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**MONGOLIAN MINING CORPORATION**  
*(Incorporated in the Cayman Islands with Limited Liability)*  
**(Stock Code: 975)**

**VOLUNTARY ANNOUNCEMENT  
AGREEMENT RELATING TO THE  
BARUUN NARAN COKING COAL MINE**

The Board wishes to announce that on 27 November 2012, the Company and the Seller have entered into an agreement setting out the settlement arrangement of the outstanding Consideration as contemplated in the Share Purchase Agreement dated May 31, 2011.

Reference is made to the announcement dated 1 June 2011 (the “**2011 Announcement**”) issued by Mongolian Mining Corporation (the “**Company**”) in relation to the acquisition of the entire issued share capital in QGX Coal Ltd. Capitalised terms used in this announcement shall have the same meanings as defined in the 2011 Announcement unless the context herein requires otherwise.

The Board wishes to announce that on 27 November 2012, the Buyer (a wholly-owned subsidiary of the Company) and the Company entered into an agreement (the “**Agreement**”) with the Seller and the Seller’s Parent (after trading hours) setting out the settlement arrangement of the outstanding Consideration as contemplated in the Share Purchase Agreement.

According to the Share Purchase Agreement signed and completed in 2011, approximately 18 months to 21 months from the date of the Share Purchase Agreement, an additional payment would be payable to the Seller or a clawback might be payable by the Seller in the amount of US\$3.00 per tonne to the extent to which total proved and probable reserves (as defined under the Australian Code for Reporting of Mineral Resources and Ore Reserves) contained in the Baruun Naran Coking Coal Mine (the “**Total Reserves**”) exceeded 150,000,000 tonnes or were less than 150,000,000 tonnes, respectively (the “**Reserve Adjustment**”). Under the Reserve Adjustment, the maximum amount payable to the Seller would be US\$105,000,000 and the maximum amount payable by the Seller would be US\$90,000,000.

Pursuant to the relevant clauses in the Share Purchase Agreement, the Buyer has conducted the additional geological and technical work to verify the estimations of approximately 185,000,000 tonnes of Total Reserves reported by SRK Consulting (Australasia) Pty Ltd in March 2011.

As an outcome of independent technical studies, it was confirmed that the final total reserve as defined in the Share Purchase Agreement was 188,900,000 tonnes and pursuant to the Share Purchase Agreement the Buyer shall pay to the Seller an aggregate amount of US\$105,000,000 (the “**Reserves Adjustment Payment**”).

The Agreement was reached pursuant to which the Reserves Adjustment Payment will be settled by the issuance of two promissory notes by the Company to QGX Holdings Ltd., each in the amount of US\$52,500,000 (each, an “**Adjustment Promissory Note**”), and each Adjustment Promissory Note shall bear interest at a rate per annum equal to 3.0% commencing on the issue date to the maturity date. The Company shall pay the amount under each Adjustment Promissory Note to QGX Holdings Ltd. on a maturity date which is 360 calendar days from the issue date. Both Adjustment Promissory Notes were issued on 27 November 2012. The total amount of payment (including interests payable under the Adjustment Promissory Notes) to be received by the Seller for the Acquisition as agreed under the Share Purchase Agreement will remain unchanged.

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

Hong Kong, 28 November 2012

*As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts and Dr. Battengel Gotov, being the executive Directors, Dr. Oyungerel Janchiv, Mr. Batsaikhan Purev, Mr. Od Jambaljamts, 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.*