

SINOCOKING COAL & COKE CHEMICAL INDUSTRIES, INC.
Form SC 13D
February 16, 2010

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 13D
Under the Securities Exchange Act of 1934

SINOCOKING COAL AND COKE CHEMICAL INDUSTRIES, INC.

.....
(Name of Issuer)

Common Stock, par value \$0.001 per share

.....
(Title of Class of Securities)
829357102

.....
(CUSIP Number)

Richardson & Patel LLP
Murdock Plaza
10900 Wilshire Boulevard, Suite 500
Los Angeles, California 90024
310.208.1182 (Tel)
310.208.1154 (Fax)

.....
(Name, Address and Telephone Number of Person Authorized to Receive
Notices and Communications)

February 5, 2010

.....
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), Rule 13d-1(f) or Rule 13d-1(g), check the following box. []

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

CUSIP No. 829357102

(1) Names of reporting persons
Honour Express Limited

(2) Check the appropriate box if a member of a group (see instructions)
(a)
(b)

(3) SEC use only

(4) Source of funds (see instructions)

OO

(5) Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

(6) Citizenship or place of organization

British Virgin Islands

Number of shares beneficially owned by each reporting person with:

(7) Sole Voting Power

6,694,091

(8) Shared Voting Power

0

(9) Sole Dispositive Power

6,694,091

(10) Shared Dispositive Power

0

(11) Aggregate Amount Beneficially Owned by Each Reporting Person

6,694,091

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

(13) Percent of Class Represented by Amount in Row (11)

45.51%

(14) Type of Reporting Person (See Instructions)

OO
CUSIP No. 829357102

(1) Names of reporting persons

Jianhua Lv

(2) Check the appropriate box if a member of a group (see instructions)

(a)
(b)

(3) SEC use only

(4) Source of funds (see instructions)

OO

(5) Check if disclosure of legal proceedings is required pursuant to Items 2(d) or 2(e)

(6) Citizenship or place of organization

People's Republic of China

Number of shares beneficially owned by each reporting person with:

(7) Sole Voting Power

0

(8) Shared Voting Power

6,694,091 (1)

(9) Sole Dispositive Power

0

(10) Shared Dispositive Power

6,694,091 (1)

(11) Aggregate Amount Beneficially Owned by Each Reporting Person

6,694,091 (1)

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)

(13) Percent of Class Represented by Amount in Row (11)

45.51%

(14) Type of Reporting Person (See Instructions)

IN

(1) These shares are held directly by Honour Express Limited (“Honour Express”). Jianhua Lv is a director of Honour Express, and in such capacity, Mr. Lv may be deemed to have voting and dispositive power over the shares held directly by Honour Express. Mr. Lv is also a beneficiary of Honour Express. Pursuant to a certain Incentive Option Agreement dated July 6, 2009 (“Incentive Option Agreement”), Mr. Lv has the right to acquire 100% of the issued and outstanding capital stock of Honour Express from a nominee who holds the shares of capital stock of Honour Express, conditioned upon achievement of certain financial performance targets by SinoCoking Coal and Coke Chemical Industries, Inc. (the “Company”).

ITEM 1. Security and Issuer

This Schedule 13D relates to the common stock, par value \$0.001 per share (the “Common Stock”) of SinoCoking Coal and Coke Chemical Industries, Inc., a Florida corporation (the “Company”). The address of the Company’s principal executive office is: 10th Floor, Chengshi Xin Yong She, Tiyu Road, Xinhua District, Pingdingshan, Henan Province, People’s Republic of China, 467000.

ITEM 2. Identity and Background

(a) This Schedule 13D is being filed on behalf of Honour Express Limited, a company organized under the laws of the British Virgin Islands (“Honour Express”), and Jianhua Lv, a director and beneficiary of Honour Express and a citizen of People’s Republic of China. The persons named in this paragraph are sometimes referred to individually herein as a “Reporting Person” and collectively as the “Reporting Persons.”

(b) The address for the Reporting Persons is: P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.

(c) During the past five years, the Reporting Persons have not been convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors).

(d) During the past five years, the Reporting Persons have not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(e) During the past five years, the Reporting Persons have not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding, was or are subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Honour Express Limited is a company formed under the laws of the British Virgin Islands. Jianhua Lv is a citizen of the People’s Republic of China (PRC).

