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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)**

**NOVATION OF THE SHARE SUBSCRIPTION AGREEMENT  
AND  
CHANGE IN TERMS OF THE FINDERS FEES AGREEMENT  
AND THE TARGET SHAREHOLDERS FEES AGREEMENT  
RELATING TO  
VERY SUBSTANTIAL ACQUISITION**

The Board wishes to announce that:

- (1) on 18 August 2011 (after trading hours), GIL, the Target Company, the Target Shareholders and the Incoming Investor entered into the Deed of Novation, pursuant to which the Incoming Investor was assigned with all the rights and interests and assumed all the obligations and liabilities of GIL under the Share Subscription Agreement;
- (2) on 18 August 2011 (after trading hours), the Company and the Finders entered into the Amended Finders Fees Agreement to extend the long stop date as provided in the Finders Fees Agreement from 14 July 2011 to 12 October 2011; and
- (3) on 18 August 2011 (after trading hours), the Company and the Three Target Shareholders entered into the Amended Target Shareholders Fees Agreement to extend the long stop date as provided in the Target Shareholders Fees Agreement from 14 July 2011 to 12 October 2011.

Reference is made to the announcements dated 17 April 2011, 10 June 2011 and 25 July 2011 (the “**Announcements**”) of Siberian Mining Group Company Limited (the “**Company**”) in relation to, among other things, the subscription of 70% of the enlarged issued share capital of Trenaco SA, which constitutes a very substantial acquisition of the Company under the Listing Rules. Terms used in this announcement shall have the same meanings as those defined in the Announcements unless otherwise stated herein.

\* For identification purpose only

## DEED OF NOVATION

On 18 August 2011 (after trading hours), GIL, the Target Company, the Target Shareholders and Trenaco Holdings Ltd, a wholly-owned subsidiary of the Company (the “**Incoming Investor**”), entered into a deed of novation and variation (the “**Deed of Novation**”), pursuant to which the Incoming Investor was assigned with all the rights and interests and assumed all the obligations and liabilities of GIL under the Share Subscription Agreement.

The Incoming Investor is a company newly incorporated in the British Virgin Islands with limited liability and is a direct wholly-owned subsidiary of the Company.

GIL, a direct wholly-owned subsidiary of the Company, is an investment holding company, presently holding different lines of business for the Group, including (i) holding of coal mining rights in Russia; (ii) coal trading business in Korea; and (iii) vertical farming projects in the People’s Republic of China.

The Board is of the view that the novation as provided in the Deed of Novation will separate the new line of natural resources business in Switzerland and Colombia to be acquired from the Target Group from GIL’s existing lines of business, and will therefore enable the corporate structure of the Group to be better organized for its present needs. The Board considers that (i) the entering into of the Deed of Novation has no adverse effect to the Group and is in the best interests of the Group and the Shareholders as a whole; and (ii) the terms of the Deed of Novation are fair and reasonable.

## AMENDED FINDERS FEES AGREEMENT

On 18 August 2011 (after trading hours), the Company and the Finders entered into the amended Finders Fees Agreement (the “**Amended Finders Fees Agreement**”) to amend the following term of the Finders Fees Agreement:

The long stop date of the Finders Fees Agreement has been extended from 90 days from the date of the Finders Fees Agreement, i.e. 14 July 2011, to 180 days from the date of the Finders Fees Agreement, i.e. 12 October 2011, as additional time is required for preparing and finalizing certain information to be disclosed in the Circular.

## AMENDED TARGET SHAREHOLDERS FEES AGREEMENT

On 18 August 2011 (after trading hours), the Company and the Three Target Shareholders entered into the amended Target Shareholders Fees Agreement (the “**Amended Target Shareholders Fees Agreement**”) to amend the following term of the Target Shareholders Fees Agreement:

The long stop date of the Target Shareholders Fees Agreement has been extended from 90 days from the date of the Target Shareholders Fees Agreement, i.e. 14 July 2011, to 180 days from the date of the Target Shareholders Fees Agreement, i.e. 12 October 2011, as additional time is required for preparing and finalizing certain information to be disclosed in the Circular.

The Board considers that the entering into of the Amended Finders Fees Agreement and the Amended Target Shareholders Fees Agreement is in the best interests of the Group and the Shareholders as a whole. Save and except for the aforesaid extension of the long stop dates and the corresponding changes to any reference to GIL therein, all other terms of the Finders Fees Agreement and the Target Shareholders Fees Agreement shall remain unchanged.

Further details of the Acquisition, including but not limited to (i) the Share Subscription Agreement as novated by the Deed of Novation, (ii) the Finders Fees Agreement as amended by the Amended Finders Fees Agreement and (iii) the Target Shareholders Fees Agreement as amended by the Amended Target Shareholders Fees Agreement (together the “**Novated and Amended Agreements**”), will be included in the Circular.

As the completion of the Novated and Amended Agreements are subject to the fulfillment (or if applicable, waiver) of certain conditions precedent, thus the Subscription and the issuance of the Finders Shares and the Target Shareholders Shares may or may not proceed. The issue of this announcement does not in any way imply that the Novated and Amended Agreements will be implemented or completed. Shareholders and potential investors should exercise caution when dealing in the Shares.

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

Hong Kong, 18 August 2011

*As at the date of this announcement, the Board comprises Mr. Lim Ho Sok and Mr. Shin Min Chul as executive Directors and Mr. Pang Ngoi Wah Edward as non-executive Director and Mr. Liew Swee Yean, Mr. Tam Tak Wah and Mr. Young Yue Wing Alvin as independent non-executive Directors.*