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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Siberian Mining Group Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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SIBERIAN MINING GROUP COMPANY LIMITED

西伯利亞礦業集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1142)

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES, SHARE CONSOLIDATION, CHANGE IN BOARD LOT SIZE, AND NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**



Wallbanck Brothers Securities (Hong Kong) Limited

A letter from the independent board committee of the Company containing its recommendation to the independent shareholders of the Company is set out on page 10 of this circular. A letter from Wallbanck Brothers Securities (Hong Kong) Limited, the independent financial adviser, containing its advice to the independent board committee and the independent shareholders of the Company is set out on pages 11 to 18 of this circular.

A notice convening an extraordinary general meeting of Siberian Mining Group Company Limited to be held at Meeting Room 4, 7/F, Hongkong International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong at 3:00 p.m. on 9 April 2010 is set out on pages 19 to 21 of this circular. Whether or not you propose to attend the meeting, you are advised to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event no later than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

19 March 2010

* For identification purpose only

CONTENTS

	<i>Page</i>
Definitions	1
Expected Timetable	3
Letter from the Board	4
Letter from the Independent Board Committee	10
Letter from Wallbanck Brothers	11
Notice of Extraordinary General Meeting	19

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company held on 19 August 2009
“Articles of Association”	the articles of association of the Company
“associates”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Siberian Mining Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected persons”	has the meaning ascribed to it in the Listing Rules
“Consolidated Shares”	ordinary share(s) of HK\$0.2 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held on 9 April 2010 at 3:00 p.m. at Meeting Room 4, 7/F, Hongkong International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong
“Existing Mandate”	the general and unconditional mandate granted to the Directors to allot, issue and deal with 2,056,900,240 new Shares, being 20% of the issued share capital of the Company as at 19 August 2009, by a resolution of the shareholders passed at the AGM
“First Convertible Note”	the convertible note in the principal amount of US\$253 million issued by the Company to Cordia Global Limited on 25 May 2009 for settlement of the consideration as detailed in the Company’s circular dated 31 December 2008 and as amended in the Company’s circular dated 4 January 2010.
“General Mandate”	the general and unconditional mandate to allot and issue new Shares as set out in the resolutions in the notice of the EGM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	the lawful currency for the time being of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive directors of the Company
“Independent Financial Adviser” or “Wallbanck Brothers”	Wallbanck Brothers Securities (Hong Kong) Limited, a corporation licensed to carry out type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap 571 Laws of Hong Kong) and has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the granting of the General Mandate
“Independent Shareholders”	Shareholders other than the controlling shareholder (as defined under the Listing Rules), Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates
“Latest Practicable Date”	17 March 2010, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Share Consolidation”	the proposed consolidation of every 20 Shares into one Consolidated Share
“Share Option Scheme”	the share option scheme adopted by the Company pursuant to the resolution of the Company on 19 October 2002
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Placing”	the placing of 2,000,000,000 new Shares referred to and set out in the Company’s announcement dated 1 February 2010
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

EXPECTED TIMETABLE

Set out below is an indicative timetable for the implementation of the Share Consolidation. The timetable is subject to the results of the EGM and other changes. The Company will notify the Shareholders of any significant changes to the expected timetable by way of announcement(s) as and when appropriate.

Date of EGM	3:00 p.m. on Friday, 9 April 2010
Effective date for the Share Consolidation	4:30 p.m. Friday, 9 April 2010
First day for free exchange of existing share certificates for new share certificates	Monday, 12 April 2010
Original counter for trading in Shares in board lots of 20,000 Shares temporarily closes	9:30 a.m. Monday, 12 April 2010
Temporary counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) opens	9:30 a.m. Monday, 12 April 2010
Original counter for trading in Consolidated Shares in new board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens	9:30 a.m. Monday, 26 April 2010
Parallel trading in Consolidated Shares in the form of new share certificates and existing share certificates commences	9:30 a.m. Monday, 26 April 2010
Designated broker starts to stand in the market to provide matching services for odd lots of Consolidated Shares	Monday, 26 April 2010
Temporary counter for trading in Consolidated Shares in board lots of 1,000 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. Friday, 14 May 2010
Parallel trading in Consolidated Shares in the form of new share certificates and existing share certificates closes	Friday, 14 May 2010
Designated broker ceases to stand in the market to provide matching services for odd lots of Consolidated Shares	Friday, 14 May 2010
Last day for free exchange of existing share certificates for new share certificates	Tuesday, 18 May 2010

