

For Immediate Release



Third Module of MMC's CHPP Successfully Commissioned

Boosting Annual ROM Coal Processing Capacity to 15 Million Tonnes

HONG KONG, 2 July 2013 – **Mongolian Mining Corporation** ("MMC", or together with its subsidiaries, the "Group"; SEHK: 975), announced that the third module of the Coal Handling and Preparation Plant (the "CHPP") at its Ukhaa Khudag coking coal mine ("UHG mine") was successfully commissioned by the State Commission for coal processing operations on 13 June 2013. The third module of CHPP is expected to reach full production capacity in the third quarter of 2013.

The third module of the CHPP is capable of processing around 5.0 million tonnes of ROM coal per year, which will enable the Group to boost its current annual coal handling and processing capacity from 10.0 to at least 15.0 million tonnes. It is designed to operate for a minimum of 6,000 hours per year and has an in-feed operating rate of around 850 tonnes of ROM coal per hour.

Dr. Battsengel Gotov, CEO of MMC, said: "We are very pleased that the last module of CHPP with 15 million tonnes in-feed name-plate capacity has been successfully completed and commissioned. It is a coronation of our efforts and development plans in the past 4-5 years turning from greenfield project to fully integrated coal mining, processing, transportation and marketing platform. As the only washed coking coal producer and exporter in Mongolia, MMC is well positioned to preserve its competitive position and establish itself as a long term reliable supplier of consistently high quality coal products to our customers."

The capital expenditures for the third module of the CHPP amount to a total of approximately USD76 million, in line with the Company's original estimates. The CHPP capacity expansion work was undertaken by Sedgman Limited, Australia, one of the world's leading engineering companies specializing in coal processing and material handling technology.

The first and second modules of MMC's CHPP, the first coal handling and processing facility of its kind in Mongolia, commenced commercial operations in June 2011 and February 2012, respectively. Both the first and second modules have an annual coal processing capacity of 5.0 million tonnes, respectively.



“CHPP groundbreaking ceremony, 28 Nov 2009. The third from the right, Mr. Altankhuyag Norov, the Prime Minister of Mongolia (the then First Deputy Prime Minister of Mongolia) in attendance among other authorities and the company representatives”



Exterior front view - CHPP with all 3 modules. The first (teal green) and second (orange) modules are in operation since June 2011 and Feb 2012 respectively, and the third module (yellow) is commissioned in June 2013.



Interior view - module III of the CHPP

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About Mongolian Mining Corporation (MMC)

Mongolian Mining Corporation (MMC, SEHK: 975) is the largest producer and exporter of high-quality hard coking coal in Mongolia. It owns and operates an open-pit coking coal mine at the Ukhaa Khudag (“UHG”) deposit located within the Tavan Tolgoi (“TT”) coal formation, as well as the Baruun Naran (“BN”) coking coal deposit, both located in South Gobi, Mongolia.

MMC was listed on the SEHK in October 2010, and was selected as a constituent stock of the FTSE Hong Kong Index in March 2012. To learn more about the Company, please visit MMC’s website at: www.mmc.mn

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