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兖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 (the "PRC")
with limited liability)*

(Stock Code: 1171)

**ANNOUNCEMENT ON COMPLETION OF THE TRANSFER OF
CERTAIN EQUITY INTEREST IN HVO**

Reference is made to the announcement of Yanzhou Coal Mining Company Limited (the "**Company**") dated 26 July 2017 of the resolutions passed at the second meeting of the seventh session of the board of directors and the announcement dated 27 July 2017 of the discloseable transaction, in relation to, among others, the entering into of an implementation deed (the "**Implementation Deed**") of Yancoal Australia Limited ("**Yancoal Australia**"), a controlled overseas subsidiary of the Company, so that after the completion of the acquisition of 100% equity interest in Coal & Allied Industries Limited ("**C&A**") from Rio Tinto Group, Yancoal Australia shall transfer 16.6% equity interest that it holds in Hunter Valley Operations ("**HVO**") at that time, jointly establish a joint venture with Glencore Coal Pty Ltd ("**Glencore**") to jointly operate and manage the coal mining assets related to HVO, and make other relevant arrangements pursuant to the needs of cooperation, subject to the satisfaction of relevant conditions precedent (including but not limited to the consent of Mitsubishi Development Pty Ltd and its relevant legal entities ("**Mitsubishi**") to terminate the tag transaction and the relevant agreements it entered into with Yancoal Australia for 32.4% of the equity interest of HVO).

The board of the Company is pleased to announcement that, due to the fact that the conditions precedent under the Implementation Deed have all been satisfied, on 4 May 2018, Yancoal Australia completed the transfer of 16.6% equity interest that it held in HVO to Glencore, and meanwhile Glencore completed the acquisition of 32.4% equity interest that Mitsubishi held in HVO. Upon completion of the above transactions, Yancoal Australia and Glencore holds 51% and 49% of the equity interest in HVO, respectively. HVO will be jointly controlled by Yancoal Australia and Glencore through the Joint Venture Managing Committee ("**JVMC**") and will be managed by an independent managing team nominated by JVMC.

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

Zoucheng, Shandong Province, the PRC
4 May 2018

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. GuoDechun, Mr. Zhao Qingchun and Mr. Guo Jun, and the independent non-executive directors of the Company are Mr. Kong Xiangguo, Mr. Cai Chang, Mr. Poon Chiu Kwok and Mr. Qi Anbang.