LETTER FROM THE BOARD



SIBERIAN MINING GROUP COMPANY LIMITED

西伯利亞礦業集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1142)

Executive Directors:

Mr. LIM Ho Sok (*Chairman*)

Mr. LI Wing Sang (*Chief Executive Officer*)

Mr. CHIU Chi Hong

Mr. SHIN Min Chul

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

Mr. LIEW Swee Yean

Mr. TAM Tak Wah

Mr. YOSHINORI Suzuki

*Head office and principal place
of business in Hong Kong:*

16/F,

No.8 Queen's Road Central

Central

Hong Kong

19 March 2010

To the Shareholders and, for information only,

the holders of the convertible notes and share option of the Company,

Dear Sir/Madam,

**PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES,
SHARE CONSOLIDATION,
CHANGE IN BOARD LOT SIZE,
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is (i) to provide you with information on the granting of the General Mandate; (ii) to set out the recommendations of the Independent Board Committee in relation to the granting of the General Mandate and the advice of Wallbanck Brothers in relation to the granting of the General Mandate and (iii) to provide you with information regarding the Share Consolidation and change in board lot size.

* For identification purpose only

LETTER FROM THE BOARD

REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES

The Existing Mandate was granted at the AGM pursuant to which the Directors are authorised to allot and issue up to 2,056,900,240 new Shares. Upon completion of the Placing, a total of 2,000,000,000 new Shares have been allotted and issued pursuant to the Existing Mandate. As a result, the Existing Mandate has been almost fully utilised. Other than the Placing, there has been no other fund raising exercise undertaken by the Company under the Existing Mandate. The net proceeds from the Placing was about HK\$56 million and the Company intended to apply the same as general working capital of the Group. As at the Latest Practicable Date, approximately HK\$23 million was used for repayment of non-current liabilities and general corporate expenses and the balance was held as bank deposit.

As at the Latest Practicable Date, the issued share capital of the Company consists of 17,179,061,200 Shares. An ordinary resolution will be proposed to the Shareholders at the EGM to approve the granting of the General Mandate to authorise the Directors to allot, issue and deal with 3,435,812,240 new Shares, being the number of shares not exceeding 20% of the issued share capital of the Company on the date of the EGM for passing such resolution, assuming that there being no further issue or repurchase of Shares between the Latest Practicable Date and the date of the EGM.

Assuming that the proposed Share Consolidation become effective, the General Mandate would authorise the Directors to allot, issue and deal with 171,790,612 Consolidated Shares.

REASONS FOR THE REFRESHMENT

The Group is principally engaged in (i) coal mining in Russia; and (ii) digital television broadcasting industry including provision of equipments and software of cable video-on-demand system, information broadcasting system, embedded television systems and value-added services.

The Directors believe that the granting of the General Mandate to the Directors will increase the flexibility in raising capital for the Group in the future. The General Mandate is not urgently required to satisfy immediate cash requirement of specific projects or investment opportunity and the Company has no specific plan to utilize the General Mandate. Nevertheless there is no certainty that adequate cash resources or other financing alternatives will be available in the future. The Directors consider equity financing to be an important source of funding since equity financing does not create any interest paying obligations on the Group and is relatively less time consuming. The General Mandate will enable the Group to respond promptly and raise funds in a timely manner should any potential investment opportunity arise.

Apart from equity financing, the Group will also consider other alternatives such as debt financing as possible fund raising method for the Group. The Directors will in any event exercise due and careful consideration when choosing the best method of financing for the Group. As the granting of the General Mandate will provide the Company with an additional alternative and the flexibility in deciding the financing methods for its future business development, the Directors are of the view that the granting of the General Mandate is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

As the refreshment of the Existing Mandate is prior to the next annual general meeting of the Company, the granting of the General Mandate is subject to the Independent Shareholders' approval in the EGM by poll.

SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

The Board proposes to implement the Share Consolidation on the basis that every 20 issued and unissued Shares of HK\$0.01 each will be consolidated into one Consolidated Share of HK\$0.2 each. Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,000,000,000 divided into 100,000,000,000 Shares of HK\$0.01 each, of which 17,179,061,200 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot and issue any further Shares prior thereto, the authorised share capital of the Company shall become HK\$1,000,000,000 divided into 5,000,000,000 Consolidated Shares of HK\$0.2 each, of which 858,953,060 Consolidated Shares will be in issue.

The Consolidated Shares will rank pari passu in all respects with each other in accordance with the Company's memorandum and articles of association. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled.

Listing Application

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or, under contingent situation, such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

Conditions of the Share Consolidation

The Share Consolidation is conditional on:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM; and
- (ii) the Stock Exchange granting the listing of, and the permission to deal in, the Consolidated Shares in issue.

Change in board lot size

The Board also proposes to change the board lot size for trading in the shares of the Company from 20,000 Shares to 10,000 Consolidated Shares upon the Share Consolidation becoming effective.

Reasons for the Share Consolidation and change in board lot size

The Share Consolidation will increase the nominal value of the shares of the Company. It is expected that the Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares. It is also expected that the change in board lot size would reduce the overall transaction costs in dealing with the Consolidated Shares. Accordingly, the Board is of the view that the Share Consolidation and change in board lot size are in the interest of the Company and the Shareholders as a whole.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed Kingston Securities Limited, as an agent to provide matching services from Monday, 26 April 2010 to Friday, 14 May 2010 (both dates inclusive), on a best effort basis, for the sale and purchase of odd lots of Consolidated Shares arising from the Share Consolidation and the proposed change in board lot size. Shareholders who wish to take advantage of this facility should contact Ms. Rosita Kiu of Kingston Securities Limited at Suite 2801, 28/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong at telephone number (852) 2298 6215 during office hours. Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed.

Exchange of share certificates

The new share certificates will be in the colour of peach in order to distinguish them from the existing share certificates which are brown in colour. Subject to the Share Consolidation becoming effective, which is expected to be at 4:30 p.m. on 9 April 2010, Shareholders may, on or after 12 April 2010 until 18 May 2010 (both days inclusive), submit share certificates for existing Shares to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, to exchange, at the expense of the Company, for certificates of the Consolidated Shares (on the basis of 20 existing Shares for one Consolidated Share). Thereafter, certificates of Shares will remain effective as documents of title but will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) per certificate issued or cancelled, whichever is higher, payable by Shareholders.

LETTER FROM THE BOARD

It is expected that new certificates for the Consolidated Shares will be available for collection within a period of 10 business days from the date of submission of the certificates for existing Shares to the Company's branch share registrar in Hong Kong for exchange. Certificates for existing Shares will cease to be marketable and will not be acceptable for trading and dealing purpose(s) after 14 May 2010.

Convertible notes and share options

As at the Latest Practicable Date, there are (i) outstanding principal amount of US\$82,000,000.00 under the First Convertible Note and (ii) outstanding options granted under the Share Option Scheme to subscribe for 156,560,000 new Shares. An independent financial adviser or the auditor of the Company will be engaged by the Company in accordance with the terms of the Share Option Scheme and the First Convertible Note instrument to certify in writing as to the adjustments (if any) required to be made in respect of the outstanding options and outstanding First Convertible Note as a result of the Share Consolidation. The Company will make a further announcement about the adjustments in due course.

Save as aforesaid, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the Latest Practicable Date.

Expected timetable

The expected timetable for the implementation of the Share Consolidation and change in board lot size was set out on page 3 of this circular.

EGM

Notice of the EGM is set out on pages 19 to 21 of this circular. All resolutions to be proposed at the EGM will be voted on by poll.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend and vote at such meeting, you are advised to complete the form of proxy enclosed in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as practicable but in any event no later than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

Approval from the Independent Shareholders will be sought at the EGM by way of poll for the approval of the granting of the General Mandate to allot and issue securities not exceeding the aggregate of 20% of the issued share capital of the Company as at the date of the EGM.