ITEM 3. Source of Amount of Funds or Other Compensation

The Reporting Persons acquired the reported securities as a result of a share exchange transaction (“Exchange Transaction”). On July 17, 2009, the Company entered into a share exchange agreement (“Exchange Agreement”) with the Company (then named “Ableauctions.com, Inc.”, and its significant shareholders Abdul Ladha and Hanifa Ladha, Top Favour Limited, a British Virgin Islands corporation and holding company (“Top Favour”), and the shareholders of Top Favour, consisting of 12 individuals and 5 entities, who collectively held 100% of Top Favour’s issued and outstanding share capital. Among the shareholders of Top Favour were Honour Express, of which Jianhua Lv was and is a director and beneficiary. Jianhua Lv was and is the founder and president of the business which was acquired in the Exchange Transaction, a coal and coke production firm based in Henan Province in the PRC. Honour Express was the largest single shareholder of Top Favour, the holding company for the acquired coal and coke production firm.

At the closing of the Exchange Agreement on February 5, 2010, the Company issued an aggregate of 13,117,952 shares of Common Stock to the shareholders of Top Favour in exchange for all of the outstanding capital stock of Top Favour, and Top Favour became a wholly-owned subsidiary of the Company. Concurrently with the closing the

Exchange Agreement, the Company also completed an equity financing (“Financing”) pursuant to which the Company issued and sold 1,180,892 shares of Common Stock, and warrants for the purchase of up to 590,446 shares of Common Stock with an exercise price of \$12.00 per share, which brought the total number of issued and outstanding shares of Common Stock of the Company to 14,708,554. Also in connection with the Exchange Transaction, Mr. Lv became the Chief Executive Officer and Chairman of the Board of Directors of SinoCoking Coal and Coke Chemical Industries, Inc., a Florida corporation.

The Exchange Agreement, Financing, and all transactions related thereto were approved by the Company's directors and its majority shareholders, and by Top Favour's directors and its shareholders.

ITEM 4. Purpose of Transaction

The Reporting Persons acquired the shares of Common Stock in the above-described Exchange Transaction because Honour Express was a shareholder of Top Favour immediately prior to the share exchange. As discussed above, Jianhua Lv is a director and beneficiary of Honour Express. See Item 3 of this Schedule 13D, which is hereby incorporated by reference.

In his capacity as Chief Executive Officer and Chairman of the Board of Directors of the Company, Jianhua Lv may actively pursue proposals which could relate to or would result in: (a) the acquisition by any person of additional securities of the Company; (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Company or any of its subsidiaries; (c) a sale or transfer of a material amount of assets of the Company or of any of its subsidiaries; (d) any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (e) any material change in the present capitalization or dividend policy of the Company; (f) any other material change in the Company's business or corporate structure; (g) changes in the Company's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the issuer by any other person; (h) causing a class of securities of the Company to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (i) a class of equity securities of the Company becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Act; or (j) any similar action to those enumerated above.

ITEM 5. Interest in Securities of the Issuer

(a) The aggregate number and percentage of class of securities identified pursuant to Item 1 beneficially owned by each Reporting Person named in Item 2 may be found in rows 11 and 13 of the Cover Pages relating to each of the Reporting Persons, which hereby is incorporated by reference. Applicable percentages are based upon 14,708,554 shares of common stock outstanding as of February 5, 2010.

(b) The powers that the Reporting Persons identified in the preceding paragraph have relative to the shares discussed herein may be found in rows 7 through 10 of the Cover Pages relating to each of the Reporting Persons, which hereby is incorporated by reference.

(c) All transactions in the class of securities reported on effected by any of the persons named in Item 5(a) during the past 60 days may be found in Item 3.

(d) None.

(e) Not applicable.

ITEM 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

The information provided in Items 3 and 4 is hereby incorporated by reference.

Mr. Lv and the sole shareholder of Honour Express, Shaohua Tan, are parties to an Incentive Option Agreement, which provides that Mr. Lv has the right to acquire 100% of the shares of capital stock of Honour Express (which in

turn holds 6,694,091 shares of common stock of the Company), upon the Company's satisfaction of certain financial performance targets. Under this arrangement, as a nominee shareholder of Honour Express, Mr. Tan may not cause Honour Express to vote, sell, transfer or otherwise dispose of the shares of Common Stock of the Company held by Honour Express. A copy of the Incentive Option Agreement is included as an exhibit to this Schedule.

To the best of knowledge of each Reporting Person, other than as described in this Schedule 13D, the Reporting Persons have no contracts, arrangements, understandings or relationships with any other person with respect to any securities of the Company.

