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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)*

VOLUNTARY ANNOUNCEMENT

PROPOSED ISSUE OF US DOLLARS DENOMINATED SENIOR PERPETUAL CAPITAL SECURITIES GUARANTEED BY THE COMPANY

The Issuer, which is an indirect wholly-owned subsidiary of the Company, proposes to conduct the Proposed Securities Issue to institutional investors. The Proposed Securities Issue will only be offered to non-U.S. persons outside the United States in compliance with Regulation S under the Securities Act.

The Securities, if issued, will be guaranteed by the Company under the Deed of Guarantee. Completion of the Proposed Securities Issue is subject to market conditions and investors' interest. Deutsche Bank, UBS and Credit Suisse are joint bookrunners, joint global coordinators, joint lead managers and joint structuring advisors for the Proposed Securities Issue. As at the date of this announcement, the amount and the terms and conditions of the Proposed Securities Issue have yet to be determined. Upon finalisation of the terms of the Proposed Securities Issue, the Issuer, the Company and the Joint Bookrunners will enter into the Subscription Agreement.

The Issuer intends that the net proceeds from the issuance of the Securities would be

on-lent to the Company's subsidiaries for repayment of indebtedness, capital expenditure, working capital, as well as for general corporate purposes.

The Issuer will seek a listing of the Securities on the Hong Kong Stock Exchange. A confirmation of the eligibility for the listing of the Securities has been received by the Issuer from the Hong Kong Stock Exchange. Admission of the Securities to the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Securities, the Issuer or the Company.

As no binding agreement in relation to the Proposed Securities Issue has been entered into among the Issuer, the Company and Joint Bookrunners as at the date of this announcement, the Proposed Securities Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcements in respect of the Proposed Securities Issue will be made by the Company should the Subscription Agreement be signed.

THE PROPOSED SECURITIES ISSUE

A. INTRODUCTION

The Issuer, which is an indirect wholly-owned subsidiary of the Company, proposes to conduct the Proposed Securities Issue to institutional investors.

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B. USE OF PROCEEDS

The Issuer intends that the net proceeds from the issuance of the Securities would be on-lent to the Company's subsidiaries for repayment of indebtedness, capital expenditure, working capital, as well as for general corporate purposes.

C. LISTING

The Issuer will seek a listing of the Securities on the Hong Kong Stock Exchange. Confirmation of the eligibility for the listing of the Securities has been received by the Issuer from the Hong Kong Stock Exchange. Admission of the Securities to the Hong Kong Stock Exchange is not to be taken as an indication of the merits of the Securities, the Issuer or the Company.

D. GENERAL

As no binding agreement in relation to the Proposed Securities Issue has been entered into among the Issuer, the Company and Joint Bookrunners as at the date of this announcement, the Proposed Securities Issue may or may not materialise. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcements in respect of the Proposed Securities Issue will be made by the Company should the Subscription Agreement be signed.

“Board”	the board of Directors of the Company;
“Company”	兗州煤業股份有限公司, Yanzhou Coal Mining Company Limited, a joint stock limited company established under the laws of the PRC in 1997, and the H Shares, American depositary shares and A Shares of which are listed on the Hong Kong Stock Exchange, New York Stock Exchange and the Shanghai Stock Exchange, respectively;
“Credit Suisse”	Credit Suisse Securities (Europe) Limited;
“Deed of Guarantee”	the deed of guarantee to be entered into by the Company, pursuant to which, inter alia, the Company will guarantee the obligations in connection with the Proposed Securities Issue;
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch;
“Directors”	the directors of the Company;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Issuer”	Yancoal International Trading Co., Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Joint Bookrunners”	Deutsche Bank, UBS and Credit Suisse;

“PRC”	the People’s Republic of China, excluding the Hong Kong Special Administrative Region, Macau Special Administrative Region, and Taiwan for the purposes of this announcement;
“Proposed Securities Issue”	the proposed issue of the Securities by the Issuer;
“Securities”	US\$ denominated senior perpetual capital securities guaranteed by the Company;
“Securities Act”	United States Securities Act of 1933, as amended;
“Subscription Agreement”	the subscription agreement to be entered into among the Company, the Issuer, Joint Bookrunners after the terms of Proposed Securities Issue are finalised;
“subsidiaries”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“UBS”	UBS AG, Hong Kong Branch;
“USD”	the lawful currency of the United States;
“U.S. person”	has the meaning ascribed thereto under Regulation S of the Securities Act; and
“%”	percentage.

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

Hong Kong, 14 May 2014

As at the date of this announcement, the directors of Yanzhou Coal Mining Company Limited are Mr. Li Xinyong, Mr. Zhang Xinwen, Mr. Zhang Yingmin, Mr. Shi Xuerang, Mr. Wu Yuxiang, Mr. Zhang Baocai and Mr. Dong Yunqing, and the independent non-executive directors of Yanzhou Coal Mining Company Limited are Mr. Wang Xianzheng, Mr. Cheng Faguang, Mr. Wang Xiaojun and Mr. Xue Youzhi.