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ANNOUNCEMENT RESUMPTION OF COAL MINE OPERATIONS AT GRANDE CACHE CANADA

This announcement is made by CST Group Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 13 May 2020 (the “**Announcement**”) in relation to the suspension of operation of the Mine. Unless otherwise specified, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The operation of the Mine of CST Coal, a subsidiary of the Company, was suspended in May 2020 due to impact of the Outbreak. When CST Coal saw easing of impact of the Outbreak in Alberta, Canada in July this year, CST Coal started to plan for resumption of production of the Mine (the “**Resumption**”). One of the important steps for the Resumption is to get approval from the Alberta Energy Regulator (“**AER**”) of Alberta, Canada. CST Coal received such approval from AER on 7 October 2021.

The board of directors of CST Coal has resolved to resume mining operations at the Mine on 8 October 2021 (Canada time).

CST Coal will continue to monitor the COVID-19 situation in Alberta, and will implement COVID-19 related safety protocols at the Mine according to the Alberta guidelines. The safety and health of our workers, their families and communities are always a top priority.

The Company will make further announcement, when appropriate, on the progress of the Resumption.

ABOUT CST COAL

CST Coal is an indirectly owned subsidiary of the Company. CST Coal's mine is located in Grande Cache, approximately 400 kilometres west of the City of Edmonton, the capital of the Province of Alberta in Canada. It has a strong production history of approximately 96 million metric tonnes of clean coking coal produced since 1969. Its steelmaking coal is favorable for its low volatile matter and low Sulphur content. Based on a NI43-101 technical report with an effective date of 31 December 2017, the CST Coal Mine has total proven and probable coal reserves of 43.6 million metric tonnes, saleable coal reserves of 31.1 million metric tonnes and a mine life of 16 years.

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
CST Group Limited
Yeung Bik Shan
Company Secretary

Hong Kong, 9 October 2020

As at the date of this announcement, the board of directors of the Company comprises (i) Mr. Chiu Tao (Chairman), Mr. Hui Richard Rui, Mr. Kwan Kam Hung, Jimmy and Mr. Wah Wang Kei, Jackie as executive directors of the Company; and (ii) Mr. Yu Pan, Ms. Ma Yin Fan and Mr. Leung Hoi Ying as independent non-executive directors of the Company.