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內蒙古伊泰煤炭股份有限公司

INNER MONGOLIA YITAI COAL CO., LTD.*

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

(Stock Code: 3948)

APPOINTMENT OF JOINT COMPANY SECRETARY, AUTHORISED REPRESENTATIVE AND SECRETARY TO THE BOARD

Reference is hereby made to the announcement of Inner Mongolia Yitai Coal Co., Ltd.* (the “**Company**”) dated 24 March 2015. Mr. Lian Tao had resigned as the joint company secretary, authorised representative and secretary to the board of directors due to his commitment to the needs of the Company to develop other businesses, with effect from 23 March 2015. The board of the directors (the “**Board**”) of the Company further announces that Ms. Zhao Xin has been appointed as the joint company secretary, authorised representative and secretary to the Board by the Board, with effect from 23 April 2015. The Company has applied for and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) has granted the Company a waiver from strict compliance with the requirements for the qualifications of company secretary under the Rule 8.17 and Rule 3.28 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is hereby made to the announcement of the Company dated 24 March 2015. Mr. Lian Tao had resigned as the joint company secretary, authorised representative and secretary to the Board due to his commitment to the needs of the Company to develop other businesses, with effect from 23 March 2015. Mr. Lian confirmed that he had no disagreement with the Board and there was no other matter in relation to his resignation that needed to be brought to the attention to the shareholders of the Company.

The Board further announces that Ms. Zhao Xin has been appointed as the joint company secretary, authorised representative and secretary to the Board by the Board, with effect from 23 April 2015. Ms. Lee Mei Yi will continue to serve as the other joint company secretary of the Company.

The Company would like to take this opportunity to express its sincere gratitude to Mr. Lian for his valuable contribution during his tenure as the joint company secretary, authorised representative and secretary to the Board, and to express its welcome on the new appointment of Ms. Zhao.

Particulars of Ms. Zhao are set out as follows:

Zhao Xin, aged 33, is the director of the Investor Relation and Management Department of the Company. Ms. Zhao graduated from Inner Mongolia University of Finance and Economics with a bachelor's degree in management in July 2003 and graduated from Capital University of Economics and Business with a master degree in management in July 2008. In July 2012, Ms. Zhao graduated from Chinese Academy of Social Sciences with a doctoral degree in management. Ms. Zhao joined the Securities Department of the Company in August 2008. She served as the head of the Information Disclosure Sector under the Securities Department of the Company from December 2010 to June 2013. She served as the vice director of the Securities Department of the Company from July 2013 to March 2015. Ms. Zhao has been the director of Investor Relation and Management Department of the Company (formerly known as the Securities Department) since March 2015 and served as the securities affairs representative of the Company from August 2013 to March 2015.

Ms. Zhao currently does not possess the qualifications of company secretary as required under Rule 8.17 and Rule 3.28 of the Listing Rules. The Company will continue to engage Ms. Lee Mei Yi, the other existing joint company secretary, who possesses the relevant professional qualifications of company secretary required under Rule 8.17 and Rule 3.28 of the Listing Rules (an associate member of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators), to provide assistance to Ms. Zhao to discharge her duties as one of the joint company secretaries of the Company.

The Company has applied for, and the Stock Exchange has granted the Company, a waiver from strict compliance with requirements for the qualifications of company secretary under Rule 8.17 and Rule 3.28 of the Listing Rules for a period of three years commencing from 23 April 2015. The Company shall notify the Stock Exchange at the end of the waiver period for the Stock Exchange to re-visit the situation.

Details of the application for the wavier are set out below:

1. RELEVANT RULES OF THE STOCK EXCHANGE

1.1 Rule 8.17 of the Listing Rules provides that, the Company must appoint a company secretary who satisfies Rule 3.28 of the Listing Rules.

1.2 Rule 3.28 of the Listing Rules requires that, the Company must appoint as its company secretary an individual who, by virtue of his academic or professional qualifications or relevant experience, is, in the opinion of the Stock Exchange, capable of discharging the functions of company secretary.

1.3 Pursuant to Note 1 to Rule 3.28 of the Listing Rules, the Stock Exchange considers the following academic or professional qualifications to be acceptable:

- (a) a member of The Hong Kong Institute of Chartered Secretaries;
- (b) a solicitor or barrister (as defined in the Legal Practitioners Ordinance); and
- (c) a certified public accountant (as defined in the Professional Accountants Ordinance).

1.4 In addition, pursuant to Note 2 to Rule 3.28 of the Listing Rules, in assessing “relevant experience”, the Stock Exchange will consider the individual’s:

- (a) length of employment with the issuer and other issuers and the roles he played;
- (b) familiarity with the Listing Rules and other relevant law and regulations including the Securities and Futures Ordinance, the Companies Ordinance, and Codes on Takeovers and Mergers and Share Repurchases;

- (c) relevant training taken and/or to be taken in addition to the minimum requirement under Rule 3.29; and
- (d) professional qualifications in other jurisdictions.

