

PROCUREMENT DEPARTMENT

The procurement department is aims at procuring and supplying goods and materials, and drafting contracts in accordance with the company policy, related laws and regulations of Mongolia and International standards, regulations so as to create reliable supplying network, as well as to ensure continuous mining operation.

This department is the management of the supply network and responsible for business purchases, agreements, logistics, transport and storage. Continuous mining operation is closely associated with effective supply service.

The department is in charge of organizing the integrated system of the company which contains name, type, serial number, inventory number, unit of measurement, usage frequency, price, equipment usage, location of materials and components etc.

There is a main material and component warehouse and a fuel distribution-warehouse which meets international standards at Ovoot Tolgoi mine and there is also a transit warehouse located in Ulaanbaatar that receives and sends materials and components to the mining site. The transit warehouse's main function is to transport, store and distribute safely and efficiently required goods, materials and components to the user.

The procurement department consists of the following teams:

- Purchase team
- Contract team
- Storage team
- Fuel and lubrication distribution-warehouse team
- Internal and external logistics team

The procurement department consists of 14 experienced and conscientious employees.