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兗礦能源集團股份有限公司
YANKUANG ENERGY GROUP COMPANY LIMITED*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 01171)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Yankuang Energy Group Company Limited* (the “**Company**”) published the following announcement on the website of the Shanghai Stock Exchange (www.sse.com.cn). The following is a translation of the official announcement solely for the purpose of providing information.

By order of the Board
Yanzhou Energy Group Company Limited
Li Wei
Chairman of the Board

Zoucheng, Shandong Province, the PRC

15 June 2023

As at the date of this announcement, the Directors of the Company are Mr. Li Wei, Mr. Liu Jian, Mr. Xiao Yaomeng, Mr. Zhu Qingrui, Mr. Zhao Qingchun and Mr. Huang Xiaolong, and the independent non-executive Directors of the Company are Mr. Tian Hui, Mr. Zhu Limin, Mr. Cai Chang and Mr. Poon Chiu Kwok.

* *For identification purpose only*

Yankuang Energy Group Company Limited
Announcement in relation to the Project Progress of Connected Transactions

The Company and all members of the board of directors warrant that the information contained in this announcement is true, accurate and complete, and accept legal responsibility for any false representation or misleading statements contained in, or material omissions from this announcement.

Yankuang Energy Group Company Limited (the "Company") disclosed the Announcement on Connected Transactions (Lin 2023-029 and Lin 2023-034) on the website of the Shanghai Stock Exchange (www.sse.com.cn) on 29 April 2023 and 27 May 2023, respectively. The Company intends to acquire in cash the controlling interests in two subsidiaries of Shandong Energy Group Company Limited, its controlling shareholder ("Shandong Energy"), namely 51% equity interest in Shandong Energy Group Luxi Mining Co., Ltd. ("Luxi Mining") and 51% equity interest in Yankuang Xinjiang Energy & Chemical Co., Ltd. ("Xinjiang Energy")(the "Transaction"). In order to facilitate investors to understand more fully the relevant information of Luxi Mining and Xinjiang Energy, the Company would like to explain the progress of the project related to the Transaction as follows:

According to the abovementioned Announcement on Connected Transactions, the existing approved coal production capacity of Luxi Mining and Xinjiang Energy is 39.89 million tonnes per annum in aggregate.

The No. 4 open pit phase I project in Wucaiwan Mining Area, Zhundong, Xinjiang ("No. 4 Open Pit Phase I Project") obtained the "Approval of Experts Opinion on the Development and Utilization of Mineral Resources and Ecological Protection and Restoration Plan of No. 4 Open Pit Phase I Mining Area in Wucaiwan Mining Area, Zhundong, Xinjiang of Xinjiang Yankuang Qineng Coal Industry Co., Ltd." (Xin Zi Ran Zi San He Yi Shen Fa [2023] No. 008) issued by the Natural Resources Department of Xinjiang Uygur Autonomous Region and the "Opinions on Energy Saving Review of 10.0Mt/a from No. 4 Open Pit Phase I in Wucaiwan Mining Area, Zhundong, Xinjiang and Auxiliary Coal Preparation Plant Project" (Xin Fa Gai Huan Zi [2023] No. 311) issued by the Development and Reform Commission of the Xinjiang Uygur Autonomous Region in May 2023 and June 2023, respectively. According to the information and description provided by Xinjiang Energy and based on the current progress, the construction of No. 4 Open Pit Phase I Project is expected to commence in the second half of 2023 and be completed and put into operation in the first half of 2025.

The No. 4 Open Pit Phase I Project is a coal mining project under the "14th Five-Year Plan" of Xinjiang Uygur Autonomous Region and has obtained the "Approval of No. 4 Open Pit Phase I Project in Wucaiwan Mining Area, Xinjiang" (Fa Gai Neng Yuan [2023] No. 117) issued by the National Development and Reform Commission in January 2023. According to the aforesaid approval, the total investment of the No. 4 Open Pit Phase I Project is RMB5.5 billion (excluding mineral rights fees) and the construction scale is 10 million tonnes per annum.

Upon the completion and commissioning of the No. 4 Open Pit Phase I Project, it is expected that the total approved coal production capacity of Luxi Mining and Xinjiang Energy will reach approximately 50 million tonnes per annum. The No. 4 Open Pit Phase II Project has been included in the Reserve Coal Project of Xinjiang Uygur Autonomous Region under the “14th Five-Year Plan” in May 2022. Based on the resources’ merits and development plan of the No. 4 open pit, it will have the conditions to further enhance the coal production capacity after the Phase I project is completed and put into operation.

Notice is hereby given.

Board of Directors of Yankuang Energy Group Company Limited
15 June 2023