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亞洲煤業   
ASIA COAL  
**Asia Coal Limited**  
亞洲煤業有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 835)**

**PROFIT WARNING**

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

The board of directors of the Company wishes to inform the shareholders of the Company and potential investors that it is expected that the net loss of the Group for its financial year ended 31 March 2010 is expected to increase significantly as compared with the loss recorded by the Group for its financial year ended 31 March 2009.

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 shares in the Company.**

This announcement is made by Asia Coal Limited (the "Company", and together with its subsidiaries, the "Group") pursuant to the 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 the shareholders of the Company and potential investors that it is expected that the net loss of the Group for its financial year ended 31 March 2010 is expected to increase significantly as compared with the loss recorded by the Group for its financial year ended 31 March 2009. The Board considers that such expected increase in the net loss of the Group for its financial year ended 31 March 2010 was mainly due to (i) the increase of the Group's administrative expenses for its businesses; (ii) the interest expenses incurred on the convertible bond issued by the Company in 2008; and (iii) the record of the gain on disposal of subsidiaries of approximately HK\$10.5 million in the annual audited results of the Group for its financial year ended 31 March 2009.

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 annual results of the Group for its financial year ended 31 March 2010. The annual audited results announcement of the Group for its financial year ended 31 March 2010 is expected to be announced before the end of July 2010.

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

By Order of the Board  
**Asia Coal Limited**  
**Sun David Lee**  
*Executive Director*

Hong Kong, 25 May 2010

*As at the date of this announcement, the Board comprises (i) Ms. Hu Suling, Mr. Kwok Wing Leung, Andy, Mr. Jin Langchuan and Mr. Sun David Lee as executive directors; (ii) Mr. Yeung Ting Lap, Derek Emory, Ms. Nie Fei, Mr. Li Ruihai and Mr. Yip Toutou as non-executive directors; and (iii) Ms. Chiu Kam Hing, Kathy, Mr. Ho Man Kin, Tony, Mr. Li Kar Fai, Peter, Ms. Lu He and Professor Wang Lijie as independent non-executive directors.*