of Mongolia Frontier Fund Sub-Fund Shares acquired or held by any Shareholder at any time as determined by the Directors in their sole and absolute discretion for any reason.

CONFLICTS OF INTEREST

Peter Hughes and John Bohan are Directors of the Company, Investment Manager and the Administrator. They also have ownership interests in the Investment Manager and Administrator.

RISK FACTORS

RISKS RELATING TO MONGOLIA

Mongolia today is a fully functioning democracy with a fully convertible currency (MNT Mongolian Tugrik). The MSE (Mongolian Stock Exchange) is still a low liquidity market but liquidity is expected to rise significantly due to more listings and in line with GDP growth and capital markets development. Like many frontier and developing countries with vast economic potential comes risk. The below outlines risks we see with investing in Mongolia.

Political Risk

Mongolia's first multi-party elections were held on 29 July 1990. Until 1990, the Mongolian Government was modeled on the Soviet system; only the communist party, the Mongolian People's Revolutionary Party officially was permitted to function. After some instability during the first two decades of communist rule in Mongolia. The birth of perestroika in the former Soviet Union and the democracy movement in Eastern Europe were mirrored in Mongolia. The dramatic shift toward reform started in early 1990 when the first organized opposition group, the Mongolian Democratic Union, appeared.

From 2009 to today, Mongolia has seen a flurry of legislative, regulatory and political developments. This includes the announcement and subsequent repealing of a controversial windfall tax on certain mining projects and the eventual enforcement of the Mongolian Forest and Water Law, which prohibits mining in certain forest land, headwaters and river basins and resulted in over 250 mining licenses being revoked. Uncertainty surrounding the Mongolian legislature and how it could impact foreign investment in the country is a key risk. Next parliamentary elections are due by June 2012 and presidential elections by May 2013. As a result, there will likely be increased political jostling and may impact political stability of the current coalition government as political opinions diverge. There is a risk of increased political instability and infighting both within and between the ruling parties going into the elections. Bureaucratic inefficiency and corruption are other areas of risk affecting Mongolia's competitiveness and business decisions.

Mongolia Ratings

Fitch Ratings upgraded Mongolia's long-term foreign and local currency Issuer Default Ratings (IDR) toward the end of 2010 to "B+" from "B" and Country Ceiling to "B+" from "B" based on strong economic performance and outlook.

Fitch's outlook for Mongolia is Stable. Standard & Poor's (S&P) has a BB-/B with a Stable rating on Mongolia and Moody's rates Mongolia B1 with a Stable outlook. Investment Advisor, Mongolia Asset Management estimates that by 2015, Mongolia may obtain an investment grade rating from the world's top rating agencies such as S&P Ratings Services, Moody's Investors Services and Fitch Ratings. Mongolia as a resource rich country with a democratic political system and pro-market reforms and a freely convertible currency, is well positioned to earn an investment grade rating.

Economic risks

Any slowdown in the Mongolian economy or changes in political and economic policies of the Mongolian government could have an adverse effect on the overall growth in Mongolia, which could negatively impact security prices and valuations of Mongolian assets and as such the NAV of the Mongolia Frontier Fund Sub-Fund.

In addition, general national economic conditions, mortgage and interest rate levels, inflation, unemployment, demographic trends, GDP growth and consumer confidence also influence the performance and growth on NAV of Mongolia Frontier Fund Sub-Fund. The Mongolian government has implemented economic reform measures and industrial policies in the past decade with the help and guidance of the IMF, the EBRD, the World Bank, and other reputable international organizations, and will continue to do so in order to utilize market forces in the development of the Mongolian economy. Uncertainties with respect to the Mongolian legal system could have a material adverse effect on securities that the Mongolia Frontier Fund sub-Fund invests in.

Mongolia Frontier Fund Sub-Fund's investments are in Mongolia and governed by Mongolian laws, rules and regulations.

The Mongolian legal system is a civil law system based on written statutes and prior court decisions can only be used as reference. Since the mid 1990's, the Mongolian government has significantly enhanced Mongolian laws and regulations in relation to economic matters such as foreign investments, corporate organization and governance, commerce, taxation and trade, etc.

These recent modifications to the legal framework are due to sudden change from a communist economy to a more market oriented system. However, Mongolia does not yet have a fully integrated legal system. Due to the limited volume of published cases and the non-binding nature of prior court decisions, the interpretation and enforcement of many recently enacted laws, rules and regulations may be uncertain

or inconsistent. In addition, the Mongolian legal system is based in part on government policies and administrative rules that may have a retroactive effect.

