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

GRANT OF SHARE OPTIONS

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board (the “**Board**”) of directors (the “**Directors**”) of Mongolian Mining Corporation (the “**Company**”) hereby announces that on 12 October 2011, the Company has granted to certain eligible participants (the “**Grantees**”), subject to acceptance by the Grantees, a total of 37,500,000 share options (the “**Share Options**”) under the share option scheme adopted by the Company on 17 September 2010.

Details of the Share Options granted are as follows:

Date of Grant:	12 October 2011 (the “ Date of Grant ”)
Exercise Price:	HK\$6.66 ^{Note} to subscribe for one ordinary share of nominal value of US\$0.01 each in the share capital of the Company (the “ Share ”)
Closing price of the Shares on the Date of Grant:	HK\$6.66 per Share
Number of Share Options granted:	37,500,000 Share Options (each share option shall entitle the holder of the share option to subscribe for one Share)
Validity period of Share Options:	In respect of each Grantee, the Share Options granted shall be exercisable during the relevant periods set out below subject to vesting scale in four tranches of 25% each: (i) The first tranche of the Share Options shall be exercisable from 12 October 2012 to 12 October 2019; (ii) the second tranche of the Share Options shall be exercisable from 12 October 2013 to 12 October 2019; (iii) the third tranche of the Share Options shall be exercisable from 12 October 2014 to 12 October 2019; and

- (iv) the fourth tranche of the Share Options shall be exercisable from 12 October 2015 to 12 October 2019.

The Share Options shall lapse at the end of 8 years after the Date of Grant.

Note: The exercise price is the highest of (i) the closing price of HK\$6.66 per Share as stated in the daily quotations sheet issued by The Stock Exchange of Hong Kong Limited on the Date of Grant; (ii) the average closing price of HK\$6.37 per Share as stated in the daily quotations sheet issued by The Stock Exchange of Hong Kong Limited for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Share.

The Share Options were granted to an executive Director/Chief Executive Officer (“CEO”) and other employees of the Company, details of which are as follows:

Grantees	Position/Capacity	Number of Share Options
Dr. Battengel Gotov	executive Director and CEO	3,000,000
Others	Employees	34,500,000
	Total:	37,500,000

Save as disclosed in this announcement, none of the Grantees is a Director, chief executive or substantial shareholder of the Company, nor an associate (as defined in the Listing Rules) of any of them.

The granting of the Share Options to Dr. Battengel Gotov, executive Director and CEO, was approved by all independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules.

By Order of the Board of
Mongolian Mining Corporation
Odjargal Jambaljamts
Chairman

Hong Kong, 12 October 2011

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