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

Provision of Financial Guarantee to the Company's Subsidiaries and Granting of Authorization to Yancoal Australia and Its Subsidiaries to Provide Guarantee for the Daily Operation of the Subsidiaries of Yanzhou Coal in Australia

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

I. General overview of the authorization of guarantee

(1) Basic information on the authorization of guarantee

1. In order to reduce financing costs of the subsidiaries and to ensure that the normaloperation funding needs of its subsidiaries can be satisfied, Yanzhou Coal MiningCompany Limited ("**Yanzhou Coal**" or the "**Company**") submits to the generalmeeting for authorizing the provision of financial guarantee by the Company to itswholly-owned or controlled subsidiaries for a total amount not exceeding USD4billion or its equivalents.

2. In order to meet the normal operational needs of the Company's subsidiaries inAustralia (the "**Australian Subsidiaries**"), Yancoal Australia Limited ("**YancoalAustralia**") and its subsidiaries need to provide guarantees for not morethanAUD1.2billion to the Australian Subsidiaries for their daily operations. Withreference to the common practice of the daily operations of operating companies inAustralia, the relevant parties often provide guarantees to the subsidiaries. Theguarantees for operation concerned include the provision of guarantee by YancoalAustralia to its subsidiaries, by the subsidiaries of Yancoal Australia to theirsubsidiaries, andby Yancoal Australia and its subsidiaries to the subsidiaries ofYancoalInternational (Holding) Co., Ltd.* (兗煤國際（控股）有限公司) ("**Yancoal International**") inAustralia.Such guarantees are mainly made in the form of bank guarantee.

(2) Details of the authorization of guarantee

1. To approve the provision of financial guarantee by the Company to its wholly-owned orcontrolled subsidiaries for an amount not exceeding USD4 billion or its equivalents.

2. To approve the provision of guarantees for not more thanAUD1.2 billion by Yancoal Australiaand its subsidiaries to the Australian Subsidiaries for their daily operations.

3. To approve the granting of authorization to the chairman of the board of directors of the Company(the"**Board**") to deal with matters in relation to the aforesaid financial guarantees inaccordance with the relevant laws and regulations. Such mattersinclude but are not limited to the following:

> (1) to determine the appropriate wholly-owned or controlled subsidiaries whichwill be provided with the guarantees based on the financing needs;
>
> (2) to determine the exact terms and conditions of the guarantee agreements,which include but are not limited to the amount, term, scope and method ofguarantee; and executing the guarantee agreement(s) involved and otherrelevant legal documents; and
>
> (3) to deal with the filing and reporting of documents and information in respectof the guarantee(s) and other relevant matters.

4. The aforementioned authorization shall become valid after it is approved by theshareholders at the 2018 annual general meeting until the date of convening of the nextannual general meeting of the Company, except where the circumstances require theperson so authorized to exercise his powers after the expiry of the term ofauthorization in relation to any contracts, agreements or decisions regarding thefinancial guarantees that have been made within the term of authorization.

(3) Internal decision-making procedures for the authorization of guarantee

The "Proposal in relation to provision of financial guarantee to the Company's subsidiaries andgranting of authority to Yancoal Australia and its subsidiaries to provide guarantees for thedaily operation of the subsidiaries of the Company in Australia" was considered and approvedat the twenty-fourth meeting of the seventh session of the Board held on 29 March 2019, and will besubmitted to the 2018 annual general meeting for consideration and approval.

II. Basic Information of the Guaranteed Parties

For the basic information of the guaranteed parties, please refer to Appendix 1 –Basicinformation of the Company's subsidiaries which are proposed to be guaranteed, Appendix 2 –Basic information of the subsidiaries of Yancoal Australia which are proposed to beguaranteed, and Appendix 3 – Basic information of the subsidiaries of YancoalInternationalwhich are proposed to be guaranteed.

