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MONGOLIAN MINING CORPORATION

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 975)

RESIGNATION AND APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The Board announces that Mr. Enkh-Amgalan Luvsantseren has resigned from his position as non-executive Director and Mr. Od Jambaljamts has been appointed as a non-executive Director with effect from 4 July 2012.

RESIGNATION OF NON-EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**”) of Mongolian Mining Corporation (the “**Company**”) announces that Mr. Enkh-Amgalan Luvsantseren (“**Mr. Luvsantseren**”) has resigned from his position as non-executive Director with effect from 4 July 2012 to resume his duties as vice president of MCS Holding LLC (together with its subsidiaries the “**MCS Group**”), an associate of MCS Mining Group Limited (a substantial shareholder of the Company), and director of a number of subsidiaries within the MCS Group.

Mr. Luvsantseren has confirmed that he has no disagreement with the Board and he is not aware of any matters in connection with his resignation that needs to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to thank Mr. Luvsantseren for his efforts and valuable contributions to the Company during his tenure of office and wishes him success in his future endeavours.

APPOINTMENT OF NEW NON-EXECUTIVE DIRECTOR

The Board is also pleased to announce the appointment of Mr. Od Jambaljamts (“**Mr. Jambaljamts**”) as a non-executive Director with effect from 4 July 2012.

Mr. Jambaljamts, aged 48, is the president of MCS Group and a director of a number of subsidiaries within the MCS Group. Mr. Jambaljamts also works in the Royal Danish Consul in Mongolia, a member of the National Consul of the Pacific Economic Council, and is a board member of the Osazawa Foundation. Mr. Jambaljamts was awarded a bachelor’s degree in International Relations at the Institute for International Relations, Moscow, Russia in 1988 and master’s degree in arts majoring in foreign affairs from the University of Oxford, United Kingdom in 1993. Mr. Jambaljamts was awarded the Honorary Labour Medal of Mongolia in 1997, and twice awarded with the Polestar medal of Mongolia. Mr. Jambaljamts does not hold and has not held any directorships in other public companies which are listed in Hong Kong or overseas in the preceding three years prior to the date of this announcement, and save as disclosed above, he does not have other major appointments and professional qualifications.

Mr. Jambaljamts has over 20 years of experience in both private and public sector. Mr. Jambaljamts has extensive experience in working with companies in diversity of fields.

Mr. Jambaljamts is the brother of Mr. Odjargal Jambaljamts, the chairman of the Company, an executive Director and the controlling shareholder of the Company. Mr. Jambaljamts is the controlling shareholder of MCS (Mongolia) Limited, which in turn is the controlling shareholding company of MCS Mining Group Limited. Save as disclosed above, Mr. Jambaljamts does not have any relationship with any Directors, senior management or substantial shareholders or controlling shareholders of the Company and does not hold any other positions with the Company or any of its subsidiaries.

As at the date of this announcement, Mr. Jambaljamts is deemed to be interested in 1,345,763,949 Shares, representing approximately 36.32% of the issued share capital of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). 106,304,907 Shares, representing approximately 2.87% of the issued share capital of the Company are held by Trimunkh Limited, a company wholly owned by Mr. Jambaljamts and 1,239,459,042 Shares, representing approximately 33.45% of the issued share capital of the Company are held by MCS Mining Group Limited which is 100% owned by MCS (Mongolia) Limited, the controlling Shareholder.

Mr. Jambaljamts has entered into a service contract with the Company for a term of two years commencing on 4 July 2012. The director's remuneration of Mr. Jambaljamts is US\$18,000 per annum which is determined with reference to his qualifications, experience and duties and responsibilities in the Company and the market conditions. He will be subject to retirement by rotation and re-election at the general meeting in accordance with the articles of association of the Company.

Save as disclosed above, there are no other matters relating to the appointment of Mr. Jambaljamts as a non-executive Director that need to be brought to the attention of the shareholders of the Company and there is no other information which shall be disclosed pursuant to Rule 13.51(2) (h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board wishes to express its warm welcome to Mr. Jambaljamts on his appointment as the non-executive Director.

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

Hong Kong, 5 July 2012

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