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)

PROFIT WARNING

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 six months ended 30 September 2017 and other information currently available, the Group is expected to record a loss for the six months ended 30 September 2017 as compared to a profit for the same period of last year, primarily attributable to (i) estimated impairment losses on other intangible assets; (ii) estimated impairment losses on exploration and evaluation assets; and (iii) increase of amortization of other intangible assets (mining rights).

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 of directors of the Company (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 six months ended 30 September 2017 and other information currently available, the Group is expected to record a loss for the six months ended 30 September 2017 as compared to a profit for the same period of last year. Such estimated turnaround from profit to loss is primarily attributable to (i) an estimated 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$25 million arising from decrease in valuation of such assets as at 30 September 2017 mainly due to the decrease of the relevant coal prices; (ii) an

* *For identification purpose only*

estimated 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$292 million arising from decrease in valuation of such assets as at 30 September 2017 also mainly due to the decrease of the relevant coal prices; and (iii) increase of amortization of other intangible assets (mining rights) to approximately HK$50 million due to increase in valuation of other intangible assets (mining rights) as at 31 March 2017.

As the Company is still in the process of preparing its interim results for the six months ended 30 September 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 six months ended 30 September 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 unaudited consolidated interim results of the Group for the six months ended 30 September 2017 are expected to be announced by the Company by the end of November 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 November 2017

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