ANNEX TO MEMORANDUM OF UNDERSTANDING

BETWEEN

ERDENET TECHNICAL INSTITUTE (EIT)-MUST AND SOUTH DAKOTA SCHOOL OF MINES AND TECHNOLOGY (SDSMT)

The Erdenet Institute of Technology (EIT), school of the Mongolian University of Science and Technology (MUST), (hereafter referred to as EIT), and the South Dakota School of Mines and Technology (hereafter referred to as SDSMT) join in the following Agreement for academic cooperation:

Article 1

SDSMT will invite students subject to available funding for advanced study (MS or PhD) in Civil and Environmental Engineering, Mining Engineering, Metallurgy, or other degree program as approved by Chair of the respective Department.

Article 2

Graduate student support shall come from a combination of Graduate Teaching Assistantship (GTA), Graduate Research Assistantship (GRA), and support from Erdenet Mining Corporation. This support will be developed in the form of formal contracts through SDSMT Office of Sponsored Programs and EIT or Erdenet Mining Corporation.

Article 3

EIT will recommend students, selected for technical and English language ability, to SDSMT for consideration. Students must comply with English language requirements or take remedial course work coordinated through SDSMT International Student Center, as necessary.

Article 4

SDSM&T and EIT will cooperate to select research topics beneficial to the Erdenet Mining Corporation, LLC

Article 5

SDSMT and EIT will cooperate for professor and scientist exchange (short or long term) and organize beneficial conferences in metallurgy, mining/mineral processing, surface and ground water resources and mining reclamation.

Article 6

SDSMT and EIT will work together to strongly encourage the students to return to Mongolia immediately after graduation.

Article 7

SDSMT and EIT will work together to develop a 2/2 undergraduate study program whereby undergraduate students take their first two years at EIT and their second two years at SDSMT. SDSMT will work with EIT to establish ABET accreditation whereby the 2/2 program can develop into a reciprocating program.

Article 8

This annex will continue for five (5) years unless changed by the overall MOU.

Molly Gribb, PhD Head,CEE Department, SDSMT Oyuntungaa, PhD Head Environmental EIT S. Suvdaa Erdenet Mining Corporation