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WINSWAY[®]

WINSWAY COKING COAL HOLDINGS LIMITED

永暉焦煤股份有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock Code: 1733)

**ANNOUNCEMENT
PRICE-SENSITIVE INFORMATION**

**PROPOSED ISSUE OF
USD DENOMINATED FIXED-RATE SENIOR NOTES**

The Directors announce that the Company proposes to conduct an international offering of the Notes. The terms of the Notes, including their price and coupon, have yet to be determined.

The completion of the Notes Issue is subject to market conditions and investor demand.

As no binding agreement in relation to the proposed issue of the Notes has been entered into as at the date of this announcement, the proposed issue of the Notes may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the proposed Notes Issue will be made by the Company should the final terms of the Purchase Agreement be finalised.

The Directors also announce intended updated business strategies, the use of proceeds of the Notes, should the Notes Issue be completed, and updated operational information.

This announcement is made by the Company pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

THE PROPOSED NOTES ISSUE

The Company proposes to conduct an international offering of fixed-rate senior notes with a maturity of five years (the “Notes”). The terms of the Notes, including their price and coupon, have yet to be determined. The Notes will be guaranteed by certain subsidiaries of the Company organised outside the PRC. In addition, the Company and certain of its subsidiaries guaranteeing the Notes will pledge the capital stock of certain of their subsidiaries organised outside the PRC for the benefit of the holders of the Notes on a first priority basis.

The completion of the Notes Issue is subject to market conditions and investor demand. Deutsche Bank AG, Singapore Branch, Merrill Lynch International, Goldman Sachs (Asia) L.L.C and ICBC International Capital Limited, as joint book-runners, and Deutsche Bank AG, Singapore Branch, Merrill Lynch International, Goldman Sachs (Asia) L.L.C. and ICBC International Securities Limited, as joint lead managers, will manage the proposed Notes Issue. Approval in-principle has been received for the listing and quotation of the Notes on the Official List of the SGX-ST which should not be taken as an indication of the merits of the Company, the Subsidiary Guarantors or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or report contained in this announcement. No listing of the Notes has been sought in Hong Kong. The Company is offering the Notes outside the United States in offshore transactions in reliance on Regulation S and in the United States in reliance upon Rule 144A under the Securities Act. The Notes have not been and will not be registered under the Securities Act. None of the Notes will be offered to the public in Hong Kong.

As no binding agreement in relation to the proposed issue of the Notes has been entered into as at the date of this announcement, the proposed issue of the Notes may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. A further announcement in respect of the proposed Notes Issue will be made by the Company should the final terms of the Purchase Agreement be finalised.

A Preliminary Offering Memorandum in respect of the proposed Notes Issue has been prepared for distribution to selected professional investors. In connection with the Notes Issue, the Company will provide certain institutional investors with recent corporate and financial information regarding the Company, including but not limited to, updated risk factors, a description of the Company’s business, management’s discussion and analysis of financial condition and results of operations, business strategies, recent developments and related party transactions. Certain parts of such information have not previously been made public. An extract of such recent information can be viewed at the Company’s website www.winsway.com at approximately the same time when such information is released to the institutional investors. Unpublished information that the Company believes to be more material for shareholders and potential investors is set out below. **As the Preliminary Offering Memorandum is subject to completion and amendment, the information in this announcement is subject to final completion.**

Use of Proceeds

If the Notes are issued, the net proceeds of the Notes after deducting the underwriting commissions and other estimated expenses are proposed to be used as follows:

- (1) approximately 60% of the net proceeds to finance investments in rolling stock, other transportation-related vehicles and railway-related infrastructure for the purpose of increasing the Group's transportation capacity;
- (2) approximately 25% of the net proceeds to finance investments in upstream resources through new acquisitions and/or joint venture projects and to otherwise secure upstream supplies; and
- (3) approximately 15% of the net proceeds for working capital and other general corporate purposes.

The Company may adjust its use of proceeds plan and reallocate the use of proceeds in response to changing market conditions, circumstances such as failure to obtain requisite approvals, changes in government policies and other factors.

Additional New Business Strategies and Developments

The Company plans, through certain of its existing railway joint ventures with the Hohhot Railway Bureau, to purchase rail cars to transport coal. Before engaging in railway transportation business with self-owned rail cars, the railway joint ventures must obtain a Railway Transportation with Self-Owned Rail Cars Licence (企業自備貨車過軌運輸許可證) from the Ministry of Railways of the PRC. The relevant railway joint ventures would seek to take delivery of the relevant rail cars within one year after such licence is obtained and purchase agreements for the rail cars are executed. The Company believes that its participation will result in both additional track capacity, rolling stock and other transportation-related vehicles becoming available for the transportation of coking coal to the Company's customers.

