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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)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2017 and other information currently available, the Group is expected to record a profit for the year ended 31 March 2017 as compared to a loss for the year ended 31 March 2016, primarily attributable to estimated reversal of impairment losses on other intangible assets, and exploration and evaluation assets.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Siberian Mining Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders and potential investors of the Company that based on the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2017 and other information currently available, the Group is expected to record a profit for the year ended 31 March 2017 as compared to a loss for the year ended 31 March 2016. Such estimated turnaround from loss to profit is primarily attributable to (i) an estimated reversal of impairment loss on other intangible assets (in relation to mining rights of Lot 1 and Lot 1 Extension of the Group’s Russian coal mines) amounting of approximately HK\$471 million arising from increase in valuation of such assets as at 31 March 2017 mainly due to the

** For identification purpose only*

increase of the relevant coal prices, the appreciation of Russian Rubbles to US Dollars and the decrease in post-tax discount rate; and (ii) an estimated reversal of impairment loss on exploration and evaluation assets (in relation to mining rights of Lot 2 of the Group's Russian coal mines) amounting of approximately HK\$1,919 million arising from increase in valuation of such assets as at 31 March 2017 also mainly due to the increase of the relevant coal prices, the appreciation of Russian Rubbles to US Dollars and the decrease in post-tax discount rate.

As the Company is still in the process of preparing its annual results for the year ended 31 March 2017, the information contained in this announcement is only based on the information currently available and the preliminary review of the draft unaudited consolidated management accounts of the Group for the year ended 31 March 2017, which are yet to be finalized and have not been reviewed by the Company's Audit Committee, and which therefore are subject to adjustments. The annual results of the Group for the year ended 31 March 2017 are expected to be announced by the Company on or before 30 June 2017.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Siberian Mining Group Company Limited
Hong Sang Joon
Chairman

Hong Kong, 16 June 2017

As at the date of this announcement, the board of the Company consists of Mr. Hong Sang Joon and Mr. Su Run Fa as executive directors, and Mr. Jo Sang Hee, Mr. Kwok Kim Hung Eddie and Mr. Lai Han Zhen as independent non-executive directors.

This announcement will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the Company's website at <http://siberian.todayir.com>.