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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 on status with regard to the Implementation of the undertakings given by the shareholder of non-tradable shares under the share-reform plan

The status with regard to the implementation of the undertakings given by Yankuang Group Corporation Limited, the only shareholder of non-tradable shares in the Company, is set out in this announcement.

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The status with regard to the implementation of the undertakings given by Yankuang Group Corporation Limited (“Yankuang Group”), the only shareholder holding non-tradable shares in Yanzhou Coal Mining Company Limited (“Yanzhou Coal” or the “Company”) is set out as follows.

- I. Yankuang Group has fulfilled its undertakings relating to the time limit of conditional tradable shares and the fees relating to the share-reform plan;
- II. Other undertakings: (i) In 2006, Yankuang Group would transfer part of its operations and new projects relating to coal and power operations, which are in line with the Company’s development strategies to the Company in accordance with the relevant governmental procedures, with a view to enhancing the operating results of the Company and reducing the connected transactions and competition between Yankuang Group and the Company. (ii) Yankuang Group would allow the Company to participate and invest in, for the purpose of the co-development of, the coal liquefaction project which is being developed by Yankuang Group.

Implementation of the undertakings:

- (1) Yankuang Group completed the transfer of coal projects to the Company in 2006;
- (2) In July 2006, Yankuang Group assigned a new electricity project, which was initially proposed to be jointly invested by Yankuang Group and Huadian Power International Corporation Limited (“Huadian International”), to the Company. The Company and Huadian International jointly invested and established Huadian Zouxian Power Generation Company Limited on 21 November 2007. For details, please refer to the Company’s announcement “FORMATION OF A JOINT VENTURE COMPANY” dated 24th August 2007;
- (3) Yankuang Group is in the process of implementing its other undertakings and there have not been material progress in this respect.

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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, PRC, 27th December 2007