

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 COMMISSIONING OF COAL HANDLING AND PREPARATION PLANT

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**”).

The Board is pleased to announce that on 10 June 2011, the first module of its Coal Handling and Preparation Plant has been commissioned by the State Professional Inspection Authority of Mongolia.

The board of directors (the “Board”) of Mongolian Mining Corporation (the “Company”) is pleased to announce that the first module of the Coal Handling and Preparation Plant (the “CHPP”) at its Ukhaa Khudag coking coal mine has been successfully commissioned by the State Professional Inspection Authority of Mongolia on 10 June 2011 as scheduled. With the formal approval issued by the regulatory authorities, the CHPP is now ready to commence its commercial operations. Comprised of three processing modules and a single product handling system, the Company’s CHPP is the first of its kind in Mongolia.

The first module of the CHPP has the capacity to process around 5 million tonnes of run-of-mine (“ROM”) coal per annum based on the design of minimum 6,000 operating hours per year. By processing raw coking coal, it will produce washed hard coking coal for export with 8-10% ash content as well as thermal coal for the on-site power plant’s use. Trial run of the CHPP has started on 12 May 2011 and the Company anticipates that full production capacity of approximately 900 tons as received coal per hour is planned to be reached in June 2011.

The design, procurement and construction management of the CHPP was undertaken by Sedgman Limited, Australia, one of world leading engineering companies in coal processing and material handling technology. The physical construction process took approximately 11-12 months and comprehensive, effective and fast-paced progress was achieved by adopting international best practices in contracting and construction management. All inclusive capital expenditure for the first module of CHPP totaled to approximately USD111.6 million in line with the Company’s original estimations.

The CHPP was designed as a customized solution to UHG coal to maximize the coking coal product yield and utilizes modern equipment of well-known brands from Australia, USA, Europe, South Africa and China. The project has involved a total of approximately 600 workers from over 20 different contractors and the CHPP will work on a 2 by 12-hours shifts employing in total around 96 staff.

The new CHPP will enable the Company to produce and sell washed hard coking coal products under the Company's UHG brand name, reduce logistics costs, expand its end-user customer base, and boost its competitiveness in the international market.

The Company has already commenced construction of the second module of the CHPP which will double its processing capacity. The second module is planned to be completed and commissioned by the 4th quarter of 2011.

For and on behalf of the Board
Mongolian Mining Corporation
Odjargal Jambaljamts
Chairman

Hong Kong, 10 June 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.