Pursuant to the Listing Rules, any controlling shareholders and their associates, or where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive and their respective associates shall abstain from voting in favour. To the best of the Company's information and belief after having made reasonable enquiries, as at the Latest Practicable Date, the Company has no controlling shareholder. Mr. Lim Ho Sok, an executive Director, is interested in 560,000,000 Shares through Goldwyn Management Limited which is wholly and beneficially owned

LETTER FROM THE BOARD

by Mr. Lim Ho Sok. Other than Mr. Lim Ho Sok, no other Directors (excluding independent non-executive Directors) or chief executive of the Company hold any Shares. Accordingly Mr. Lim Ho Sok and his associates shall abstain from voting in relation to the granting of the General Mandate at the EGM.

An Independent Board Committee has been established to make recommendations to the Independent Shareholders in respect of the granting of General Mandate.

Wallbanck Brothers has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the granting of the General Mandate.

No Shareholder has any material interest in the Share Consolidation. Therefore no Shareholder is required to abstain from voting at the EGM in respect of the resolution to approve the same.

RECOMMENDATION

Wallbanck Brothers has been appointed to advise the Independent Board Committee and the Independent Shareholders with regard to the granting of General Mandate and consider that the granting of General Mandate is in the interests of the Company and the Shareholders as a whole and is fair and reasonable so far as the Independent Shareholders are concerned. Your attention is drawn to the letter of advice from Wallbanck Brothers containing its recommendation and the principal factors and reasons it has taken into account in arriving at its recommendation as set out in this circular.

The Independent Board Committee, having taken the advice of Wallbanck Brothers into account, considers the terms of the granting of the General Mandate are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution relating to the granting of the General Mandate. The full text of the letter from the Independent Board Committee is set out in this circular.

The Directors (including the independent non-executive Directors) are of the opinion that the granting of the General Mandate and the proposed Share Consolidation are in the interest of the Company and the Shareholders as a whole and so recommend you to vote in favour of all the resolutions to be proposed at the EGM.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Yours faithfully,
For and on behalf of the Board
Siberian Mining Group Company Limited
Lim Ho Sok
Chairman

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



SIBERIAN MINING GROUP COMPANY LIMITED

西伯利亞礦業集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1142)

19 March 2010

To the Independent Shareholders

Dear Sir/Madam,

PROPOSED REFRESHMENT OF GENERAL MANDATE TO ISSUE NEW SHARES

We have been appointed as the Independent Board Committee to advise Independent Shareholders in connection with the granting of the General Mandate, details of which are set out in the circular of the Company to the Shareholders dated 19 March 2010 (the “Circular”), of which this letter forms a part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

Having considered the advice of Wallbanck Brothers in relation thereto as set out in the Circular, we are of the view that the granting of the General Mandate is in the interests of the Company and the Shareholders as a whole and the terms of the granting of the General Mandate are fair and reasonable so far as the Independent Shareholders are concerned.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the granting of the General Mandate.

Yours faithfully,
For and on behalf of the
Independent Board Committee

Liew Swee Yean

Tam Tak Wah

Yoshinori Suzuki

Independent non-executive Directors

* For identification purpose only

LETTER FROM WALLBANCK BROTHERS

The following is the full text of a letter of advice from Wallbanck Brothers, the independent financial adviser to the Independent Board Committee and the Independent Shareholders regarding the grant of the General Mandate, for the purpose of incorporation into this circular.



WALLBANCK BROTHERS
Securities (Hong Kong) Limited

2310, Tower 2, Lippo Centre,
89 Queensway, Central,
Hong Kong

19 March 2010

*To: The independent board committee and
The independent shareholders of
Siberian Mining Group Company Limited*

Dear Sirs,

REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES

INTRODUCTION

We refer to our appointment as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the grant of the General Mandate, details of which are set out in the letter from the Board (the “Letter from the Board”) contained in this circular to the Shareholders dated 19 March 2010 (the “Circular”), of which this letter forms part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires the otherwise.

