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兗州煤業股份有限公司  
**YANZHOU COAL MINING COMPANY LIMITED**  
*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 1171)**

**Announcement**

This announcement is made pursuant to the disclosure requirements under Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.
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This announcement of Yanzhou Coal Mining Company Limited (“Yanzhou Coal” or the “Company”) refers to the recent progress of the entrusted loan of RMB640 million.

In order to ensure Shandong Lianda Group Limited (“Lianda Group”) repays the principal, interest, penalty interest and the relevant expenses of the entrusted loan of RMB640 million to Yanzhou Coal, Yanzhou Coal has attached and frozen the 289 million shares of Huaxia Bank Company Limited (“Huaxia Bank”) held by Lianda Group. Shandong RunHua Group Company Limited (“RunHua Group”) has started legal proceedings in another action for the transfer of 240 million shares in Huaxia Bank held by Lianda Group Limited to it.

The Supreme People’s Court of the People’s Republic of China has acted as mediator for the above-mentioned two cases. According to its mediation proposal: RunHua Group shall offer guarantee voluntarily for the realization of the debt of Yanzhou Coal. 200 million shares out of the 289 million shares of Huaxia Bank attached by Yanzhou Coal shall be transferred to RunHua Group, for RunHua Group to finance the settlement of debt. 200 million shares and 89 million shares of Huaxia Bank held by RunHua Group and Lianda Group respectively should remain attached and frozen by Yanzhou Coal.

Yanzhou Coal received judgement from the Higher People’s Court of Shandong Province on 20 November 2007. The transfer of the 200 million shares of Huaxia Bank was implemented by the Higher People’s Court of Shandong Province, and the procedure for Yanzhou Coal to continue the attachment was completed.

Yanzhou Coal considers that the above-mentioned arrangement of RunHua Group’s provision of relevant guarantee and transfer of shares is beneficial for Yanzhou Coal’s recovery of the principal, interest, penalty interest and the relevant expenses of the entrusted loan.

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*On the date of this announcement, the Directors are Mr. Wang Xin, Mr. Geng Jiahuai, Mr. Yang Deyu, Mr. Shi Xuerang, Mr. Chen Changchun, Mr. Wu Yuxiang, Mr. Wang Xinkun, Mr. Zhang Baocai and Mr. Dong Yunqing. The independent non-executive Directors of the Company are Mr.*

*Pu Hongjiu, Mr. Cui Jianmin, Mr. Wang Xiaojun and Mr. Wang Quanxi.*

By order of the Board  
**Yanzhou Coal Mining Company Limited**  
**Wang Xin**  
*Chairman*

Zoucheng City, Shandong Province, the People's Republic of China,  
22 November 2007