



MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 136)

EXTENSION OF LOAN REPAYMENT DATE AND RESUMPTION OF TRADING

Reference is made to the 2008 Announcement in relation to, among others, the extension of the repayment date of the Loan advanced by the Company to the Borrower pursuant to the Facility Letter to 28 May 2008.

Reference is also made to the announcement of the Company dated 29 May 2008 in relation to the suspension of trading of the Shares pending the release of an announcement by the Company relating to price sensitive information.

The Company and the Borrower have agreed to repay the Loan in two tranches and extend the repayment date of the Loan to 10 June 2008 and 10 July 2008, respectively.

The Company has requested trading in the Shares listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to be suspended from 10:00 a.m. on 29 May 2008, pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 2 June 2008.

EXTENSION OF LOAN REPAYMENT DATE

Reference is made to the announcement of Mascotte Holdings Limited (the “**Company**”) dated 19 May 2008 (the “**2008 Announcement**”) in relation to, among others, the extension of the repayment date of the loan in the principal sum of HK\$200,000,000 (the “**Loan**”) advanced by the Company to Leadup Resources Investments Limited (the “**Borrower**”) pursuant to a facility letter dated 19 November 2007 entered into between the Borrower and the Company and amended by two supplemental facility letters dated 20 November 2007 and 19 May 2008, respectively (collectively the “**Facility Letter**”) to 28 May 2008 (the “**Repayment Date**”).

Reference is also made to the announcement of the Company dated 29 May 2008 in relation to the suspension of trading of the shares of the Company (the “**Shares**”) pending the release of an announcement by the Company relating to price sensitive information.

As referred to in the 2008 Announcement, the Company extended the Loan as the Company was undergoing a negotiation with the Borrower and Mr. Zeng Jian (the “**Guarantor**”) in relation to the acquisition of a thermal coal mine in the PRC (the “**Proposed Acquisition**”) at the relevant time and the grant of first refusal by the Borrower to the Company in connection with the Company’s acquisition of any additional thermal coal mines in the PRC.

As advised by the Guarantor, the Company understands that the Guarantor is engaging in negotiation with a leading German investment bank and a private equity fund to acquire certain coal mines in the PRC (the “**Transaction**”). As such negotiation may take time, and the Transaction may not materialise in the near future, the Guarantor and the Company agree to defer the negotiation of the Proposed Acquisition pending the completion of the Transaction.

In light of the above, the Company and the Borrower have agreed to repay the Loan to the Company based on the repayment schedule below and continue the negotiation of the Proposed Acquisition pending the completion of the Transaction as follows:

The Borrower shall pay to the Company a total approximate amount of HK\$109,933,333 (the “**First Repayment Amount**”) on or before 10 June 2008 (the “**First Repayment Date**”) and a total approximate amount of HK\$105,000,000 (the “**Second Repayment Amount**”) on or before 10 July 2008 (the “**Second Repayment Date**”).

The First Repayment Amount comprises the following:

- (i) HK\$100,000,000, representing half of the total outstanding principal of the Loan under the Facility Letter;
- (ii) HK\$933,333, being the interest accrued on the total outstanding principal of the Loan during the period from 20 May 2008 to 29 May 2008 (both days inclusive) at a monthly interest rate equivalent to approximately 1.4%;
- (iii) approximate amount of HK\$4,000,000, being the interest accrued or to be accrued on the total outstanding principal of the Loan during the period from 30 May 2008 to 10 June 2008 (both days inclusive) at a monthly interest rate of 5% for which the total outstanding principal of the Loan is subject to early repayment; and
- (iv) HK\$5,000,000, being an extension fee in consideration of extending the Repayment Date (the “**Extension Fee**”).

The Second Repayment Amount comprises the following:

- (i) HK\$100,000,000, being the remaining half of the total outstanding principal of the Loan under the Facility Letter; and
- (ii) approximate amount of HK\$5,000,000 (the “**Second Interest**”), being the interest to be accrued on the remaining half of the total outstanding principal of the Loan during the period from 11 June 2008 to 10 July 2008 at a monthly interest rate of 5% for which the remaining half of the total outstanding principal of the Loan is subject to early repayment.

Taking into account of the interest in the amount of HK\$2,206,027.40 which has already been paid by the Borrower, the interest accrued or to be accrued on the Loan and the Extension Fee, the return to the Company on granting the Loan to the Borrower for eight months is approximately HK\$17,000,000, which represents over 9% return of the Loan. In view of such return, the Board decides to continue the negotiation of the Proposed Acquisition with the Vendor pending the completion of the Transaction.

Pursuant to the Facility Letter, the Company has been granted a right of first refusal to purchase equity interests in a BVI company which holds 65% equity interests in a mining company in PRC (the “**Right of First Refusal**”). Upon full repayment of the Loan, the Right of First Refusal will be cancelled and the Company will return all the relevant security documents to the Borrower.

RESUMPTION OF TRADING

The Company has requested trading in the Shares listed on the Stock Exchange to be suspended from 10:00 a.m. on 29 May 2008, pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 2 June 2008.

By Order of the Board
Chung, Wilson
Deputy Chairman and Managing Director

Hong Kong, 30 May 2008

As at the date of this announcement, the Board comprises Mr. Peter Temple Whitelam (Chairman), Mr. Chung, Wilson (Deputy Chairman and Managing Director), Mr. Au Yeung Kai Chor and Mr. Lam Suk Ping as executive Directors, Mr. Chan Sze Hung, Ms. Kristi L Swartz and Ms. Hui Wai Man, Shirley as independent non-executive Directors.