



# 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)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an annual general meeting for the year 2002 (the "Annual General Meeting") of Yanzhou Coal Mining Company Limited (the "Company") will be held at 8:00 am on 27 June 2003 at 2nd Floor Conference Room, Zong He Building, 40 Fushan Road, Zoucheng, Shandong Province 273500, People's Republic of China ("PRC");

1. to consider and approve the working report of the Board of Directors of the Company for the year ended 31 December 2002;
2. to consider and approve the working report of the Supervisory Committee of the Company for the year ended 31 December 2002;
3. to consider and approve the audited financial statements of the Company as at and for the year ended 31 December 2002;
4. to consider and approve the proposed profit distribution plan and the final dividend distribution plan of the Company for the year ended 31 December 2002, and to authorise the Board of Directors of the Company to distribute such dividend to shareholders;
5. to determine the remuneration of the Directors and Supervisors of the Company for the year ending 31 December 2003;
6. to consider and approve the appointment of Deloitte Touche Tohmatsu (certified public accountants in Hong Kong) and Deloitte Touche Tohmatsu Certified Public Accountants Ltd. (certified public accountants in the PRC (excluding Hong Kong)) as the Company's international and domestic auditors for 2003, respectively, to hold office until the conclusion of the next annual general meeting, and to fix their remuneration;
7. to approve and confirm the second supplemental agreement (the "Second Supplemental Agreement") between the Company and Yankuang Group Corporation Limited (the "Parent Company") to amend the materials and services supply agreement dated 17 October 1997 entered into between the Company and the Parent Company (as amended by the first supplemental agreement dated 30 October 2001); to approve and confirm the New Waiver Application (as defined in the announcement of the Company dated 12 May 2003); and that the board of directors of the Company be and is hereby authorised to do all such further acts and things and execute such further documents and take all such steps which in its opinion may be necessary, desirable and expedient to implement and/or give effect to the terms of ongoing connected transactions under the Second Supplemental Agreement;
8. to consider, if thought fit, approve the following by way of special resolution:

**"THAT:**

- (a) the Board of Directors of the Company be and is hereby authorised to make such amendments to the Articles of Association of the Company as it thinks fit so as to increase the registered share capital of the Company and reflect the new capital structure of the Company upon the allotment and issuance of H shares of the Company as contemplated in subparagraph (b) of this Resolution;
- (b) the Directors of the Company be and are hereby granted an unconditional general mandate to issue, allot and deal with additional shares in the H share capital of the Company, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:
  - (i) such mandate shall not extend beyond the Relevant Period save that the Directors of the Company may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
  - (ii) the aggregate nominal amount of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company otherwise than pursuant to (x) a Rights Issue, or (y) any option scheme or similar arrangement adopted by the Company from time to time for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, shall not exceed: 20 per cent of the aggregate nominal amount of H Shares of the Company in issue, in each case as at the date of this Resolution; and
  - (iii) the Board of Directors will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained;

- (c) for the purposes of this Resolution:

"H Shares" means the overseas-listed foreign invested shares in the share capital of the Company with a par value of RMB1.00 each, and which are subscribed for and traded in Hong Kong dollars;

"Relevant Period" means the period from the passing of this Resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this Resolution; or
- (ii) the expiration of the 12-month period following the passing of this Resolution; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting; and

"Rights Issue" means the allotment or issue of shares in the Company or other securities which would or might require shares to be allotted and issued pursuant to an offer made to all the shareholders of the Company (excluding for such purpose any shareholder who is resident in a place where such offer is not permitted under the law of that place) and, where appropriate, the holder of other equity securities of the Company entitled to such offer, pro rata (apart from fractional entitlements) to their existing holdings of shares or such other equity securities; and

- (d) contingent on the Directors resolving to issue shares pursuant to subparagraph (b) of this Resolution, the Board of Directors be and is hereby authorised to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including, without limitation, determining the time and place of issue, making all necessary applications to the relevant authorities, entering into an underwriting agreement (or any other agreement), determining the use of proceeds and making all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities, including but not limited to increasing the registered capital of the Company in accordance with the actual increase of capital as a result of the issue of shares pursuant to subparagraph (b) of this Resolution as confirmed in a capital verification report to be prepared by certified accountants and to register the increased capital with the relevant authorities in the PRC";
9. to consider and approve written proposals (if any) put forward at such meeting by any shareholder(s) holding 5 per cent or more of the shares carrying the right to vote at such meeting.

By Order of the Board of Directors

**Mo Liqi**  
Chairman

Zoucheng, Shandong, PRC, 13 May 2003

**Notes:**

- (A) Holders of the Company's overseas listed foreign invested shares (in the form of H Shares) whose names appear on the Company's Register of Members which is maintained by Hong Kong Securities Registrars Limited at the close of business on 27 May 2003 are entitled to attend the Annual General Meeting after completing the registration procedures for attending the meeting.
- (B) Holders of H shares, who intend to attend the Annual General Meeting, must deliver the written replies for attending the Annual General Meeting to the Office of the Secretary of the Board of Directors of the Company no later than 6 June 2003. In addition to the foregoing:
- (1) Such holders of H shares shall deliver copies of instruments of transfer, share certificates and their own identity cards to the Office of Secretary of Board of Directors of the Company; and
  - (2) In case such holders are not represented by the authorised representatives, they shall also deliver their powers of attorney and copies of the attorney's documents of identity to the registered address of the Company.

Shareholders can deliver the necessary documents for registration by the Company in person, by post or by facsimile. Upon receipt of such documents, the Company will complete the registration procedures for attending the Annual General Meeting and despatch copies of Annual General Meeting admission cards to shareholders by post or facsimile. When attending the Annual General Meeting, shareholders or their proxies may exchange copies or facsimile copies of the Annual General Meeting admission cards for the original Annual General Meeting admission cards.

- (C) Details of the Office of the Secretary to the Board of Directors of the Company are as follows:

40 Fushan Road  
Zoucheng  
Shandong Province 273500  
PRC  
Tel: 86-537-538-2319  
Fax: 86-537-538-3311

- (D) Each shareholder of H shares who has the right to attend and vote at the Annual General Meeting is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the Annual General Meeting. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified. For holders of H shares, the power of attorney or other documents of authorisation and proxy forms must be delivered to Hong Kong Securities Registrars Limited no less than 24 hours before the time appointed for the holding of the Annual General Meeting in order for such documents to be valid.

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- (E) The H share Register will be closed from 28 May 2003 to 26 June 2003 (both days inclusive), during which time no transfer of H shares will be registered. Holders of H shares who wish to attend the Annual General Meeting and qualify for entitlement to the 2002 final dividend of RMB0.104 per share (including taxation) referred to above must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to Hong Kong Securities Registrars Limited by no later than 4:00 p.m. on 27 May 2003.

Hong Kong Securities Registrars Limited's address is as follows:  
Hong Kong Securities Registrars Limited  
Shop 1901-1905  
19th Floor, Hopewell Centre  
183 Queen's Road East  
Hong Kong

- (F) The 2002 final dividend will be paid to shareholders within two months from the date of the Annual General Meeting.
- (G) The Annual General Meeting is expected to last half a day. Shareholders attending the Annual General Meeting are responsible for their own transportation and accommodation expenses.

Please also refer to the published version of this announcement in South China Morning Post dated on 13-05-2003.