

**For Immediate Release**



## **UHS-GS RAILWAY GROUNDBREAKING CEREMONY**

HONG KONG, 7 June 2012 – **Mongolian Mining Corporation** (“MMC” or the “Company”, HKEx: 975) is pleased to announce that the groundbreaking ceremony for the Ukhaa Khudag – Gashuun Sukhait (“UHG-GS”) railway took place on Wednesday, 6 June 2012, a few days after the railway concession agreement was signed between the Government of Mongolia and the Company. The event marks the official start of the long-awaited railway project and its actual construction work.

The ceremony, which took place in a vacant field just outside the Ukhaa Khudag coal mine, was attended by more than 50 high-level authorities, including Mr. Naranpurev, Head of Road and Transport Policy Department of the Ministry of Road, Transport, Construction and Urban Development; Mr. Purevbaatar, Deputy Chairman of the Railway Authority of Mongolia; Mr. Enkhbat, Head of Environment and Natural Resources Department of the Ministry of Environment and Tourism; as well as governors of neighboring soums and counties.

In addition to increasing the efficiency, safety and reliability of the coal transportation of the Company and reducing the cost of coal transportation, the new railway project is also expected to significantly reduce the environmental impacts associated with the road-based transportation of coal. It will also improve the value and competitiveness of the Company’s coal and coal products.

The new railway is expected to generate thousands of new jobs over the period of construction towards the end of 2014 as well as during the operation of the railway, which will involve both local and international contractors and suppliers.

**Mr. Purevbaatar, Deputy Director of the Railway Authority of Mongolia**, said, “The completion of the new railway project will provide a safe and modern freight transport system from the Tavantolgoi area in Southern Gobi to the Mongolian – Chinese border. The project, which will bring significant environmental benefits, also represents a momentous step in advancing the economic development of the Southern Gobi region. ”

**Photo Caption:**

Over 50 high-level authorities attended the groundbreaking ceremony for the UHG-GS railway, which marks the official start of the long-awaited railway project and its actual construction work.



**About Mongolian Mining Corporation (MMC)**

Mongolian Mining Corporation (MMC, HKEx: 975) is the largest producer and exporter of high-quality hard coking coal in Mongolia. It owns and operates an open-pit coking coal mine at the Ukhaa Khudag (“UHG”) deposit located within the Tavan Tolgoi (“TT”) coal formation, as well as the Baruun Naran (“BN”) coking coal deposit, both located in South Gobi, Mongolia.

MMC was listed on the HKEx in October 2010, and was selected as a constituent stock of the FTSE Hong Kong Index in March 2012. To learn more about the Company, please visit MMC’s website at: [www.mmc.mn](http://www.mmc.mn)

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