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**WINSWAY<sup>®</sup>**

**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**

### **UNAUDITED INTERIM KEY OPERATIONAL DATA**

The board of directors (the “**Board**”) of Winsway Coking Coal Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to present the Group’s unaudited key operational data for the six months ended 30 June 2011.

The Company’s unaudited total sales of coal for the first six months of this year were approximately 5.50 million tonnes, representing an increase of 26.68% as compared to the audited figures for the same period last year.

During the first half of 2011, the Company procured a total of 5.46 million tonnes of coal, representing an increase of 25.15% as compared to the audited figures for the same period last year.

Inner Mongolia Huayuan Logistics Company Limited (“**Huayuan Logistics**”), a joint venture established by 內蒙古浩通能源股份有限公司 (Inner Mongolia Haotong Energy Joint Stock Co., Ltd.) (a wholly-owned subsidiary of the Company) with 內蒙古呼鐵投資發展中心 (Inner Mongolia Hutie Investment Development Centre), a subsidiary of Hohhot Railway Bureau and 13 other shareholders, has committed to purchase 3,300 C70-type rail trucks for the transportation of coal and mineral products to and from Inner Mongolia Autonomous Region. As at 30 June 2011, 2,200 trucks have been delivered and all of 3,300 trucks are expected to be delivered by 31 July 2011. The Company has 9% shareholdings in Huayuan Logistics and the investment was funded by the proceeds from the issuance of high yield bonds by the Company on 8 April 2011. The Company expects that annual railway transportation capacity of the Company attributable to the purchase of rail trucks will increase approximately by 1,200,000 tonnes.

In addition, the Company has completed the construction of three railway logistics centres at Erlianhaote, Ceke and Jining. The Erlianhaote Logistics Centre, jointly established by the Group and 內蒙古呼鐵對外經濟技術合作集團有限責任公司 (Inner Mongolia Hutie Foreign Economic and Technological Cooperation Group Co., Ltd.), is a large-scale comprehensive logistics centre integrating railway and road transportation, boasting strong transshipment, storage and transportation capacities. It is expected to be put in operation in July 2011. In addition to coal import business, this railway logistics centre will provide import and reloading logistics services for iron ore products from Mongolia. The completion of this railway logistics centre will greatly enhance the capacity of Erlian railway station, facilitate the growth of border-crossing cargo volume at Erlian port, and eliminate the bottleneck caused by insufficient stockpiling capacity for bulk cargos at Erlian railway station.

Construction of the Ceke Logistics Centre commenced in October 2010. This centre commenced trial operation on 4 May 2011. An application has been made to the customs authority for the construction of a railway customs depot. This railway logistics centre is located at the northeast of Jiugang Railway Station and occupies an area of approximately 64 hectares. It is designed to have 8 loading lines with an annual handling capacity of up to 10 million tonnes with an estimated investment of approximately RMB120 million. As at the end of June 2011, this railway logistics centre has arranged the dispatch of 50 freight trains, with a total freight volume of approximately 200,000 tonnes.

The major works for the private railway line for Jining Qisumu Logistics Centre were completed at the end of 2010. This private railway line was connected to major railway network between mid-April and early May this year and is now ready for railway transportation.

The management of the Company is of the opinion that the completion of the three major railway logistics centres will substantially alleviate the pressure on road transportation and reduce the transportation costs of the Company.

In order to utilise the railway logistics centres and broaden the coal sources for coal processing, the Company decided to accelerate the construction of coal processing plant at Jining. Hence, it is expected that the completion of the Phase IV coal processing plant at Urad Zhongqi, which was scheduled to be completed by the end of 2011, will have a short delay. In view of the Company's general layout of coal processing facilities at all land ports, rail transshipment stations and ports, as at the date of this announcement, the construction of the coal processing plants at Jining and Bayuquan port was completed and commenced operation, while the construction of the coal processing plant at Longkou port is in the final stage. Each of these three processing plants has an annual coal processing capacity of 4 million tonnes.

## CAUTION STATEMENT

The Board of the Company wishes to remind investors that the above operational data are based on the unaudited management accounts of the Group which have not been reviewed or audited by the auditors of the Company. Differences may arise between such data and the data to be disclosed in the Company's audited report after review and audit adjustment. Such data are provisional and for reference purposes only. Investors are hereby reminded of the risks which may result from unduly reliance upon or utilization of information included herein. **Investors are advised to exercise care in dealing in the shares of the Company.**

This announcement is a voluntary information disclosure.

By order of the Board  
**Winsway Coking Coal Holdings Limited**  
**Cao Xinyi**  
*Company Secretary*

Hong Kong, 19 July 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.*