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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)**

**COMPLETION OF REMAINING LOAN CAPITALISATIONS  
INVOLVING ISSUE OF REMAINING CAPITALISATION SHARES  
UNDER SPECIFIC MANDATES**

The Board is pleased to announce that completion of all the Remaining Loan Capitalisations took place on 20 February 2017 in accordance with the terms and conditions of the respective Remaining Loan Capitalisation Agreements.

A total of 469,227,760 Remaining Capitalisation Shares have been successfully allotted and issued to the respective Remaining Creditors.

Reference is made to the circular of the Company dated 5 January 2017 (the “**Circular**”) in relation to the proposed Remaining Loan Capitalisations involving issue of Remaining Capitalisation Shares under Specific Mandates passed by the Shareholders on the EGM held on 23 January 2017. Capitalised terms used in this announcement shall have the same meanings as those defined in the Circular unless the context requires otherwise.

**COMPLETION OF REMAINING LOAN CAPITALISATIONS INVOLVING ISSUE OF  
REMAINING CAPITALISATION SHARES UNDER SPECIFIC MANDATES**

The Board is pleased to announce that all the conditions precedent of the Remaining Loan Capitalisation Agreements have been fulfilled and completion of all the Remaining Loan Capitalisations took place on 20 February 2017 in accordance with the terms and conditions of the respective Remaining Loan Capitalisation Agreements. A total of 469,227,760 Remaining Capitalisation Shares have been successfully allotted and issued to the respective Remaining Creditors at the Capitalisation Price of HK\$0.325 per Remaining Capitalisation Share by way of capitalisation of the Remaining Loans in the aggregate amount of HK\$152,499,022.01.

*\* For identification purpose only*

Each of the Remaining Creditors has represented and warranted in the respective Remaining Loan Capitalisation Agreement, among others, that (i) save for his/its interest in the relevant Remaining Loans, he/it and its ultimate beneficial owners (where applicable) are third parties independent of the Company and its connected persons, and (ii) he/it has not and is not acting (and will not be presumed to be acting) in concert with any of the other Remaining Creditors (or any parties acting in concert with any of the other Remaining Creditors) in respect of the voting rights of the Company. In addition, the Company has obtained written confirmations from each of the Directors, among others, that as at the time when the Remaining Loan Capitalisation Agreements were signed and up to the date of the written confirmations, none of the Remaining Creditors (and its ultimate beneficial owners, where applicable) was an associate of the relevant Directors. The Company does not have a substantial Shareholder before completions of the Remaining Loan Capitalisations and thus none of the Remaining Creditors (and its ultimate beneficial owners, where applicable) can be a connected person of the Company due to the reason of being an associate of a substantial Shareholder.

Upon completions of the Remaining Loan Capitalisations, the Company has been irrevocably and fully discharged and released from all its liabilities and obligations in connection with and from all claims and demands under the Remaining Loans. The outstanding amount of principal and interests (if any) due from the Company to Pioneer and First Glory is approximately HK\$10,580,000 and HK\$1,775,000, respectively, and there is no outstanding amount due from the Company to Lucrezia, Token Century and Kim Wuju.

## **SHAREHOLDING STRUCTURE**

The shareholding structure of the Company (i) immediately before the completions of all the Remaining Loan Capitalisation Agreements; and (ii) immediately after completions of all the Remaining Loan Capitalisation Agreements is as follows:

Shareholders	Immediately before the completions of all the Remaining Loan Capitalisation Agreements		Immediately after the completions of all the Remaining Loan Capitalisation Agreements (Note 3)	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Cordia (Note 1)	5,005,000	0.68	5,005,000	0.41
<b>Remaining Creditors</b> (Note 2)				
Lucrezia	—	—	90,030,768	7.45
Token Century	—	—	84,000,000	6.95
First Glory	—	—	58,291,675	4.82
Pioneer	—	—	162,505,317	13.45
Kim Wuju	—	—	74,400,000	6.16
Subtotal	—	—	469,227,760	38.83
Other Public Shareholders	734,242,763	99.32	734,242,763	60.76
<b>Total:</b>	<b>739,247,763</b>	<b>100.00</b>	<b>1,208,475,523</b>	<b>100.00</b>

*Notes:*

1. Cordia holds 10% of the issued share capital of Langfeld, an indirect non-wholly owned subsidiary of the Company and therefore, Cordia is a core connected person of the Company under the Listing Rules.
2. After completions of all the Remaining Loan Capitalisations, Pioneer has become a substantial shareholder of the Company, while Lucrezia, Token Century, First Glory and Kim Wuju remain as public Shareholders.
3. After completions of all the Remaining Loan Capitalisations, (i) none of the Remaining Creditors (and parties acting in concert with them) holds or controls 30% or more of the Company's voting rights; and (ii) none of the Remaining Creditors (and parties acting in concert with them) holds or controls 20% or more of the Company's voting rights, so that none of the Remaining Creditors (and parties acting in concert with them) is deemed to be associated companies of each other and therefore presumed to be acting in concert in accordance with the Takeovers Code.

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

Hong Kong, 20 February 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.*

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