III. Contents of the Guarantee Agreement and Guaranteed Parties

As of the date of this announcement, the Company has not entered into any guaranteeagreement. The Company will strictly fulfil its obligations in relation to the guarantees basedon the arrangements of the financing activities and the actual circumstances facing theCompany during the term of the authorization in accordance with the authorization by theshareholders at the general meeting.

IV. Opinion of the Board and Independent Non-executive Directors

The Board and the independent non-executive directors of the Company are of the view thatthe matters in relation to the provision of financial guarantee by the Company to its wholly-ownedor controlled subsidiaries and the granting of authorization to Yancoal Australia and itssubsidiaries to provide guarantees for the daily operation of the Australian Subsidiaries meetthe operational development needs of the Company and its subsidiaries; the provision ofguarantees by Yancoal Australia and its subsidiaries to the Australian Subsidiaries is for thedaily operational needs and in compliance with the laws and regulations and thelocal operating practice in Australia. As the abovementioned guaranteed parties are either wholly-ownedor controlled subsidiaries of the Company, the Company therefore believes that the risk arisingfrom the guarantee can be effectively controlled and prevented, and that the guarantee will notbe detrimental to the interests of the Company and its shareholders as a whole.

V. Number of Cumulative External Guarantees and Overdue Guarantees

As at 31 December 2018, the accumulative balanceof the external guarantees provided by theCompany (all of which are guarantees provided by the Company to its wholly-ownedor controlled subsidiaries) was RMB32.778 billion in aggregate, representing53.74% of the audited net assets of RMB60.992 billion of the Company in2018 calculated in accordance with thePRC Accounting Standards.

The guaranteed parties and the guarantees are as follows:

1. Yancoal Australia

As considered and approved at the 2011 annual general meeting ofthe Company, Yancoal Australia acquired equity interest in Yancoal ResourcesLimited with loan amount of USD3.04 billion. As at 31 December 2018, the balance ofthe aforementioned loan was USD1.575 billion and Yanzhou Coal provided theguaranteesofUSD0.956 billion and RMB4.651 billionto Yancoal Australia.

2. Yancoal International

As considered and approved at the 2016 annual general meetingof the Company, theCompany provided a guarantee to Yancoal International, a wholly-owned subsidiary of the Company. As at 31 December 2018, theCompany provided guaranteesamounting to USD0.19 billion and HKD1.569 billion to YancoalInternational.

3. Yancoal International Resources Development Co., Ltd.* (兗煤國際資源開發有限公司) ("**Yancoal InternationalResources**")

As considered and approved at the Company's second extraordinarygeneral meeting in 2012, the Company provided a guarantee in respect of the issuanceof USD1 billion corporate bonds in the overseas market by Yancoal InternationalResources, a wholly-owned subsidiary of the Company. As at 31 December 2018, thebalance of the aforementioned guarantee was USD0.104 billion.

As considered and approved at the 2016 annual general meetingof the Company, theCompany provided a guarantee to Yancoal International Resources for issuance of bonds in the principal amount of USD500 million. As at 31December 2018, the guarantee balance was USD500 million.

As considered and approved at the 2017 annual general meeting of the Company, the Company provided a guarantee to Yancoal International Resources. As of 31 December 2018, the Company had provided a guarantee of USD 335 million to Yancoal International Resources.

4. Yancoal International Trading Co., Ltd.* (兗煤國際貿易有限公司) ("**Yancoal International Trading**")

Asconsidered and approved at the 2016 annual general meetingof the Company, theCompany provided a guarantee to Yancoal International Trading, awholly-owned subsidiary of the Company. As at 31 December 2018,the Company had provided a guarantee of USD50 million to Yancoal International Trading.

5. Qingdao ZhongyinRuifeng International Trade Co., Ltd.* (青島中垠瑞豐國際貿易有限公司) ("**ZhongyinRuifeng**")

As considered and approved at the 2016 annual general meetingof the Company, theCompany provided a guarantee to ZhongyinRuifeng, a controlled subsidiary of the Company. As at 31 December 2018, theCompany had provided a guarantee of RMB1.3 billion to ZhongyinRuifeng.

