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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 RESUMPTION 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**”).

Reference is made to the announcement of the Company dated 20 April 2011. The Board is pleased to announce that on 14 May 2011, the Company was informed that the gravel road conditions have improved and the Temporary Suspension has since been lifted.

Reference is made to the announcement of Mongolian Mining Corporation (the “**Company**”) dated 20 April 2011 (the “**Announcement**”) in relation to the temporary suspension of coal hauling on the road from the Tavan Tolgoi area to Tsagaan Khad, effective from 21 April, 2011. Capitalized terms used in this announcement shall have the same meanings as defined in the Announcement, unless otherwise provided herein.

The Board is pleased to announce that on 14 May 2011, the Company was informed by the Inspector of the Umnugobi Aimag (South Gobi Province) Professional Inspection Agency that the gravel road conditions have improved and the Temporary Suspension has since been lifted.

As stated in the Notification, the Temporary Suspension would remain effective only until gravel road conditions are improved. The Company has completed, together with other entities using the road, full quality renovation and maintenance works on the gravel road by 11 May 2011 under supervision of the state agencies. A commission (“**Commission**”), comprising representatives of the State Professional Inspection Agency, Umnugobi Aimag Professional Inspection Agency, Transportation Authority of Mongolia and Umnugobi Aimag Governor Organizational Office, has inspected and checked the improvement and maintenance work and renovated safety conditions of the gravel road on 6 May 2011 and 13 May 2011 respectively. On 14 May 2011, the Company received a notification from the Commission that since the conditions of the gravel road have improved, the Company may resume its coal hauling from the Tavan Tolgoi area to TKH. The Temporary Suspension has been lifted since 14 May 2011.

The Company will continue with its on-going maintenance work of the gravel road, which will be used by the Company for coal hauling from the Tavan Tolgoi area to TKH and TKH to the border until the completion of paved road construction. The paved road construction work completion is targeted by August this year in order to ensure an uninterrupted and reliable coal logistics and transportation link from the Tavan Tolgoi area to the border between Mongolia and China.

By Order of the Board
Mongolian Mining Corporation
Odjargal Jambaljamts
Chairman

Hong Kong 16 May, 2011

As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts and Dr. Battsengel Gotov, 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.