For Immediate Release

Mongolian Mining Corporation Announces 2014 Interim Results

- **Maintained its position as Mongolia's largest coal exporter**
- **Continued focus on cash flow management and increasing market penetration**

HONG KONG, 18 August 2014 – **Mongolian Mining Corporation** ("MMC", or together with its subsidiaries the "Group"; SEHK: 975), today announced its interim results for the six months ended 30 June 2014.

MMC maintained its leading position as the largest coal exporter from Mongolia in the first half of 2014, representing approximately one third of the country's total coal export volume. The Group also continued to be the only major washed coal producer and exporter from Mongolia. From the 3.2 million tonne ("Mt") of coal products the Group sold, 1.9 Mt was washed hard coking coal ("HCC"). From the Group's total revenue of USD192.6 million (1H 2013: USD247.8 million), total HCC revenue was USD164.3 million, representing 85.3% of the total revenue for the period (1H 2013: 87.3%).

In the first half of 2014, the global coking coal market remained competitive due to the continued imbalance between supply and demand. The Group's average selling price for its HCC was USD86.2 per tonne, following the negative trend seen in all coking coal products in the global market.

Mr. Odjargal Jambaljamts, Chairman of MMC, said: "The pricing environment in the coking coal industry remains under pressure in 2014. In the first half of the year, we remained focused on cash flow management to ensure liquidity, strictly controlling operating costs and limiting capital expenditure."

Cost control measures and productivity improvements implemented by the Group's management team have yielded significant cost savings, which partially mitigated the effect of lower selling prices. Notable cost reductions included the cost of self-produced coal sold, down 23.0% year-on-year from USD70.1 to USD54.0 per total product sold tonne; mining cost down 22.4% from USD29.4 to USD22.8 per total product sold tonne; processing cost down 10.0% from USD7.0 to USD6.3 per total product sold tonne; handling cost down 34.8% from USD2.3 to USD1.5 per total product sold tonne; transportation cost down 17.0% from USD17.6 to USD14.6 per total product sold tonne; and logistics cost down 32.4% from USD3.4 to USD2.3 per total product sold tonne. Subsequently, the gross profit margin was approximately 10.6%, remaining at a comparable level with approximately 11.4% reported for the first half of 2013.

Dr. Battsengel Gotov, CEO of MMC, said: "While the recovery trajectory for the pricing of coking coal in China and globally remains uncertain in the second half of 2014, we will continue to enhance our competitive position, to maintain our market share and sales volume in 2014. We will continue to monitor the market situation, while focusing on cost control, operational efficiency and productivity. We aim to further optimize the allocation of resources, and through the synergy brought about by the integration of our mining, processing, logistics and transportation operations, strive to expand our sales and distribution channels reaching the end-user customers located in the main steel producing regions in China."

About Mongolian Mining Corporation (MMC)

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

MMC was listed on the SEHK in October 2010. To learn more about the Company, please visit MMC's website at: www.mmc.mn

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