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Mongolian joint venture in China to be established

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Mongolian Coal Corporation, a subsidiary of Mongolian Mining Corporation (MMC), signed a cooperation contract with Risun Mining, as reported by the Hong Kong Stock Exchange on its website. According to the contract, Mongolian Coal Corporation and Risun Mining agreed to establish a joint venture in the free trade zone in Tianjin, China.

The agreement opens up trading opportunities for Mongolian coking coal to be sold in two countries. Specifically, this will create export opportunities in Chinese provinces such as Tangshan, Baoding, Shintai, and Shijiazhuang, and consumers in the north of Shan-Dun Province, in Hebei. China's steel and chemical industries will be supplied with Mongolian coking coal, as well as China's own coking coal industry.

Risun Mining is a subsidiary of Risun, a group that owns subsidiaries in Dubai, Spain, and Brazil, and is the main manufacturer and supplier of coking coal in China. Analysts say that organizing this channel to supply Mongolia's "black gold" to the Chinese free trade zone will help Mongolian Mining Corporation expand its market, and increase revenue through long-term cooperation with end-users.

Mongolian Coal Corporation owns 51 percent of the newly established Tianjin Zhengcheng Import and Export Trade company, while Risun Mining owns 49 percent. The project requires 14 million CNY in total to establish. After this announcement by the Hong Kong Stock Exchange, Mongolian Coal Corporation shares increased to 0.49 HKD on the Hong Kong Stock Exchange.

Source: Unuudur

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