ITEM 7. Material to be Filed as Exhibits

- (1) Joint Filing Agreement attached hereto as Exhibit A.
 - (2) Share Exchange Agreement dated July 17, 2009, by and among the Company and its significant shareholders, and Top Favour and its shareholders, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 17, 2009.
 - (3) First Amendment to Share Exchange Agreement dated November 25, 2009, by and among the Company and its significant shareholders, and Top Favour and its shareholders, incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 30, 2009.
 - (4) Incentive Option Agreement dated July 6, 2009 attached hereto as Exhibit B.
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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: February 12, 2010

HONOUR EXPRESS LIMITED
a British Virgin Islands company

/s/ Jianhua Lv
Jianhua Lv, Director

/s/ Jianhua Lv
Jianhua Lv, an individual

EXHIBIT A

JOINT FILING AGREEMENT
PURSUANT TO RULE 13d-1(k)(1)

The undersigned acknowledge and agree that the foregoing statement of Schedule 13D is filed on behalf of each of the undersigned and that all subsequent amendments to this Schedule 13D shall be filed on behalf of each of the undersigned without the necessity of filing additional joint filing agreements. The undersigned acknowledge that each shall be responsible for the timely filing of such amendments, and the completeness and accuracy of the information concerning it contained therein, but shall not be responsible for the completeness and accuracy of the information concerning the others, except to the extent that it knows or has reason to believe that such information is inaccurate.

Dated: February 12, 2010

HONOUR EXPRESS LIMITED
a British Virgin Islands company

/s/ Jianhua Lv
Jianhua Lv, Director

Dated: February 12, 2010

/s/ Jianhua Lv
Jianhua Lv, an individual

LETTER AGREEMENT
REGARDING
INCENTIVE OPTION AGREEMENT

February 11, 2010

Via Electronic Mail

Shaohua Tan
Suite 601, Building W2, Oriental Plaza
No.1 East Changan Street
Dongchen District, Beijing, China

Re: Addendum No. 1 to Incentive Option Agreement

Mr. Tan:

This letter is an addendum to the Incentive Option Agreement dated July 6, 2009 (“Incentive Option Agreement”) by and between you (as Grantor) and I, Jianhua Lv (as Grantee). You, I and Honour Express Limited, a British Virgin Islands international business company (“Honour Express”) are referred to as the “Parties”.

RECITALS

- A. Honour Express currently holds 6,694,091 shares of common stock (the “Issuer Shares”) of SinoCoking Coal and Coke Chemical Industries, Inc., a Florida corporation (the “Issuer”).
- B. Honour Express received the Issuer Shares as a result of a share exchange transaction (“Exchange Transaction”) on February 5, 2010, pursuant to the terms of a Share Exchange Agreement dated July 17, 2009 (as amended) (“Exchange Agreement”) by and among Ableauctions.com, Inc. (renamed “SinoCoking Coal and Coke Chemical Industries, Inc.”), Abdul Ladha, Hanifa Ladha, Top Favour Limited, a British Virgin Islands corporation (“Top Favour”), and the shareholders of Top Favour.
- C. Since Honour Express was a shareholder of Top Favour prior to the Exchange Transaction, Honour Express received the Issuer Shares in the transaction.
- D. Mr. Tan is a director, and holder of 100% of the issued and outstanding capital stock of Honour Express, and the Incentive Option Agreement provides that Mr. Lv has the right to acquire all such shares of Honour Express upon

satisfaction by the Issuer of certain financial performance targets.

E. The Parties wish to provide for certain additional covenants regarding the Issuer Shares held by Honour Express, as provided in this letter agreement.

AGREEMENT

For consideration duly acknowledged, the Parties agree as follows:

1. Mr. Tan shall not, at any time, cause Honour Express to vote or to dispose of the Issuer Shares, without the express consent of Honour Express and Mr. Lv.
2. Further, Mr. Tan shall not in any capacity exercise, nor shall he possess any “voting power” or “investment power”, as such terms are defined in the U.S. Securities Exchange Act of 1934, as amended, over the Issuer Shares held by Honour Express.
3. The terms of this letter agreement shall remain in effect until the Incentive Option Agreement shall have been terminated.
4. The Parties agree that the terms of this letter agreement may not be amended, altered, revoked, terminated or rescinded without the express written agreement of all Parties hereto.
5. The terms of Sections 1, 6 and 8 of the Incentive Option Agreement are incorporated into this letter agreement by reference.

IN WITNESS WHEREOF, the undersigned Parties have executed this letter agreement as of the date first written above.

GRANTEE:
LV, Jianhua

/s/ Jianhua Lv

AGREED:

GRANTOR:
TAN, Shaohua

/s/ Shaohua Tan

HONOUR EXPRESS:

HONOUR EXPRESS LIMITED

/s/ Jianhua Lv

LV, Jianhua
Director