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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)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

### **THE PROPOSED NON-PUBLIC ISSUANCE OF EXCHANGEABLE CORPORATE BONDS BY THE CONTROLLING SHAREHOLDER**

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance and Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Yanzhou Coal Mining Company Limited (the "**Company**") received a notification recently from Yankuang Group Company Limited ("**Yankuang Group**"), the controlling shareholder of the Company, informing the Company that Yankuang Group proposed to use the A shares of the Company held by Yankuang Group as the exchange objects for the non-public issuance of exchangeable corporate bonds.

As at the date of this announcement, Yankuang Group held 2,600,000,000 A shares and 180,000,000 H shares of the Company, representing 56.59% of the total issued share capital of the Company in aggregate. According to the notification, the proposed term of the non-public issuance of exchangeable corporate bonds by Yankuang Group will not exceed three years, and the proposed proceeds to be raised will not exceed RMB10 billion.

Subject to the fulfillment of the conditions for the exchange, it is proposed that the holders of the non-publicly issued exchangeable corporate bonds will be entitled to exchange their exchangeable corporate bonds into A shares of the Company within a certain period.

According to the notification, the non-public issuance of exchangeable corporate bonds has been approved by Shandong Provincial State-owned Assets and Administration Commission and Shandong Council for Social Security Fund, and is still pending approval from relevant departments and proceeded according to relevant procedures. The final plan for the issuance of exchangeable corporate bonds will be determined based on market conditions at time of the issuance.

The company will disclose information in relation to the non-public issuance of the exchangeable corporate bonds and subsequent events in a timely manner in accordance with the relevant regulatory requirements.

By order of the Board  
**Yanzhou Coal Mining Company Limited**  
**Li Xiyong**  
*Chairman of the Board*

Zoucheng, Shandong Province, the PRC

3 November 2016

*As at the date of this announcement, the directors of the Company are Mr. Li Xiyong, Mr. Li Wei, Mr. Wu Xiangqian, Mr. Wu Yuxiang, Mr. Zhao Qingchun, Mr. Guo Dechun and Mr. Guo Jun, and the independent non-executive directors of the Company are Mr. Wang Lijie, Mr. Jia Shaohua, Mr. Wang Xiaojun and Mr. Qi Anbang.*