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MONGOLIAN MINING CORPORATION
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 975)

**APPOINTMENT OF CHIEF INVESTMENT OFFICER
AND
RE-DESIGNATION OF DIRECTOR**

The Board is pleased to announce the appointment of Ms. Badamtsetseg Dash-Ulzii as the Chief Investment Officer of the Company and the re-designation of Ms. Badamtsetseg Dash-Ulzii from a non-executive Director to an executive Director with effect from 22 December 2010.

The board (the “Board”) of directors (the “Directors”) of Mongolian Mining Corporation (the “Company” and together with its subsidiaries as the “Group”) is pleased to announce the appointment of Ms. Badamtsetseg Dash-Ulzii as the Chief Investment Officer of the Company and the re-designation of Ms. Badamtsetseg Dash-Ulzii from a non-executive Director to an executive Director with effect from 22 December 2010 (the “Re-designation”).

Ms. Dash-Ulzii, aged 34, joined the Company as a non-executive Director on 16 September 2010. Ms. Dash-Ulzii was awarded a bachelor’s degree in business administration by George Washington University in January 1999 and a master’s degree in international affairs by Columbia University in May 2001.

Ms. Dash-Ulzii worked in the World Bank’s East Asia and Pacific Vice Presidency’s Chief Economist’s office in Washington, D.C. from 1999 to 2000 and at JP Morgan in New York when she obtained financial and economic analysis experience. From 2002 to 2003, she was an advisor/economist for the USAID’s Economic Policy Support Project in Ulaanbaatar, Mongolia and was responsible for project work in mining, minerals, banking, energy, insurance and financial sectors. She also co-drafted the Economic Development Strategy for Mongolia and was a member of the project team advising the Prime Minister’s office on economic policy in mining, minerals and financial sectors. From 2005 to 2006, she was a director of the investments department of the Trade and Development Bank of Mongolia. Ms. Dash-Ulzii was appointed as a director of MCS Holding LLC in 2007 and she was responsible for the management of the Tavan Tolgoi project. Since 2007, she has also been the director of the National Venture Capital LLC, the first venture capital firm in Mongolia. Ms. Dash-Ulzii has extensive experience and qualifications in finance, fund raising and investments management of mining related projects. Ms. Dash-Ulzii, being the project team leader for the initial public offering of the Company which took place in October 2010 (the “IPO”), has substantially contributed to the success of the IPO raising approximately USD748 million from the global investors. Prior to the appointment of Ms. Dash-Ulzii as Chief Investment Officer and

the Re-designation, Ms. Dash-Ulzii was responsible for providing overall guidance and managing fund raising, investments and financial reporting activities of the mining related projects of MCS Holding LLC, the controlling shareholder of the Company (together with its subsidiaries as the “MCS Group”), including the Tavan Tolgoi mining project.

Following her appointment as the Chief Investment Officer of the Company and the Re-designation, Ms. Dash-Ulzii will remain as executive director of the investment department of MCS Holding LLC. Although Ms. Dash-Ulzii holds a position in MCS Holding LLC, this position does not require her to be involved in the day-to-day management thereof. As such, upon her appointment as Chief Investment Officer of the Company and the Re-designation, Ms. Dash-Ulzii is expected to devote approximately 99 per cent. of her work time to the Company and approximately one per cent. of her work time to the MCS Group.

The Board acknowledges that Ms. Dash-Ulzii’s concurrent positions as executive director of the investment department of MCS Holding LLC, and the Chief Investment Officer and executive Director of the Company may potentially be perceived as having a conflict of interest in certain circumstances involving the Company and the MCS Group. In cases where there are actual or potential conflicts of interests, Ms. Dash-Ulzii will observe the relevant rules, regulations and applicable laws in Hong Kong and the Cayman Islands and, if necessary, shall pursuant to the relevant provisions of the articles of association of the Company abstain from voting on the relevant resolutions and shall not form the relevant quorum in the meetings of the Board.

Ms. Dash-Ulzii has entered into a service contract with the Company under which she has agreed to act as executive Director and Chief Investment Officer commencing from 22 December 2010 for an initial term of 2 (two) years, subject to re-election by shareholders in accordance with the Company’s articles of association. Ms. Dash-Ulzii will receive a director’s fee of USD200,000 per annum which will be reviewed and determined by the Board annually, based on the recommendation from the remuneration committee of the Company, with the authorisation granted by the shareholders of the Company at an annual general meeting annually and with reference to her duties and responsibility with the Company, the Company’s performance and the prevailing market condition.

As at the date of this announcement, save as disclosed above, to the best of the knowledge and belief of the Board, (i) Ms. Dash-Ulzii does not have any relationship with any of the Directors, senior management, substantial shareholders or controlling shareholders of the Company; (ii) Ms. Dash-Ulzii does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) Ms. Dash-Ulzii does not hold any other position with the Company and other members of the Group; and (iv) Ms. Dash-Ulzii did not hold any directorship in the last three years in any public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed in this announcement, there is no other information relating to the appointment of Chief Investment Officer and the Re-designation that is required to be disclosed under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), and Ms. Dash-Ulzii is not involved in any matters that are required to be disclosed under Rule 13.51(2)(h) to (v) of the Listing Rules, nor any other matters that need to be brought to the attention of the shareholders of the Company.

The Board wishes to express its sincere gratitude to Ms. Dash-Ulzii for her valuable contribution to the Company during the tenure of her office as non-executive Director and warmly welcomes her in her new role in the Company.

By order of the Board
Mongolian Mining Corporation
Mr. Odjargal Jambaljamts
Chairman

Hong Kong, 23 December 2010

As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts, Dr. Battsengel Gotov and Ms. Badamtsetseg Dash-Ulzii, being the executive Directors, Mr. Gantumur Lingov, Ms. Enkhtuvshin Gombo, Mr. Enkh-Amgalan Luvsantseren, Dr. Oyungerel Janchiv, Mr. Philip Hubert ter Woort and Mr. Batsaikhan Purev, being the non-executive Directors, and Mr. Ochirbat Punsalmaa, Mr. Unenbat Jigjid and Mr. Chan Tze Ching, Ignatius, being the independent non-executive Directors.

This announcement is available on the websites of the Company (<http://www.mmc.mn>) and The Stock Exchange of Hong Kong Limited (www.hkexnews.hk).