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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: 01171)

**ANNOUNCEMENT OF THE RESOLUTIONS PASSED AT
THE TWENTY-SIXTH MEETING OF THE SIXTH SESSION OF
THE BOARD OF DIRECTORS**

This announcement is made pursuant to the disclosure obligations under 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.

Notice of the twenty-sixth meeting of the sixth session of the board (the “**Board**”) of directors of Yanzhou Coal Mining Company Limited (“**Yanzhou Coal**” or the “**Company**”) was dispatched on 14 October 2016 by way of written notices or e-mails. The meeting was held by way of voting by correspondence on 28 October 2016 at the headquarter of the Company in Zoucheng City, Shandong Province, the People’s Republic of China (the “**PRC**”). Eleven directors of the Company (the “**Directors**”) were notified of the meeting and all of them were present. The meeting complied with the requirements of the relevant laws, regulations and rules such as the Company Law of the PRC as well as the articles of association of the Company. The consideration and approval of resolutions at the meeting of the Board is as follows:

- 1. To approve the “Third Quarterly Report for the Year 2016 of Yanzhou Coal Mining Company Limited”, and to publish the results for the third quarter of 2016 domestically and overseas.**

(For: 11; Against: 0; Abstain: 0)

- 2. To approve the “Proposal in relation to the appointment of Yankuang Chemical Industry Co., Ltd (兗礦化工有限公司) for the implementation of professional management of chemical projects”**

(For: 8; Against: 0; Abstain: 0)

1. To approve the Company to appoint Yankuang Chemical Industry Co., Ltd to implement professional management of chemical projects and to enter into the “Management Agreement for Chemical Projects” (《化工項目委託管理協議》) with Yankuang Chemical Industry Co., Ltd.
2. To approve the arrangement in relation to the management fees and the annual cap. The management fees will be paid based on “production target completion rate × RMB3 per ton” when the production output assessment indicator requirements are not met; when the production output assessment indicator requirements are met, the management fees will be paid based on production output RMB3 per ton; when the production output assessment indicator requirements are outperformed, the management fees for the parts within the requirements will be paid based on production output RMB3.0 per ton and those for the outperformed parts will be paid based on production output RMB3.5 per ton. Management fees paid by the Company to Yankuang Chemical Industry Co., Ltd each year shall not be more than the maximum of RMB5,500,000.

As this resolution involves connected transaction issues, three related Directors abstained from voting while the remaining eight non-related Directors unanimously approved the resolution.

The independent Directors expressed independent opinions on this matter. Pursuant to Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as all the applicable ratios for the transaction contemplated under the Management Agreement for Chemical Projects are less than 0.1%, such continuing connected transaction is full exempt. Therefore, the Company is not required to publish a separate announcement on the transaction contemplated under the Management Agreement for Chemical Projects.

For details, please refer to the overseas regulatory announcement of Yanzhou Coal in relation to the connected transaction dated 28 October 2016, which was published on the websites of The Stock Exchange of Hong Kong Limited and the Company.

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

Zoucheng City, Shandong Province, the PRC
28 October 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.