As considered and approved at the 2017 annual general meetingof the Company, theCompany provided a guarantee to ZhongyinRuifeng, a controlled subsidiary of the Company. As at 31 December 2018, theCompany had provided guarantees of RMB1.4 billion and USD50 million to ZhongyinRuifeng.

6. Zhongyin Financial Leasing Co., Ltd.* (中垠融資租賃有限公司) ("**Zhongyin Financial Leasing**")

Asconsidered and approved at the 2016 annual general meetingof the Company, theCompany provided a guarantee to Zhongyin Financial Leasing, a wholly-owned subsidiary of the Company, amounting to RMB1.13 billion and USD33 million. As at 31 December 2018, the balance of the abovementioned guarantee was RMB1.13 billion and USD33 million.

As considered and approved at the 2016 annual general meeting of the Company, the Company provided a guarantee to Zhongyin Financial Leasing. As at 31 December 2018, the Company had provided a guarantee of RMB1.15 billion to Zhongyin Financial Leasing.

7. Qingdao Bonded Area Zhong Yan Trading Co., Ltd.* (青島保稅區中兗貿易有限公司) ("**Qingdao Zhong Yan**")

Asconsidered and approved at the 2016 annual general meetingof the Company, theCompany provided a guarantee to Qingdao Zhong Yan, a wholly-owned subsidiary of the Company, amounting to RMB1 billion. As at 31 December 2018, the balance of the abovementioned guarantee was RMB1 billion.

Asconsidered and approved at the 2016 annual general meetingof the Company, the Company provided guarantee to Qingdao Zhong Yan. As at 31 December 2018, the Company had provided a guarantee of RMB750 million to Qingdao Zhong Yan.

8. Australian Subsidiaries

As considered and approved at the 2016 annual general meetingof the Company,Yancoal Australia and its subsidiaries provided annual guarantees of an aggregateamount not exceeding AUD0.9 billion to the Australian Subsidiaries for their dailyoperations. As at 31 December 2018, the balance of the aforementioned guaranteewasAUD0.752 billion.

As considered and approved at the 2017 annual general meetingof the Company,Yancoal Australia and its subsidiaries provided annual guarantees of an aggregateamount not exceeding AUD1.2 billion to the Australian Subsidiaries for their dailyoperations. As at 31 December 2018, the balance of the aforementioned guaranteewasAUD0.123 billion.

The Company did not have overdue guarantee.

VI. Document Available For Inspection

The resolutions passed at the twenty-fourth meeting of the seventh session of the Board of Yanzhou Coal Mining Company Limited.

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

Zoucheng,Shandong Province,thePRC
29 March 2019

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. Guo Dechun, Mr. Zhao Qingchun and Mr. Guo Jun, and the independent non-executive Directors of the Company are Mr. Kong Xiangguo, Mr. Cai Chang, Mr. Poon Chiu Kwok and Mr. Qi Anbang

Appendix 1: Basic information of the Company'ssubsidiarieswhich are proposed to be guaranteed