Pursuant to the Listing Rules, the grant of the General Mandate is subject to the approval of the Independent Shareholders at the EGM by way of poll. Accordingly, the Independent Board Committee (comprising Mr. Liew Swee Yean, Mr. Tam Tak Wah, and Mr. Yoshinori Suzuki being all the independent non-executive Directors) has been established to advise on the grant of the General Mandate, and we have been appointed as the independent financial adviser to the Independent Board Committee and the Independent Shareholders to advise on the grant of the General Mandate.

LETTER FROM WALLBANCK BROTHERS

BASIS OF OUR OPINION

In formulating our opinion and recommendations, we have relied on the accuracy of the information, opinions and representations provided to us by the Directors and management of the Company, and have assumed that all information, opinions and representations contained or referred to in the Circular were true and accurate at the time when they were made and will continue to be accurate at the Latest Practicable Date. We have also assumed that all statements of belief, opinion and intention made by the Directors in the Circular were reasonably made after due enquiry. We have no reasons to doubt that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations and opinions made to us untrue, inaccurate or misleading. We consider that we have received sufficient information to enable us to reach an informed view and to justify reliance on the accuracy of the information contained in the Circular to provide a reasonable basis for our opinions and recommendations. Having made all reasonable enquiries, the Directors have further confirmed that to the best of their knowledge, they believe there are no other facts or representations the omission of which would make any statement in the Circular including this letter, misleading. We have not, however, carried out any independent verification of the information provided by the Directors and management of the Company, nor have we conducted an independent investigation into the business and affairs of the Company.

In formulating our opinion, we have relied on the financial information provided by the Company, particularly, on the accuracy and reliability of financial statements and other financial data of the Company. We have not audited, compiled nor reviewed the said financial statements and financial data. We shall not express any opinion or any form of assurance on them. We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. The Directors have also advised us that no material facts have been omitted from the information to reach an informed view, and we have no reason to suspect that any material information has been withheld. We have not carried out any feasibility study on any past, and forthcoming investment decision, opportunity or project undertaken or to be undertaken by the Company. Our opinion has been formed on the assumption that any analysis, estimation, forecast, anticipation, condition and assumption provided by the Company are valid and sustainable. Our opinions shall not be constructed as to give any indication to the validity, sustainability and feasibility of any past, existing and forthcoming investment decision, opportunity or project undertaken or to be undertaken by the Company.

In formulating our opinion, we have not considered the taxation implications on the Independent Shareholders arising from the grant of the General Mandate as these are particular to the individual circumstances of each Shareholder. It is emphasized that we will not accept responsibility for any tax effect on or liability of any person resulting from his or her decision to the grant of the General Mandate. In particular, the Independent Shareholders who are overseas residents or are subject to overseas taxation or Hong Kong taxation on securities dealings should consult their own tax positions, and if in any doubt, should consult their own professional advisers.

Our opinions are necessarily based upon the financial, economic, market, regulatory and other conditions as they existed on, and the facts, information, representations, and opinions made available to us as of, the Latest Practicable Date. We disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting the opinion expressed herein which may come or be brought to our attention before and after the EGM.

LETTER FROM WALLBANCK BROTHERS

Our opinions are formulated only and exclusively for the purpose of the grant of the General Mandate and shall not be used for any other purpose in any circumstance nor for any comparable purpose with any other opinions.

Our opinions are based on the Directors' confirmation of receipt of our advice that the Directors and the management of the Company are responsible to take all reasonable steps to ensure that the information and representations provided in any press announcement, circular and prospectus concerning the refreshment of the Existing Mandate are true, accurate, complete and not misleading, and that no material information or facts have been omitted or withheld.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion to the Independent Board Committee in respect of the grant of the General Mandate, we have taken into consideration the following principal factors and reasons:

1. Background to the Grant of the General Mandate

The Group is principally engaged in (i) coal mining in Russia; and (ii) digital television broadcasting industry including provision of equipments and software of cable video-on-demand system, information broadcasting system, embedded television systems and value-added services.

Based on the AGM held on 19 August 2009, the Directors were granted the Existing Mandate to allot and issue up to 2,056,900,240 Shares, representing 20% of the entire issued share capital of the Company of 10,284,501,200 Shares as at the date of the AGM.

