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HUSCOKE RESOURCES HOLDINGS LIMITED

和嘉資源控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 704)

Website: <http://www.huscoke.com>

INSIDE INFORMATION

This announcement is made by Huscoke Resources Holdings Limited (the “Company”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to, among others, the Company’s announcement dated 23 May 2013 (the “Announcement”) in relation to, among others, the annual coke sale and purchase agreement dated 22 May 2013 entered into among the Company, Kailuan and Mr. Wu (the “Agreement”).

Unless the context otherwise requires, the capitalised terms used in this announcement shall have the same meanings as defined in the aforesaid Announcement.

ENTERING INTO LETTER OF INTENT

The Company intends to develop a long-term trading relationship with Kailuan. The Company and Kailuan have entered into a letter of intent (the “LOI”) on 27 March 2014 to extend the Agreement for half year or one year upon its expiry on 23 May 2014, and the prepayment of HK\$220 million shall be paid by the Company to Kailuan on or before 23 May 2014 as stipulated in Clause 11b in the Agreement shall also be extended for half year or one year. On the same day, Mr. Wu and certain minority shareholders signed undertakings, pursuant to which, they agreed to extend the pledging period in relation to a total of 957,000,000 shares (the “Shares”) of the Company pledged to Kailuan in order to secure the prepayment in the Agreement. Moreover, certain minority shareholders agreed to extend the option period for options (the “Options”) granted to Kailuan giving it rights to acquire 230,000,000 shares of the Company at agreed prices. Both undertakings in relation to the Shares and the Options pledged and granted to Kailuan shall be subject to the extension of the expiry date of the Agreement.

The extension of the expiry date of the Agreement and the repayment deadline for the prepayment thereunder shall be subject to further negotiation among the Company, Kailuan and Mr. Wu as appropriate. In case of extension, the Company, Kailuan and Mr. Wu shall enter into a supplemental agreement in writing and other relevant documents in relation to the extension of the Agreement. If the parties fail to enter into a supplemental agreement and other relevant documents in relation to the extension of the Agreement in writing on or before its expiry date, the Agreement shall forthwith be terminated on its expiry date, and the Company shall also forthwith wholly one-time repay the prepayment of Hong Kong Dollars Two Hundred and Twenty Million Only (HK\$220 million) to Kailuan on its expiry date.

Due to the weak coal market, as at the date of this announcement, there had not been any revenue recorded related to the Agreement. Accordingly, the Group shall be subject to the default liquidated damages to Kailuan at HK\$44/tonne based on the supply shortage.

The Board wishes to emphasise that as the LOI is not legally binding, the terms under the LOI may or may not proceed. Shareholders of the Company and public investors are urged to exercise caution when dealing in the Shares.

By Order of the Board
Huscoke Resources Holdings Limited
Li Baoqi
Executive Director

Hong Kong, 27 March 2014

As at the date of this announcement, the executive Directors of the Company are Mr. Gao Jianguo and Mr. Li Baoqi, the non-executive Director of the Company is Mr. Wu Jixian, and the independent non-executive Directors of the Company are Mr. Lam Hoy Lee Laurie, Mr. Lau Ka Ho and Mr. To Wing Tim, Paddy.