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MONGOLIAN MINING CORPORATION
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 975)

**OPERATIONAL UPDATE
FOR THE QUARTER ENDED 31 MARCH 2019**

The board of directors (the “**Board**”) of Mongolian Mining Corporation (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) wishes to announce the unaudited operational update for the quarter ended 31 March 2019. The comparative figures for the quarter ended 31 March 2018 and the quarter ended 31 December 2018 are also disclosed in this announcement.

During the quarter ended 31 March 2019, the Group has focused on rebalancing its working capital through maintaining washed coking coal sales volumes delivered to its customers by utilizing existing inventories and adjusting its production output.

The Group sold a total of 999.6 thousand tonnes (“**kt**”) of washed coking coal products in the first quarter of 2019, which represents a significant 55% year-on-year (“**YoY**”) increase compared to the corresponding period of 2018. The sales volume of washed coking coal remained almost flat compared to the previous quarter with a slight 2% quarter-on-quarter (“**QoQ**”) decrease, due to seasonal factors in connection with reduced coal trading activity during the Lunar New Year.

During the quarter ended 31 March 2019, the Group’s run-of-mine (“**ROM**”) coal mining output was 1,810.2 kt, representing 1% YoY decrease compared to the corresponding period ended 31 March 2018 and 45% QoQ decrease from the previous quarter ended 31 December 2018.

A total of 1,294.0 kt of ROM coking coal was processed to produce 672.7 kt of washed coking coal, representing 21% YoY decrease and 48% QoQ decrease compared to the corresponding quarters, respectively.

The main operational data summarized and shown below in Table 1 are all rounded and derived from the internal records of the Group and are intended to give investors an overview of the Group’s operations in a timely manner and may differ from the data disclosed in periodic reports of the Company.

Table 1. Main operational data for the quarter ended 31 March 2019:

Item	Unit	The quarter ended 31 March 2019	The quarter ended 31 March 2018	YoY change (%)	The quarter ended 31 December 2018	QoQ change (%)
ROM coal mined	kt	1,810.2	1,832.1	-1%	3,302.7	-45%
ROM coal processed	kt	1,294.0	1,722.6	-25%	2,893.4	-55%
Coking coal produced	kt	672.7	850.4	-21%	1,305.0	-48%
Coking coal sold	kt	999.6	646.0	+55%	1,015.0	-2%

The aforesaid operational data are not an express or implied forecast or guarantee in respect of the Company's future operating conditions.

In addition, various factors may affect results, including (but not limited to) force majeure events, changes in market conditions and regulatory interferences, as such material differences may exist in the operational data published from quarter to quarter.

Investors should note that undue reliance on or use of the above information may cause investment risks.

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

Hong Kong, 23 April 2019

As at the date of this announcement, the board of directors of the Company consists of Mr. Odjargal Jambaljamts and Dr. Battengel Gotov, being the executive directors of the Company, Mr. Od Jambaljamts, Ms. Enkhtuvshin Gombo and Mr. Enkhtuvshin Dashtseren, being the non-executive directors of the Company, and Dr. Khashchuluun Chuluundorj, Mr. Unenbat Jigjid and Mr. Chan Tze Ching, Ignatius, being the independent non-executive directors of the Company.