Currency Risk

The Mongolian Tugrik is fully convertible but might have low liquidity. Aggressive measures and control over currency conversion by the Central Bank of Mongolia may affect the value of your investment in Mongolia Frontier Fund and limit Mongolia Asset Management's ability to utilize cash effectively. The Bank of Mongolia recently signed a Chinese yuan and Mongolian Tugrik SWAP agreement in order to further control the convertibility of the Mongolian Tugrik into foreign currencies. Under existing Mongolian foreign exchange regulations, payments of current account items, including profit distributions, interest payments and expenditures from trade related transactions, have to be executed in MNT. The Mongolian government may also at its discretion restrict access in the future to foreign currencies for current account transactions. Most of The Mongolia Frontier Fund investments and assets are in Mongolian Tugrik. The Mongolian Tugrik is not a very liquid currency. Currency risk with regards to the conversion of MNT into foreign currency may restrict Mongolia Frontier Fund's ability to meet payment obligations, or otherwise satisfy foreign currency-denominated obligations. From the period of January 1, 2010 to December 31, 2010, the Mongolian Tugrik became the second best performing currency globally against the US dollar, appreciating by 14.77% for the year. There is no guarantee that the MNT will continue its rapid climb versus global currencies.

Fluctuations in the exchange rate, could have an adverse effect on the returns from international investors once the gains are converted to various currencies. The Central Bank of Mongolia is in a difficult position trying to balance the need to control inflation as well as manage currency fluctuations. With policy rates already very high, there is little room for maneuvering on inflation control. Any increase in policy interest rates could cause further influx of speculative foreign currency, placing increased pressure on the local currency and raising the risk of speculative bubbles.

Law Enforcement risk

Investors may experience difficulties in effecting service of legal process and enforcing judgments against Mongolia companies and their management. Mongolia is in fact a signatory (October 24, 1994) to the 1958 Convention on the Recognition and Enforcement of Foreign Arbitral Awards (otherwise known as the "NY Convention") and will recognize and enforce commercial arbitration awards made in the territory of other NY Convention States. Thus, it may be difficult and

expensive to enforce against Mongolian companies and its Directors in Mongolia any judgments obtained from non-Mongolian courts.

Liquidity Risk

Mongolian publicly listed equities offer low liquidity. Having said this liquidity in the local MSE (Mongolian Stock Exchange) is rising due to the overall growth of the exchange and rising investor interest. According to some estimates the MSE market capitalization could grow twenty times until 2020. This is based on estimates of GDP per capita increase from USD 2,450 in 2010 to an estimated USD 10,000 by 2020.

Investors should be aware that the trading price of Mongolia Frontier Fund Sub-Fund's local Mongolian shares portfolio may be volatile and could fluctuate significantly in response to factors beyond its control, including general market conditions of the securities markets around the world, especially the ones with some direct correlation with the Mongolian Stock Exchange. In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in Mongolia that have listed their securities in the Mongolian Stock Exchange may affect the volatility in the price of and trading volumes of its equities portfolio.

Broad market and industry factors may significantly affect the market price and volatility of the Sub-Fund's portfolio. In addition to market and industry factors, the share price and trading volume for the portfolio may be highly volatile for specific business reasons. In particular, factors that may substantially affect the share price and trading volume include, among other things, variations in invested companies' revenue, earnings, cash flow and costs, announcements of new investments, the performance of Mongolian companies own investments, large purchases or sales of Shares, the level of liquidity in Shares, response to announcements and any future fund raisings, currency fluctuations, legislative, regulatory or taxation changes, market sentiment and general economic conditions or the occurrence of any of the risks described elsewhere in this "Risk Factors" section. Any of these factors may result in large and sudden changes in the volume and trading price of the Sub-Fund's portfolio holdings. Certain facts and other statistics with respect to Mongolia, the Mongolian economy and the Mongolian markets are derived from various official government sources and third party sources and may not be reliable. Certain facts and other statistics in this prospectus relating to Mongolia and the Mongolian economy have been derived from various official government publications and third party sources. We cannot guarantee the quality or reliability of such sources.

The Mongolia Frontier Fund Sub-Fund makes no representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside Mongolia. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practices and other problems, the statistics contained in this prospectus may be inaccurate or may not be comparable to statistics produced for other economies and may not be reliable. Furthermore, there is no assurance that such facts or statistics are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere in other countries. As a result, prospective investors should consider carefully how much weight or importance they should attach to or place on such facts or statistics.

ISIN and CUSIP Numbers

ISIN Number: BMG3032V4806

CUSIP Number: G3032V 480