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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>

COMPLETION OF ISSUE AND SUBSCRIPTION OF CONVERTIBLE BONDS

The Company is pleased to announce that completion of the issue and subscription of the 2013 Bonds in the aggregate principal amounts of HK\$ 192.5 million took place on 24 May, 2010.

The net proceeds arising from the issue of the 2013 Bonds will be applied to fund the acquisition of the Coke Processing Assets.

Reference is made to the Company's announcement dated 6 May, 2010. Terms used in this announcement shall have the same meanings ascribed thereto in the said announcement.

Completion of the issue and subscription of the 2013 Bonds took place on 24 May, 2010. The net proceeds of such issue amounts to approximately HK\$ 175 million will be applied to fund the acquisition of the Coke Processing Assets as disclosed in the circular of the Company dated 29 January, 2010.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after the Subscription Completion is set out below:

	Existing shareholdings		Assuming full conversion of the 2013 Bonds and assuming the WJX Convertible Bonds are not converted at all		Assuming full conversion of the 2013 Bonds and the WJX Convertible Bonds	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors:						
Mr. Wu (<i>Note 1</i>)	450,000,000	10.86	450,000,000	10.02	1,732,175,582 (<i>Note 3</i>)	29.99 (<i>Note 3</i>)
To Wing Tim, Paddy (<i>Note 2</i>)	660,000	0.02	660,000	0.01	660,000	0.01
Subscribers:						
First Subscriber	—	—	280,000,000	6.23	280,000,000	4.85
Second Subscriber	—	—	70,000,000	1.56	70,000,000	1.21
Other public Shareholders:	3,692,266,292	89.12	3,692,266,292	82.18	3,692,266,292	63.94
Total:	4,142,926,292	100.00	4,492,926,292	100.00	5,775,101,874	100.00

Notes:

- Mr. Wu is the chief executive officer of the Company and one of the executive Directors. These Shares does not take into account any Shares which may fall to be allotted and issued upon exercise of the conversion right attached to the WJX Convertible Bonds and the subscription right attaching to the share options granted by the Company to Mr. Wu to subscribe for (i) up to 1,800,000 new Shares under the share options granted on 27 February 2009 and offered by the Company to Mr. Wu as disclosed in the Company's announcement

dated 27 February 2009; and (ii) up to 3,600,000 new Shares under the share options granted on 11 January 2010 and offered by the Company to Mr. Wu as disclosed in the Company's announcement dated 11 January 2010. As at the date of this announcement, the outstanding options entitle Mr. Wu to subscribe for up to 5,400,000 new Shares.

2. Among these Shares in which Mr. To has interest, 100,000 Shares are held by Mr. To (an independent non-executive Director) as beneficial owner while 560,000 Shares are held by Ms. Leung Yuet Mei, the spouse of Mr. To. Accordingly, Mr. To is deemed interested in such 560,000 Shares as well under the SFO.
3. These columns are shown for illustrative purpose only. Mr. Wu shall not exercise any right to convert the WJX Convertible Bonds into new conversion shares to the extent that following such exercise, Mr. Wu and parties acting in concert with him, taken together, will directly or indirectly, control or be interested in 30% or more of the entire issued Shares or in such lower percentage as may from time to time be specified in the Takeovers Code as being the level for triggering a mandatory general offer of the Listing Rules and as required by the Stock Exchange.

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

Hong Kong, 24 May 2010

As at the date of this announcement, the executive Directors are Mr. Wu Jixian, Mr. Li Baoqi, Mr. Chim Kim Lun, Ricky and Mr. Cheung Ka Fai, and the independent non-executive Directors are Mr. Lam Hoy Lee Laurie, Mr. Wan Hon Keung and Mr. To Wing Tim, Paddy.