



Zauralneftegaz Secures One New License in West Siberia

New York, NY – June 16, 2006 – Siberian Energy Group, Inc. (OTCBB: SIBN), a U.S.-based oil and gas exploration company, has secured a new 25-year exploration and production license in West Siberia through OOO Zauralneftegaz (ZNG), its 50/50 Joint Venture with Baltic Petroleum (E&P) Ltd operating company.

The new block is located in close proximity to two existing Zauralneftegaz blocks in the southwestern part of the region. It has a surface area of approximately 42,000 acres. The block has a preliminary work program that consists of analyzing existing legacy well and seismic data.

On May 22, the Company disclosed ZNG's plan to bid for a total of five new exploration and production licenses in West Siberia. The first two auctions for Yuzhno-Voskresensky and Petuhovsky were completed on May 31, 2006. The new license (the Lebyazhevsky block) was obtained in an auction on June 14, 2006. The auctions for the remaining two licenses are expected in the fourth quarter of 2006.

David Zaikin, president and CEO of Siberian Energy, said: "I am pleased to announce the successful attainment of this new license. We consider it of the utmost importance to the Company's overall strategy and continued success that we expand our presence in the Kurgan region and keep adding assets to our existing holdings."

ZNG currently owns six exploration licenses comprising 979,000 acres in the Kurgan Region of West Siberia. With the addition of the new license, ZNG's total holdings cover more than 1 million acres.

About Siberian Energy Group

Siberian Energy is one of the few U.S.-based public oil and gas exploration companies with 100% of its assets located in West Siberia, Russia. The Company evaluates investment and acquisition opportunities in Russia and Eastern Europe with the goal of bringing a portfolio of natural resource licenses and operating companies to Western investors. Siberian Energy strives to provide an attractive ROI to shareholders by pursuing high-yield investment projects, reducing costs, and adhering to strict principles of transparency, disclosure and environmental consciousness. Additional information can be found at www.siberianenergy.com.

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