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(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 985)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform shareholders of the Company and potential investors that the Group expects to record a larger loss for its financial year ended 31 March 2011 than the audited loss for the corresponding period in 2010. The increased loss is primarily due to the recognition of share-based payment expenses, which is a non-cash expense, as a result of the share options granted by the Company .

This profit warning announcement is only based on the preliminary review on the management accounts of the Group, which has not been confirmed nor audited by the Company's auditors.

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

This announcement is made by CST Mining Group Limited (the "Company", and 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").

Based on preliminary review by the Company's management on the management accounts of the Group, the board of directors of the Company (the "Board") wishes to inform shareholders of the Company and potential investors that the Group expects to record a larger loss for its financial year ended 31 March 2011 than the audited loss for the corresponding period in 2010. The increased loss is primarily due to the recognition of share-based payment expenses, which is a non-cash expense, as a result of the share options granted by the Company during its financial year ended 31 March 2011.

The Lady Annie operation of the Company resumed copper cathode production in November 2010 and started generating cash inflow in January 2011.

This profit warning announcement is only based on the preliminary review on the management accounts of the Group, which has not been confirmed nor audited by the Company's auditors.

The Company is in the process of finalizing the results for its financial year ended 31 March 2011 for review by its auditors. Details of the Group's performance will be disclosed as and when the results of the Group for its financial year ended 31 March 2011 are announced.

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

By Order of the Board
CST Mining Group Limited
Damon G. Barber

Executive Director and Chief Executive Officer

Hong Kong, 3 June 2011

As at the date of this announcement, the board of directors of the Company comprises (i) Mr. Chiu Tao (Chairman), Mr. Owen L. Hegarty, Mr. Damon G. Barber, Mr. Wah Wang Kei, Jackie, Mr. Hui Richard Rui, Mr. Kwan Kam Hung, Jimmy, Mr. Lee Ming Tung, Mr. Yeung Kwok Yu, Mr. Tsui Ching Hung, and Mr. Chung Nai Ting as executive directors of the Company and (ii) Mr. Yu Pan, Ms. Tong So Yuet and Mr. Chan Shek Wah as independent non-executive directors of the Company.