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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)**

## **ANNOUNCEMENT**

# **COMPLETION OF THE NON-PUBLIC ISSUANCE OF EXCHANGEABLE CORPORATE BONDS BY THE CONTROLLING SHAREHOLDER**

<p>This announcement is made pursuant to 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.</p>
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Reference is made to the announcements of Yanzhou Coal Mining Company Limited (the "**Company**") dated 3 November 2016 in relation to the proposed non-public issuance of exchangeable corporate bonds by the controlling shareholder, 6 April 2017 in relation to no objection letter granted by Shanghai Stock Exchange concerning the listing and transferring of the non-public issuance of exchangeable corporate bonds by the controlling shareholder and 11 April 2017 in relation to registration of guarantee and trust of certain shares of the Company held by the controlling shareholder for its proposed non-public issuance of exchangeable corporate bonds.

On 21 April 2017, the Company received a notification from Yankuang Group Company Limited (**“Yankuang Group”**), the controlling shareholder of the Company, informing the Company that the issuance of 2017 Non-Public Issuance of Exchangeable Corporate Bonds by Yankuang Group Company Limited (first tranche) (the **"Current Corporate Bonds"**) has been completed. Details of which are as follows:

According to the "No Objection Letter concerning Listing and Transferring of Non-Public Issuance of Exchangeable Corporate Bonds of Yankuang Group Company Limited" (Shang Zheng Han [2017] No.304) issued by the Shanghai Stock Exchange, Yankuang Group was approved to issue exchangeable corporate bonds with a nominal value not exceeding RMB8 billion (including 8 billion) to qualified investors by way of non-public issuance (the **"Corporate Bonds"**).

Pursuant to "2017 Non-Public Issuance of Exchangeable Corporate Bonds by Yankuang Group Company Limited (first tranche) Offering Memorandum", Yankuang Group will issue the Corporate Bonds in tranches with the initial issue size of the first tranche being RMB2 billion and an over-allotment option with an amount not exceeding RMB2 billion. The issue price is RMB100 per Corporate Bond. The non-public issuance of the Corporate Bonds will be conducted off market by way of price consultation and placing to qualified investors. The term of the Current Corporate Bonds is 3 years and the initial exchange price is RMB13.26 per share. The exchange period commences from the first trading day after six months from the date of completion of the issuance of the Current Corporate Bonds and ends on the trading day prior to the date of delisting of the Current Corporate Bonds (i.e. from 23 October 2017 to the trading day prior to the date of delisting of the Current Corporate Bonds). If such day falls on a statutory holiday or rest day, it shall be postponed to the next trading day immediately thereafter.

On 21 April 2017, Yankuang Group has already completed the issuance of the Current Corporate Bonds. The final size is RMB4 billion and the final coupon rate for the first year is 2.00%. The coupon rate will increase by 50bp (i.e. 0.50%) annually for the subsequent years based on the first year coupon rate during the term of the Current Corporate Bonds.

By order of the Board

**Yanzhou Coal Mining Company Limited**

**Li Xiyong**

*Chairman of the Board*

Zoucheng, Shandong Province, the PRC

21 April 2017

*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. Guojun, and the independent non-executive directors of the Company are Mr. Kong Xiangguo, Mr. Jia Shaohua, Mr. Wang Xiaojun and Mr. Qi Anbang.*