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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)

**SUPPLEMENTARY ANNOUNCEMENT
VERY SUBSTANTIAL ACQUISITION -
ACQUISITION OF COAL & ALLIED FROM RIO TINTO**

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.

References are made to the announcement dated 24 January 2017, the announcement dated 24 May 2017, the announcement dated 11 June 2017, the announcement dated 12 June 2017 (collectively, the “**Announcements**”) and the circular dated 2 June 2017 (the “**Circular**”) of Yanzhou Coal Mining Company Limited (the “**Company**”) in relation to, among others, the acquisition of the total issued share capital of C&A from Rio Tinto Group by Yancoal Australia Limited (“**Yancoal Australia**”). Unless otherwise indicated, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcements and the Circular.

AMENDMENT DEED TO THE SPA

On 20 June 2017, the Purchaser and the Vendors entered into an amendment deed to the SPA (the “**Amendment Deed**”). Pursuant to the Amendment Deed, the SPA is amended to the effect that:

- the Deferred Payment Amounts of total USD500 million will be paid at the Completion, which increases the total amount payable by the Purchaser at the Completion to USD2.45 billion (subject to the adjustment as prescribed in the SPA) ;
- the Financial Assurance Letter (as defined below) shall be executed by Yankuang Group Corporation Limited ("**Yankuang Group**") to reflect the financial assurance undertaking given by Yankuang Group and a deposit arrangement. Please refer to the paragraph headed "Financial Assistance Made by Yankuang Group" below for more detail;
- the Purchaser has agreed to waive its right to terminate the SPA in case of Material Adverse Change;
- the Condition Precedent of approval from the Minister responsible for the Mining Act 1992 (NSW) shall be waived; and
- the Condition Precedent of PRC outbound investment approval from the State Administration of Foreign Exchange of the PRC (家外 管理局, "**SAFE**") shall be waived if such is not obtained on or before 3 July 2017.

Completion is conditional upon the satisfaction of all the Conditions Precedent set out in the SPA. Shareholders and potential investors should exercise caution when dealing in the securities of the Company. If the Shareholders and potential investors of the Company are in any doubt about their position, they should consult their professional advisors.

FINANCIAL ASSISTANCE MADE BY YANKUANG GROUP

On 20 June 2017, Yankuang Group, the controlling shareholder of the Company, has entered into a financial assurance letter (the "**Financial Assurance Letter**") to unconditionally and irrevocably undertake to the Vendors that, if the YAL Rights Issue does not raise at least USD2.1 billion, Yankuang Group will place Yancoal Australia in sufficient funds for Yancoal Australia to pay, and will ensure that Yancoal Australia pays, the USD2.45 billion purchase price at the Completion as required under the SPA. The maximum liability of Yankuang Group under the undertaking is USD2.1 billion.

Pursuant to the Financial Assurance Letter, by no later than 21 June 2017, Yankuang Group (or an affiliate of Yankuang Group) will provide a deposit of USD100 million pending the Completion. The deposit will be forfeited if Yancoal Australia fails to complete the Acquisition on the basis of default at the Completion.

Implications under the Hong Kong Listing Rules

Yankuang Group is a controlling Shareholder of the Company holding directly or indirectly approximately 56.59% of the issued share capital of the Company as at the date of this announcement and thus a connected person of the Company under the Hong Kong Listing Rules.

As the financial assistance made by Yankuang Group to the Company pursuant to the Financial Assurance Letter is on normal commercial terms, and no security over the assets of the Group is or will be granted in respect of such financial assistance, such financial assistance is fully exempt from reporting, announcement, annual review and independent shareholders' approval requirements under Rule 14A.90 of the Hong Kong Listing Rules.

WITHDRAWAL OF RESOLUTIONS NO. 10 to 17 AT THE AGM AND RESOLUTIONS NO. 1 to 2 AT THE CLASS MEETINGS

Reference is made to the notices of the Company dated 8 May 2017 (the “**Notices**”) and the forms of proxy (the “**Proxy Forms**”) and the announcement dated 8 June 2017 of the Company in relation to the AGM and the Class Meetings to be held on 29 June 2017.

Due to the amendments made by the Amendment Deed and the requirement under Rule 14.52 of the Hong Kong Listing Rules, the Board has resolved to withdraw the resolution no. 10 in relation to the Acquisition and resolutions no. 11 to 17 in relation to the Additional A Shares Issue from voting at the AGM and the resolutions no. 1 to 2 in relation to the Additional A Shares Issue from voting at the Class Meetings. Save as the aforesaid, all other resolutions as set out in the Notices and the Proxy Forms remain unchanged and will be voted in the AGM and the Class Meetings respectively.

For those Shareholders who have lodged their Proxy Forms, the Proxy Forms are still valid except that no poll will be counted for resolutions no. 10 to 17 at the AGM and resolutions no. 1 to 2 at the Class Meetings.

The Company will separately convene an extraordinary general meeting, an A Shareholders' class meeting and a H Shareholders' class meeting for the consideration and approval of the relevant resolutions.

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

Zoucheng, Shandong Province, the PRC
20 June 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.