According to the announcement of the Company dated 1 February 2010, the Company entered into a placing agreement with a placing agent pursuant to which the placing agent has agreed to place, on a best effort basis, to not less than six independent placees for up to 2,000,000,000 new Shares at a price of HK\$0.029 per placing share, for and on behalf of the Company.

Upon completion of the Placing, a total of 2,000,000,000 new Shares have been allotted and issued pursuant to the Existing Mandate.

From the date of the granting of the Existing Mandate to the Latest Practicable Date, the Existing Mandate had been utilized as to 2,000,000,000 Shares, representing approximately 97.23% of the aggregate number of Shares which may be issued and allotted under the Existing Mandate.

LETTER FROM WALLBANCK BROTHERS

Given the Existing Mandate has mostly been utilized as at the Latest Practicable Date, the Directors propose to seek the approval of the Independent Shareholders at the EGM for the grant of the General Mandate to maintain the financial flexibility necessary for the future investment and business development of the Group. An ordinary resolution will be proposed to the Shareholders to approve the granting of the General Mandate to authorize the Directors to allot, issue and deal with 3,435,812,240 new Shares, being the number of shares not exceeding 20% of the issued share capital of the Company of 17,179,061,200 Shares as at the Latest Practicable Date, on the date of the EGM for passing such resolution, assuming that there being no further issue or repurchase of Shares between the Latest Practicable Date and the date of the EGM.

Assuming that the proposed Share Consolidation become effective, the General Mandate would authorise the Directors to allot, issue and deal with 171,790,612 Consolidated Shares.

2. Reasons for the Grant of the General Mandate

According to the Letter from the Board, since the granting of the Existing Mandate at the AGM, there has been no refreshment of general mandate. Therefore, after the aforementioned fund raising activity, only 56,900,240 additional Shares can be issued under the Existing Mandate. The Directors consider that there are possibilities that the Group would identify suitable investment opportunities before the next annual general meeting which may require for equity financing and the issue of additional Shares exceeding the amount as allowed under the Existing Mandate. According to the Letter from the Board, for avoidance of doubt, the Board had not identified or been negotiating on any investment opportunities which may require equity financing as at the Latest Practicable Date.

In view of the possible future funding needs of the Group for future development and possible investment when opportunities arise, the Board considers equity financing to be an important avenue of resources to the Group since equity financing does not create any interest paying obligations on the Group and is relatively less time consuming. The Board will also consider other financing methods such as debt financing or internal cash resources to fund its future business development in appropriate circumstances.

The Board will in any event exercise due and careful consideration when choosing the best method of financing for the Group. Given that (i) the Group may miss any funding opportunities if it cannot respond promptly to market conditions; (ii) the General Mandate will provide the Group with an additional alternative and the flexibility in deciding the best financing method for its future business development, the Directors consider that the refreshment of the Existing Mandate is in the interests of the Company and the Shareholders as a whole. Although the Directors have no concrete plan for exercising the General Mandate to issue and allot Shares at the moment, the Board believes that the refreshment of the Existing Mandate is in the interests of the Company and the Shareholders as a whole by virtue of maintaining the financial flexibility for the Group's future business development and opportunities of funding which may be urgent and may arise at any time.

LETTER FROM WALLBANCK BROTHERS

3. Equity Fund Raising Activities of the Company in the Past Twelve Months

Set out below is the equity fund raising activity conducted and concluded by the Company in the past twelve months prior to the Latest Practicable Date:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
1 Feb 2010	Placing of 2,000,000,000 new Shares	Approximately HK\$56 million	General working capital	Approximately HK\$23 million had been used for repayment of non-current liabilities and general corporate expenses and the balance was held as bank deposit

Save and except for the above, the Company had not conducted and concluded any other equity fund raising activity in the past twelve months immediately prior to the Latest Practicable Date.

4. Status of Utilization of the Existing Mandate

At the AGM held on 19 August 2009, the Directors were granted the Existing Mandate to allot and issue 2,056,900,240 new shares of the Company, representing 20% of the entire issued share capital as at the date of the AGM.

From the date of AGM to the Latest Practicable Date, the Existing Mandate has been utilized as to 2,000,000,000 Shares, representing 97.23 % of the aggregate number of Shares which may be issued and allotted under the Existing Mandate.

