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MONGOLIAN MINING CORPORATION

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 975)

ANNOUNCEMENT PURSUANT TO RULE 13.18 OF THE LISTING RULES

This announcement is made pursuant to Rule 13.18 of the Listing Rules with respect to an agreement for a coal pre-export loan facility of US\$150,000,000 with a greenshoe option of up to US\$50,000,000 entered into by the Company with the Banks. The Facilities Agreement imposes, among other things, a minimum shareholding percentage requirement of MCS (Mongolia) Limited in the Company.

Pursuant to the requirements under Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the board of directors (the “**Board**”) of Mongolian Mining Corporation (the “**Company**”) announces that on 5 March 2014, the Company as a borrower entered into a facilities agreement (the “**Facilities Agreement**”) with two international banks as arrangers and original lenders (the “**Banks**”). The Facilities Agreement relates to the provision of a coal pre-export loan facility of US\$150,000,000 with a greenshoe option of up to US\$50,000,000 (the “**Facilities**”) to the Company. The Facilities will be used to refinance the existing term loan facilities of up to US\$300,000,000 granted under a facilities agreement dated 8 March 2012 of which US\$200,000,000 has been drawn down and the remaining facility of US\$100,000,000 has been cancelled by the Company. The outstanding balance of the existing term loan facilities is US\$130,000,000. The Facilities will allow the Company to extend maturity of funding facilities, and to finance general working capital and capital expenditure requirements of the Company. The Facilities shall be repaid by the Company in installments with the last repayment date falling on the earlier of 33rd month from the first drawdown date of the Facilities Agreement and 1 December 2016.

Under the Facilities Agreement, it will be an event of default if, among other things, the controlling shareholders of the Company including MCS (Mongolia) Limited, Mr. Odjargal Jambaljamts and Mr. Od Jambaljamts cease, between them in aggregate, to: (i) beneficially hold at least 30 percent of the issued share capital of the Company; or (ii) have the power to cast, or control the casting of, at least 30 percent of the maximum number of votes that might be cast at a general meeting of the Company. If the above event of default occurs, the Bank may, by notice to the Company: (a) cancel the total commitments of up to US\$200,000,000 at which time they shall immediately be cancelled; (b) declare that all or part of the loans, together with the accrued interest, and all other amounts accrued or outstanding under the finance documents in relation to the Facilities be immediately due and payable to the Bank, at which time they shall become immediately due and payable; (c) declare that all or part of the Facilities be payable on demand, at which time they shall immediately become payable on demand; and/or (d) direct the security agent to exercise any or all of its rights, remedies, powers or discretions under the finance documents in relation to the Facilities.

The Company will include appropriate disclosure in its interim and annual reports for so long as circumstances giving rise to the disclosure obligation under Rule 13.18 of the Listing Rules continues to exist.

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

Hong Kong, 5 March 2014

As at the date of this announcement, the Board consists of Mr. Odjargal Jambaljamts and Dr. Battsengel Gotov, being the executive directors of the Company, Dr. Oyungerel Janchiv, Mr. Batsaikhan Purev, Mr. Od Jambaljamts and Ms. Enkhtuvshin Gombo, 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.