



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)

FURTHER UPDATE ON MAJOR TRANSACTION

Entry into a Joint Venture with Marubeni Corporation to Acquire the entire issued share capital of Grande Cache Coal Corporation

The Company is pleased to announce that on 9 February 2012, the Purchaser, which is 60% owned by the Company and 40% owned by Marubeni, entered into the Facilities Agreement with a publicly listed Chinese banking group selected by the Company and Marubeni, pursuant to which the Bank will provide facilities of up to US\$350 million to the Purchaser towards funding the Acquisition Price under the Arrangement and US\$50 million for working capital.

Reference is made to the announcement of Winsway Coking Coal Holdings Limited (the “**Company**”) dated 1 November 2011 in relation to the entry into a joint venture with Marubeni Corporation to acquire the entire issued share capital of Grande Cache Coal Corporation (“**Announcement**”). Terms defined in the Announcement shall have the same meaning in this announcement unless otherwise defined or the context otherwise requires.

The Company is pleased to announce that on 9 February 2012, the Purchaser, which is 60% owned by the Company and 40% owned by Marubeni, entered into a facilities agreement (the “**Facilities Agreement**”) with a publicly listed Chinese banking group (the “**Bank**”) selected by the Company and Marubeni, pursuant to which the Bank will provide facilities of up to US\$350 million to the Purchaser towards funding the Acquisition Price under the Arrangement and US\$50 million for working capital.

The facilities will be 35-month term loans with interest at 3-month LIBOR (the London Interbank Offered Rate) plus 4.5% per annum. Under the terms of the Facilities Agreement, the Bank will have the benefit of security for the facilities including a pledge of all the equity interest of the Company and Marubeni in the Purchaser and a security interest over all assets of the Purchaser. Upon completion of the Arrangement, the Purchaser will pledge its interest in the Target Shares and the Target’s subsidiary for the benefit of the Bank and procure a first fixed charge to be granted for the benefit of the Bank over all the assets of the Target and the Target’s subsidiary to secure the facilities pursuant to the Facilities Agreement. Such security will be released upon such facilities being repaid in full.

The Company will make further announcements regarding the Arrangement when appropriate.

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

Hong Kong, 10 February 2012

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. Delbert Lee Lobb, Jr., 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.