5. Financial Flexibility

Given that equity financing is interest free and security free by nature, the Directors consider that equity financing serves as a cost effective means of raising additional capital for the Group as general working capital and to fund any additional investment requirements of existing or other new project development opportunities that may be identified in the future. In addition, the Directors are of the view that equity financing has merits over bank/debt financing to fund the Group's capital needs as the former could broaden the shareholder base of the Company without creating any additional interest burden to the Company.

6. Other Alternatives of Financing

We are represented that it is the Directors' belief that the General Mandate will provide the Company with an additional alternative of equity funding when there is funding requirement or when any business opportunities arise in the future. It is reasonable to suggest that the General Mandate could enhance the financing flexibility of the Company to raise equity funds, if and when required, by way of the issuance of new Shares and/or convertible instruments for further development of the Group.

LETTER FROM WALLBANCK BROTHERS

In addition, although the Directors have no concrete plan for exercising the General Mandate to issue and allot Shares at the moment, the Board believes that the grant of the General Mandate is in the interests of the Company and the Shareholders as a whole by virtue of maintaining the financial flexibility for the Group's future business development and opportunities which may arise at any time particularly in light of the fact that the next annual general meeting of the Company is not likely to be convened before July 2010. Should any of such prospective investment opportunities arise that would require the issuance of new Shares, a specific mandate will need to be sought, the Directors are uncertain as to whether the requisite approval from Shareholders or Independent Shareholders, as the case may be, could be obtained in a timely manner. In addition, the General Mandate offers an opportunity for the Directors to capture the current optimistic market sentiment to raise funds by issuing new Shares and/or convertible instruments.

On the above basis, it is fair and reasonable for the Directors to hold the view that the General Mandate would offer the Group greater flexibility to capture investment opportunities which may arise at any time and require prompt investment decision by the Group. Accordingly, there are grounds for the Directors to propose the grant of the General Mandate at the EGM.

7. Potential Dilution to Shareholding Structure of the Company

Based on information available from public source and from the Directors, we set out below a table depicting the shareholding structure of the Company as at the Latest Practicable Date and upon full utilization of the General Mandate:

Shareholders	As at the Latest Practicable Date [#]		Upon full utilization of the General Mandate	
	(No. of Shares)	(%)	(No. of Shares)	(%)
Goldwyn Management Limited (<i>Note 1</i>)	560,000,000	3.26	560,000,000	2.72
DTV China Holdings Limited (<i>Note 2</i>)	320,000,000	1.86	320,000,000	1.55
Cordia Global Limited (<i>Note 3</i>)	2,890,000,000	16.82	2,890,000,000	14.02
Shares to be issued under the General Mandate	—	—	3,435,812,240	16.67
Public Shareholders	13,409,061,200	78.06	13,409,061,200	65.04
Total	<u>17,179,061,200</u>	<u>100.00</u>	<u>20,614,873,440</u>	<u>100.00</u>

[#] Source: the record from the Company.

LETTER FROM WALLBANCK BROTHERS

Note:

1. The shares are held by Goldwyn Management Limited which is wholly owned by Mr. Lim Ho Sok, an executive director and chairman of the Company.
2. The shares are held by DTV China Holdings Limited which is wholly owned by Mr. Li Yi Nan, a director of a non-wholly owned subsidiary of the Company, DTVChina, Inc.
3. The shares are held by Cordia Global Limited which is wholly owned by Mr. Choi Sungmin, a business consultant of a subsidiary of the Company.

Assuming that (i) the grant of the General Mandate will be approved at the EGM; (ii) no Shares will be repurchased and no new Shares will be issued from the Latest Practicable Date up to the date of the EGM (both dates inclusive); and (iii) upon full utilization of the General Mandate, 3,435,812,240 Shares (171,790,612 Shares after Share Consolidation) are to be issued, representing approximately 20% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 16.67 % of the issued share capital of the Company as enlarged respectively. The aggregate shareholding of the existing public Shareholders will be diluted from approximately 78.06% to approximately 65.04% upon full utilization of the General Mandate.

