

**SIBERIAN MINING GROUP COMPANY LTD:
ALL HELL IS BREAKING LOOSE**

All kinds of hellish things appear to have broken out at publicly listed Siberian Mining Group Company Ltd () (Code: 1142, Main Board, The Stock Exchange of Hongkong Ltd) and, by all accounts, before the month of May is out, it is highly likely that more fur will start to fly.

And, the likelihood exists that Siberian Mining's Management could find itself, fighting, a Winding-Up Petition on the Company.

Siberian Mining admits that it owes about \$HK15.15 million to First Glory Ltd – but has not the wherewithal to retire this debt.

First Glory came into the picture with Siberian Mining after monies that it owed to Fareast Corporate Ltd were assigned to First Glory, last October.

The \$HK15.15-million loan bears interest at the rate of 10 percent per annum and, try as Management of Siberian Mining might, First Glory is adamant: It wants its money ... or else!

Last Tuesday, First Glory warned Siberian Mining that, if it did not get the sum of \$HK15,146,986.29 by May 14, it had given standing instructions to its solicitors to file a Winding-Up Petition on Siberian Mining.

One day later (last Wednesday) Concordia Global Ltd issued a demand on Siberian Mining for the full repayment of the Third Convertible Note – *'compromising the outstanding principal amount of US\$443,070,000 (approximately HK\$3,455,946,000) and any accrued interest thereon) ...'*

The grounds upon which Concordia Global is relying for the full repayment of the Third Convertible Note is that Siberian Mining had, the previous day (last Tuesday) admitted that *'it was not able to pay its debts and such a failure constituted an event of default, pursuant to the note instrument of the Third Convertible Note.'*

Concordia Global has put Siberian Mining on notice that it has given its solicitors *'firm and standing instructions to institute legal proceedings'* against Siberian Mining.

As if that were not enough, two registered holders of Promissory Notes – Lucrezia Ltd and Token Century Ltd – both Promissory Notes, having been issued by Siberian Mining, reminded Siberian Mining that *'if any of the repayment-triggering events set out in the terms and conditions of the promissory notes occurs, their promissory notes would become immediately due and payable by the Company.'*

The aggregate amount of the two Promissory Notes is \$US7,251,282.00 (about \$HK56,559,999.60).

Then, Keystone Global Company Ltd, on June 20, 2012, placed a material amount of money with Siberian Mining as a deposit in respect of Sale and Purchase Agreement for some coal. This amount of money was for the purchases of anthracite, coking and steam coal.

Keystone has reminded Management of Siberian Mining *'that in case the Company or a third party filed for*

the Company's bankruptcy, insolvency, rehabilitation, etc., Keystone would claim repayment of the entire Coal Trading Deposit with an outstanding amount of US\$3,100,000 (approximately HK\$24,180,000) together with the accrued interest.'

The Cordial Global Writ

And, if ... [CLICK TO ORDER FULL ARTICLE](#)

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