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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

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.

On 5 March 2012, Energy Resources LLC, an indirect wholly-owned subsidiary of the Company, entered into an amendment and consent agreement with the European Bank for Reconstruction and Development, Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (Entrepreneurial Development Bank of Netherlands), and Deutsche Investitions-und Entwicklungsgesellschaft mbH (The German Investment and Development Company).

The board of directors (the “**Board**”) of Mongolian Mining Corporation (the “**Company**”) is pleased to announce that on 5 March 2012, Energy Resources LLC, an indirect wholly-owned subsidiary of the Company, entered into an amendment and consent agreement (the “**Amendment and Consent Agreement**”) with the European Bank for Reconstruction and Development (“**EBRD**”), Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (Entrepreneurial Development Bank of Netherlands) (the “**Bank of Netherlands**”), and Deutsche Investitions-und Entwicklungsgesellschaft mbH (The German Investment and Development Company) (the “**German Company**”). Pursuant to the Amendment and Consent Agreement, the parties agreed to amend the terms of the US\$180 million term-loan facility under the loan agreements entered into by Energy Resources LLC with (i) EBRD on 12 May 2010 (as amended and restated on 11 August 2010 and further amended on 8 October 2010), (ii) the Bank of Netherlands on 11 August 2010 (as amended on 13 October 2010), and (iii) the German Company on 11 August 2010 (as amended on 13 October 2010), respectively. The proceeds of such US\$180 million term-loan facility were applied to the development of the Group’s coal handling and preparation plant (the “**CHPP**”) and related infrastructure at Ukhaa Khudag mine of the Company (the “**UHG mine**”).

The loan bears interest semi-annually at the floating rate of six-months LIBOR plus agreed margin per annum. The principal amount of the loan of US\$120 million is repayable in 11 equal semi-annual installments ending on 15 May 2016 and the principal amount of the loan of US\$60 million is repayable in two equal installments on 15 May 2015 and 15 May 2016, respectively. As of 31 December 2011, the outstanding principal amount was US\$169,090,909.

Pursuant to the Amendment and Consent Agreement, the margin per annum will be reduced to 3.25%-3.75%, and certain securities of the loan will be released, namely the pledge of mining license 11952A of the UHG mine and pledge of shares in Energy Resources LLC, in replacement of security over fixed assets such as Company's CHPP expansion which was commissioned in February 2012 and the water supply infrastructure assets.

The Company believes that these amendments will enable the Company to reduce its cost of financing and increase its credit profile, thus increasing the ability of the Company to fund its further expansion and development.

The project financing and the amendments represent a long-term support of the lenders as well as the execution capability of the Company in developing the UHG mine.

Shareholders and potential investors of securities of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 6 March 2012

As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts and Dr. Battengel Gotov, being the executive directors of the Company, 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 of the Company, and Mr. Ochirbat Punsalmaa, Mr. Unenbat Jigjid and Mr. Chan Tze Ching, Ignatius, being the independent non-executive directors of the Company.