To expand the Company's railway track capacity allocation, the Company also plans to further develop the cooperative relationships with other railway authorities in China. The Company plans to invest jointly with PRC railway bureaus and other key stake holders to develop railway lines in key locations, and to invest in maintenance facilities jointly with PRC railway bureaus and to develop and operate railway logistics centres at Sino-Mongolian and Sino-Russian border crossings and inland.

In March 2011, Baotou Haotong entered into a strategic cooperation agreement (“**Shenhua Ganquan Cooperation Agreement**”) with Shenhua Ganquan in which Baotou Haotong currently holds a 5% equity interest. Pursuant to the Shenhua Ganquan Cooperation Agreement, Shenhua Ganquan will connect Ganquan Railway to the Group’s logistics park and processing plant at Gants Mod. Baotou Haotong will increase its equity interest in Shenhua Ganquan from 5% to 9.5% by investing an additional amount of RMB280 million in cash after which Baotou Haotong will become the second largest equity holder of Shenhua Ganquan. Under the Shenhua Ganquan Cooperation Agreement, the equity holders of Shenhua Ganquan including the Group will have priority, as long as other conditions are identical, to be included in the transportation allocation plan of Ganquan Railway after it becomes operational, which is expected to be in 2012. Subject to the approval of the equity holders of Shenhua Ganquan of the Shenhua Ganquan Cooperation Agreement, Baotou Haotong will enter into another agreement with Shenhua Ganquan to finalise the detailed contractual terms with respect to the Ganquan Railway.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Baotou Haotong”	包頭浩通能源有限公司 (Baotou Haotong Energy Co., Ltd.), an indirectly wholly owned subsidiary of our Company
“Board”	board of Directors
“Company”	Winsway Coking Coal Holdings Limited, a company incorporated in the British Virgin Islands whose shares are listed on the main board of The Stock Exchange of Hong Kong Limited
“Directors”	the directors of the Company
“Ganquan Railway”	the 354-kilometre Ganquan Railway connecting Baotou and Gants Mod
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Macau”	Macau Special Administrative Region of the PRC
“Notes Issue”	the proposed issue of the Notes by the Company
“PRC”	the People’s Republic of China and, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan

“Purchase Agreement”	the agreement proposed to be entered into between the Company, Deutsche Bank AG, Singapore Branch, Merrill Lynch International, Goldman Sachs (Asia) L.L.C., ICBC International Securities Limited, among others, in relation to the Notes Issue pursuant to which the joint lead managers will purchase, and the Company will sell, the Notes
“Securities Act”	the United States Securities Act of 1933, as amended and supplemented or otherwise modified from time to time, and the rules and regulations promulgated thereunder.
“Shenhua Ganquan”	神華甘泉鐵路有限責任公司 (Shenhua Ganquan Railway Co., Ltd.), a subsidiary of 中國神華能源股份有限公司 (China Shenhua Energy Company Limited), which is the owner and operator of Ganquan Railway
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Subsidiary Guarantors”	the subsidiaries of the Company which have provided a guarantee for the payment of the Notes but which do not include (i) Winsway Coking Coal Macao, (ii) any subsidiaries established under the laws of the PRC, and (iii) any subsidiaries of the Company designated an unrestricted subsidiary by the Board and any subsidiary of an unrestricted subsidiary
“United States”	the United States of America
“USD”	US dollar(s), the lawful currency of the United States
“Winsway Coking Coal Macao”	Winsway Coking Coal (Macao Commercial Office) Limited, a company incorporated under the laws of Macau with limited liability and a wholly-owned subsidiary of the Company
“%”	per cent

By Order of the board of Directors
Winsway Coking Coal Holdings Limited
Cao Xinyi
Company Secretary

Hong Kong, 24 March 2011

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Xingchun, Ms. Zhu Hongchan, Mr. Yasuhisa Yamamoto, Mr. Apolonius Struijk and Mr. Cui Yong, the non-executive Directors of the Company are Mr. Cui Guiyong, Mr. Liu Qingchun and Mr. Lu Chuan and the independent non-executive Directors are Mr. James Downing, Mr. Ng Yuk Keung, Mr. Wang Wenfu and Mr. George Jay Hambro.