Taking into consideration that the General Mandate will increase the amount of capital which may be raised thereunder and provides more options to the Group for financing further development of its business as well as other investments/acquisitions as and when such opportunities arise and the fact that the shareholding of all the Shareholders will be diluted to the same extent upon any utilization of the General Mandate, it is fair and reasonable to infer that the potential dilution to the shareholding of the Shareholders may be fair and reasonable, subject to the future terms of subscription.

8. Implication of the Listing Rules

Pursuant to Rule 13.36 (4)(a) of the Listing Rules, the refreshment of the Existing Mandate requires approval of the Shareholders taken on a vote by way of poll whereby any controlling Shareholders and their associates or, where there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution to be proposed at the EGM to approve the refreshment of the Existing Mandate.

To the best of the Company's information and belief after having made reasonable enquiries, as at the Latest Practicable Date, the Company has no controlling shareholder. Mr. Lim Ho Sok, an executive Director of the Company, through Goldwyn Management Limited, is interested in 560,000,000 Shares, representing 3.26% of the issued share capital of the Company as at the Latest Practicable Date. Other than Mr. Lim Ho Sok, no other Directors (excluding independent non-executive directors) or chief executive of the Company hold any Shares. Accordingly, Mr. Lim Ho Sok and his associates, who are entitled to exercise, or control the exercise of, 560,000,000 Shares, shall abstain from voting in relation to the granting of the General Mandate at the EGM. As at the Latest Practicable Date, neither Mr. Lim Ho Sok, nor his associates had indicated that they would vote against the resolution for the grant of the General Mandate at the EGM.

LETTER FROM WALLBANCK BROTHERS

9. Terms of the General Mandate

In compliance with Rule 13.36(3) of the Listing Rules, upon approval of the grant of the General Mandate at the forthcoming EGM, the Existing Mandate will be revoked and the General Mandate will be and continue to be effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Cayman Islands law or Articles of Association; and (iii) the revocation or variation of the authority given under the relevant resolution to be proposed by ordinary resolution of the Shareholders in general meeting.

In view of the said provisions and requirements of the Listing Rules, we have reasons to believe that there to be sufficient control and measures to guide the refreshment of the Existing Mandate and the continuity of the General Mandate. In this respect, it may be fair and reasonable to hold the view that the terms of the granting of the General Mandate are fair and reasonable so far as the Independent Shareholders are concerned.

RECOMMENDATION

Having considered the above principal factors and reasons and Directors' representations, on balance, we are of the opinion that in such circumstance the grant of the General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and in the interest of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Shareholders, and also recommend the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolution approving the grant of the General Mandate at the EGM.

Yours faithfully,
For and on behalf of
WALLBANCK BROTHERS
Securities (Hong Kong) Limited
Phil Chan
Chief Executive Officer

NOTICE OF EXTRAORDINARY GENERAL MEETING



SIBERIAN MINING GROUP COMPANY LIMITED

西伯利亞礦業集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1142)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Siberian Mining Group Company Limited (“**Company**”) will be held at Meeting Room 4, 7/F, Hongkong International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on 9 April 2010 at 3:00 p.m. to consider and, if thought fit, to pass with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT**

- (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of warrants to subscribe for shares of the Company or the exercise of options granted under any ordinary share option scheme adopted by the Company, or (iii) an issue of shares of the Company in lieu of whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company (the “**Articles of Association**”), shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and this approval shall be limited accordingly; and

* For identification purpose only

NOTICE OF EXTRAORDINARY GENERAL MEETING

(d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (3) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Company or the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

2. “**THAT** conditional upon The Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue, every twenty (20) issued and unissued ordinary shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) share of HK\$0.2 each (each a “**Consolidated Share**”), and such Consolidated Share(s) shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the Articles of Association and the Directors be and are hereby authorised to do all such acts, deeds and things and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the aforesaid matters.”

By order of the Board
Siberian Mining Group Company Limited
Lim Ho Sok
Chairman

Date: 19 March 2010

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered office:

Cricket Square,
Hutchins Drive,
P.O. Box 2681,
Grand Cayman KY1-1111,
Cayman Islands

***Head office and principal place of
business in Hong Kong:***

16th Floor,
No. 8 Queen's Road Central,
Central,
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or, if he is the holder of two or more shares, more than one proxy to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish.