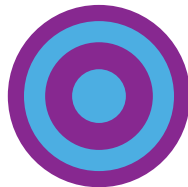


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MASCOTTE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 136)

ANNOUNCEMENT FURTHER EXTENSION OF THE LOAN

As at the date of this announcement, the Further Extended Total Outstanding Loan is HK\$206,183,226.

The Extended Total Outstanding Loan, which was originally due on 4 February 2009 and extended to on or about 30 June 2009, was further extended to on or about 31 July 2009 upon further request by the New Borrower and the Guarantor for additional time to (i) arrange the partial repayment, such that the Extended Total Outstanding Loan be reduced to HK\$160 million and (ii) arrange the provision of additional due diligence materials in relation to the Co-investment Arrangement to the Company. In view of the anticipated partial repayment of the Further Extended Total Outstanding Loan and the opportunity of the Co-investment Arrangement, the Company has agreed to further standstill and extend the repayment date of the Extended Total Outstanding Loan to on or about 31 July 2009, subject to early repayment.

The Company will make further announcement regarding the latest development of the above matter as and when required under the Listing Rules.

Reference is made to the Company's announcement dated 25 June 2009 (the "**Announcement**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Announcement.

BACKGROUND AND STATUS OF THE LOAN

As disclosed in the Announcement, the Company agreed to extend the repayment date of the Total Outstanding Loan from 4 February 2009 to on or about 30 June 2009, subject to early repayment. As at the date of this announcement, the Extended Total Outstanding Loan remains unpaid and has been further extended to on or about 31 July 2009 due to the continued negotiations between the Company, New Borrower and the Guarantor regarding (i) the partial repayment on or about 31 July 2009; and (ii) the Co-Investment Arrangement. The total outstanding amount to be due on or about 31 July 2009 will be HK\$207,112,258 (the "**Further Extended Total Outstanding Loan**"), comprising: (i) a portion of the principal sum of the Loan of HK\$192,000,000; (ii) HK\$15,112,258, being the interest accrued or to be accrued on the principal sum of the Loan of HK\$192,000,000 during the period from 5 December 2008 to 31 July 2009 (both days inclusive) at a monthly interest rate of 1%, subject to early repayment.

REASONS FOR FURTHER EXTENSION OF LOAN TO 31 JULY 2009 AND ACTIONS TO BE TAKEN

The Company has closely reviewed the status of repayment of the Loan and obtained further due diligence materials in relation to the Co-Investment Arrangement in the past few weeks. At the same time, the Company has sought legal advice from its legal advisers on possible enforcement proceedings against the New Borrower and the Guarantor and the chance of success of recovering the Extended Total Outstanding Loan from the New Borrower and the Guarantor. Based on information available to the Directors as at the date of this announcement, it appears to the Directors that the New Borrower and the Guarantor may not have sufficient means to repay the Extended Total Outstanding Loan even though the Company will eventually succeed in the enforcement proceedings. In or around early July, the New Borrower and the Guarantor requested for further extension of the repayment date of the Extended Total Outstanding Loan for additional one month to on or about 31 July 2009 with all other terms remaining unchanged so as to provide additional time for them to procure the partial repayment as well as to provide further due diligence materials in relation to the Co-Investment Arrangement. In view of the above, the Board has decided to standstill and not to take any immediate legal proceedings against the New Borrower and the Guarantor and agreed to extend the repayment date to on or about 31 July 2009 and further explore the possibility of alternative repayment methods.

Despite the Loan has been granted for more than one and a half year, given that the Guarantor (i) has the ability to introduce valuable natural resources project to the Company; (ii) his proven track record in procuring the disposal of part of the Shanxi Coal Mines; (iii) his trustworthiness is widely accepted by another listed company; and (iv) the introduction of the Co-investment Arrangement to the Company, for which the Company considers that as a good opportunity for the Company to further explore and if possible, to invest in, the Company considers that further extension of the repayment of the Extended Total Outstanding Loan as an interim measure and simultaneously explore other alternative repayment proposals or plans is fair and reasonable and in the interest of the Company and its shareholders as a whole.

The Company will make further announcement regarding the latest development of the above matter as and when required under the Listing Rules.

By order of the Board of
Mascotte Holdings Limited
Lo Yuen Wa Peter
Acting Chief Executive Officer

Hong Kong, 16 July 2009

As at the date of this announcement, the Executive Directors of the Company are Mr. Peter Temple Whitelam (Chairman), Mr. Lo Yuen Wa Peter (Acting Chief Executive Officer), Mr. Au Yeung Kai Chor, Mr. Lam Suk Ping and Ms. Song Jiajia; and the Independent Non-executive Directors of the Company are Mr. Chan Sze Hung, Ms. Kristi L Swartz and Ms. Hui Wai Man, Shirley.