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MONGOLIAN MINING CORPORATION

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 975)

ANNOUNCEMENT PURSUANT TO RULE 13.09(1) OF THE LISTING RULES TEMPORARY SUSPENSION OF COAL HAULING

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 20 April, 2011 (after trading hours), the Company was informed that there will be a temporary suspension of coal hauling through the gravel road from Tavan Tolgoi area to Tsagaan Khad, effective from 21 April, 2011 until road conditions are improved.

On 20 April, 2011 (after trading hours), Mongolian Mining Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) received a notification (the “**Notification**”) from the Inspector of the Umnugobi Aimag (South Gobi Province) Professional Inspection Agency on temporary suspension of all coal hauling on the road from the Tavan Tolgoi area to Tsagaan Khad (“**TKH**”), effective from 21 April, 2011 (the “**Temporary Suspension**”).

This suspension will not apply to coal hauling on the road used for cross-border transportation from TKH, Mongolia to Ganqimaodu (“**GM**”), China. The agency has issued the notification primarily to address its transportation safety concerns. Its intention is to improve safety standards on the gravel road whilst reducing negative environmental impact on the surrounding areas.

As of the date of this announcement, the Company is continuing its normal mining operations as well as its planned maintenance of the gravel road as scheduled. The Company has approximately two weeks of export coal stockpiled at TKH, which will enable the Company to continue to deliver coal to its customers at GM in the coming two weeks. During the suspension, the Company’s coal mining operations will not be affected, and the Company will continue mining at the UHG mine in a normal course as planned. With its coal handling and processing plant (“**CHPP**”) expecting to commence operations in May 2011, the Company has started stockpiling raw coal at the UHG for the startup of CHPP operations. The Board of Directors (the “**Board**”) believes that the Temporary Suspension will not materially affect the Company’s processed coal production or sales targets for the year ending 31 December, 2011.

As stated in the Notification, the Temporary Suspension will remain effective only until road conditions are improved. The Company is currently assessing the potential impact of the Temporary Suspension on its business and will issue a further announcement to inform the public as soon as the Company has more clarity as to when the Temporary Suspension would be lifted. The Company expects that, in light of the current progress of gravel road renovation and maintenance work, the Temporary Suspension will be lifted and the usage of the gravel road resumed within a short period of time.

The Temporary Suspension reaffirms that the Company's strategy to develop and sustain an international-standard coal transportation link to market is in line with the agency's growing focus on the safety and environmental conditions of gravel roads in Mongolia. At the Company's own initiative, the Company commenced construction of an approximately 245 kilometres paved road under a Build-Operate-Transfer (BOT) Agreement signed with the Ministry of Road, Transportation and Urban Development of Mongolia in June 2010, which will cover an operation period of 10 years from the date of the operation of the road. As of 31 December, 2010, the road construction was approximately 65% completed, and its completion is expected to be in the second half of 2011. Upon completion, the paved road will be primarily used for the Group's own transportation needs, while its capacity will be sufficient to support the Group's mine expansion plans, without the use of the gravel road.

Within the framework of the railway network development policy of the Government of Mongolia, the Company is also planning to build a railway directly from Ukhaa Khudag ("UHG") to Gashuun Sukhait ("GS"). The railway will further contribute to increased reliability, operational efficiency, and cost savings as well as the reduction of any negative environmental impact.

Shareholders and potential investors of securities of the Company should therefore exercise caution when dealing in the securities of the Company.

By Order of the Board
Mongolian Mining Corporation
Odjargal Jambaljamts
Chairman

Hong Kong 20 April, 2011

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 Punsalma, Mr. Unenbat Jigjid and Mr. Chan Tze Ching, Ignatius, being the independent non-executive Directors.