Unit: RMB100 million

No.	Name of company	Place of registration	Registered capital	Proportion of shares held by the Company	Scope of operations	31 December 2018						2018	
						Total assets	Total liabilities	Net assets	Debt/asset ratio	Current liabilities	Bank loans	Operating income	Net profit
1	Yancoal Australia Ltd.	Australia	AUD6.027 billion	62.26%	Coal mining and sales of coal	589.26	314.80	274.46	53.42%	43.79	196.97	232.71	42.73
2	Yancoal International (Holding) Co., Ltd.	Hong Kong	USD2.8 million	100%	Foreign investment, development of mining technology, transfer and consulting services, import and export trade	121.39	88.10	33.29	72.57%	66.82	47.99	0.23	5.49
3	Yancoal International Trading Co., Ltd.	Hong Kong	USD1 million	100%	Import and export trade	22.69	21.69	1.00	95.62%	21.69	0.00	238.07	1.02
4	Yancoal International Resources Development Co., Ltd.	Hong Kong	USD0.6 million	100%	Exploration and development of mining resources	74.50	43.03	31.47	57.75%	13.11	0.00	0.00	1.29
5	Yancoal International Technology Development Co., Ltd	Hong Kong	USD1 million	100%	Development, transfer and consultation services of mining technology	8.80	6.39	2.41	72.61%	6.39	0.00	0.16	0.17
6	Zhongyin Financial Leasing Co., Ltd.	Shanghai	RMB7 billion	100%	Financial leasing business, leasing business, purchase of leasing property from the domestic and	121.36	56.62	64.74	46.65%	40.64	20.58	6.18	2.93

					overseas market								
7	Qingdao Zhongyin Ruifeng International Trade Co., Ltd.	Shandong Qingdao	RMB200 million	51%	International trade, carrying trade, import and export of self-operated commodities	36.76	34.11	2.65	92.81%	34.11	12.93	243.76	0.28
8	Zhongyin Ruifeng (Hong Kong) Co., Ltd.	Hong Kong	HKD10 million	51%	International trade, carrying trade, import and export of self-operated commodities	6.41	6.19	0.22	96.51%	6.19	5.66	67.73	0.04
9	Shandong Zhongyin International Trade Co., Ltd.	Shandong Jinan	RMB300 million	100%	Import and export of commodities and technologies, sale of coal and coal mining machinery equipment and accessories etc.	10.32	6.28	4.04	60.80%	6.28	0.00	130.59	1.59
10	Qingdao Zhong Yan Trading Co., Ltd.	Shandong Qingdao	RMB50 million	100%	Trade of domestic bulk commodities, international trade, carrying trade, import and export of self-operated commodities	7.33	6.35	0.98	86.71%	6.35	3.35	104.83	0.16
11	Zhongyin Taian Financial Leasing Co., Ltd.	Shandong Taian	RMB1.593 billion	70%	Financial leasing business, leasing business	17.12	2.54	14.58	14.83%	1.20	0.48	0.63	0.37
12	Duanxin (Shenzhen) Investment Holding Co., Ltd.	Guangdong Shenzhen	RMB10 billion	100%	Equity investment, entrusted asset management, investment management	13.02	1.63	11.39	12.56%	1.63	0.00	15.21	0.24
13	Duanxin Commercial Factoring	Guangdong Shenzhe	RMB100 million	100%	Commercial factoring business, trading business	5.07	3.93	1.14	77.49%	3.93	3.81	0.22	0.06

	(Shenzhen) Co., Ltd.	n											
14	Duanxin Supply Chain (Shenzhen) Co., Ltd.	Guangdong Shenzhen	RMB100 million	100%	Supply chain management and relevant supporting services, trading business	8.37	7.31	1.06	87.27%	7.31	5.68	14.98	0.06
15	Yancoal International (Singapore) Co., Ltd.	Singapore	USD10 million	100%	Trade in bulk commodities	0.69	0.002	0.688	0.25%	0.002	0.00	291.23	0.01
16	Shandong Dongyu Taiheng Development Co., Ltd.	Shandong Taian	RMB500 million	40%	Trade in bulk commodities	4.93	-0.08	5.01	-1.71%	-0.08	0.00	0.43	0.01
17	Yankuang (Hainan) Intelligent Logistics Science and Technology Co., Ltd.	Hainan Haikou	RMB100 million	51%	Trade in bulk commodities	4.62	3.62	1.00	78.29%	3.62	0.00	8.66	0.00
18	Xinyinlian Co. Ltd.	Singapore	USD60 million	51%	Trade in bulk commodities	8.41	7.69	0.72	91.46%	7.69	0.00	48.69	0.03

Appendix 2: Basic information of the subsidiaries of Yancoal Australia which are proposed to be guaranteed

Unit: AUD100 million

Name of company	Place of registration	Registered capital	Percentage of shares held by the Company	Scope of operations	31 December 2018						2018	
					Total assets	Total liabilities	Net assets	Debt/asset ratio	Current liabilities	Bank loans	Operating revenue	Net profits
Ashton Joint Venture Company	Non-legal person joint venture company	N/A	100%	Coal mining, washing and preparation	7.62	4.05	3.57	53.12%	2.15	-	2.24	0.11
Austar Coal Mine Pty Limited	State of Victoria	AUD 64,000,000	100%	Coal mining, washing and preparation	4.63	4.14	0.50	89.31%	0.24	-	0.82	0.27
Donaldson Coal Pty Ltd	State of New South Wales	AUD 3,636,115.53	100%	Coal mining, washing and preparation	5.26	5.39	-0.13	102.47%	0.06	-	0.02	0.11
Duralie Coal Mine Pty Limited	State of New South Wales	AUD2	100%	Coal mining, washing and preparation	1.48	4.76	-3.28	321.01%	4.76	-	0	0.02
Stratford Coal Mine Pty Limited	Western Australia	AUD10	100%	Coal mining, washing and	3.29	20.95	-17.65	636.18%	20.74	-	0.15	0.21

				preparation								
Moolarben Joint Venture Company	Non-legal person joint venture company	N/A	85%	Coal mining, washing and preparation	17.72	2.07	15.65	11.68%	2.40	-	2.10	0.81
Yancoal Resources Limited	State of New South Wales	AUD 444,712,130	100%	Coal mining,exploration	9.28	4.63	4.65	49.89%	0.38	4.25	0.00	0.59
Yarrabee Coal Company Pty Ltd.	State of Queensland	AUD 92,080	100%	Coal mining, washing and preparation	8.21	3.71	4.50	45.24%	2.21	-	4.47	-0.65
Hunter Valley	State of New South Wales	N/A	67.60%	Coal mining, washing and preparation	25.92	6.54	19.38	25.24%	3.10	-	11.35	5.17
Wark Hill Associate	State of New South Wales	N/A	55.57%	Coal mining, washing and preparation	15.90	2.37	13.53	14.93%	0.30	-	9.43	8.46
Mount Thorley Associate	State of New South Wales	N/A	80.00%	Coal mining, washing and preparation	7.24	1.51	5.73	20.91%	0.67	-	4.76	2.80

Schedule 3: Basic Information of the subsidiaries of Yancoal International which are proposed to be guaranteed

Unit: AUD100 million

Guaranteed company	Place of registration	Registered capital	Percentage of shares held by the Company	Scope of operations	31 December 2018						2018	
					Total assets	Total liabilities	Net assets	Debt/asset ratio	Current liabilities	Bank loans	Revenue	Net profit
Athena Joint Venture Company	Non-legal person joint venture company	N/A	51%	Exploration	0.08	0.00	0.08	2.09%	0.00	0.00	0.00	0.00
Premier Coal Limited	Western Australia	AUD3,885,679	100%	Coal mining, washing and preparation	3.38	1.66	1.72	49.00%	1.22	0.00	2.16	-0.14
Syntech Resources Pty Ltd.	State of New South Wales	AUD 64,826.90	100%	Coal mining, washing and preparation	6.54	4.80	1.73	73.51%	4.61	0.00	2.83	0.62
Tonford (Holding) Ltd	State of Victoria	AUD 46,407,918	100%	Exploration	0.65	0.28	0.37	42.60%	0.11	0.00	0.00	0.00
Wilpeena (Holding) Ltd	State of Victoria	AUD 3,457,382	100%	Exploration	0.10	0.08	0.02	78.42%	0.02	0.00	0.00	0.00