1.5 In the Listing Decision (HKEx-LD35-1) (July 2003) (updated in April 2013 and April 2014) relating to Rules 8.17 (which was amended in January 2012) and Rule 19A.18 of the Listing Rules (which was subsequently amended as Rule 19A.16 and Rule 19A.16 was later repealed in January 2012) where the proposed company secretary of a PRC issuer did not possess the relevant professional qualifications, the Stock Exchange concluded that the following will be taken into consideration when granting a waiver:

- (a) the individual's experience in handling company secretarial matters (e.g. through acting as the secretary of the issuer's board of directors while the issuer is listed on overseas exchange), relevant professional qualifications and/or academic background;
- (b) whether the issuer has established measures and systems in place to facilitate the individual in discharging his duties as a company secretary; and
- (c) the issuer's regulatory compliance and/or deficiencies/weaknesses in internal controls during the track record period, and the sponsor's confirmation under Rule 3A.15(5) of the listing Rules that the issuer has established procedures, systems and controls which are adequate and sufficient.

2. BACKGROUND OF MS. ZHAO

2.1 Biographical details of Ms. Zhao:

Ms. Zhao, aged 33, is the director of the Investor Relation and Management Department of the Company (formerly known as the Securities Department of the Company). Ms. Zhao joined the Securities Department of the Company in August 2008. She served as the head of the Information Disclosure Sector under the Securities Department of the Company from December 2010 to June 2013. She served as the vice director of the Securities Department of the Company from July 2013 to March 2015 and served as the securities affairs representative of the Company since August 2013. Ms. Zhao has been the director of Investor Relation and Management Department of the Company since March 2015.

Ms. Zhao has been engaging in the compliance and operational duties of the Company, including organising, coordinating and executing the listing of the H shares, the issuance of the medium-term notes and corporate bonds of the Company and handling other matters in relation to refinancing. Ms. Zhao has convened and organised meetings of the Board and the supervisory committee, reviewed and published results announcements, annual reports and other announcements, arranged for and made the annual dividend payment, maintained the relations between the Company and the investors as well as the public and organised many roadshows and reverse roadshows. In 2014, Ms. Zhao organised 13 Board meetings, 4 meetings of the supervisory committee and 2 general meetings and published 102 domestic and overseas announcements. She was also responsible for preparing and disclosing 4 periodic reports and 68 interim reports, and organising 2 investor meetings in Hong Kong, at which more than 20 investors attended.

Ms. Zhao graduated from Inner Mongolia University of Finance and Economics with a bachelor's degree in management in July 2003 and graduated from Capital University of Economics and Business with a master degree in management in July 2008. In July 2012, Ms. Zhao graduated from Chinese Academy of Social Sciences with a doctoral degree in management.

2.2 Trainings attended and planned to be attended by Ms. Zhao:

Ms. Zhao plans to attend various courses and seminars of no less than fifteen hours in relation to the Listing Rules and the relevant Hong Kong laws and regulations after her appointment as the company secretary.

3. GROUNDS FOR WAIVER

Given Ms. Zhao does not hold the professional qualifications as required under Rule 3.28 of the Listing Rules, The Company seeks a waiver from strict compliance with Rule 3.28 or Rule 8.17 of the Listing Rules, on the following grounds:

3.1 The directors of the Company believe that appointing Ms. Zhao as one of the joint company secretaries would be beneficial to the Company and its shareholders as a whole.

Due to his commitment to develop other businesses for the needs of the Company, Mr. Lian resigned from the positions of the company secretary, the secretary to the Board, and the authorised representative of the Company. Ms. Zhao will succeed Mr. Lian for the aforementioned positions of the Company. In order to ensure that Mr. Lian could successfully hand over the duty as a company secretary of the Company to Ms. Zhao and to enhance the corporate governance and compliance of the Company, the Board intends to appoint Ms. Lee and Ms. Zhao as the joint company secretaries of the Company for a term of three years. Considering discharging the compliance duties of the Company and enhancing relations with the investors and the shareholders, the directors of the Company believe it would be beneficial to the Company and its shareholders as a whole to have Ms. Zhao to be the joint company secretary to ensure the performance of the duties of the company secretary and compliance work of the Company.

Given Ms. Zhao's education background and working experience detailed above (in particular Ms. Zhao's length of service to the Company and experience in handling company secretarial matters for various roles she played within the Company for the previous few years), the directors of the Company consider that Ms. Zhao is a suitable candidate to be the joint company secretary to work together with Ms. Lee, and having both Ms. Zhao and Ms. Lee to act as joint company secretaries of the Company would be beneficial to the Company and its shareholders as a whole.

3.2 The directors of the Company consider that Ms. Zhao is capable of discharging her duty as a joint company secretary of the Company

The Company was incorporated under the PRC laws as a joint stock limited company and conducts substantially all of its business operations in the PRC. The directors of the Company believe that its company secretary should, apart from

being able to meet the professional qualifications or the requisite requirements under the Listing Rules, have sufficient knowledge about the operation and the business of the Company and the Company's corporate culture which may be very different from other companies outside the PRC.

In light of the services Ms. Zhao has been providing to the Company for numerous roles she played within the Company for the previous few years, she has accumulated extensive knowledge and experience in the business management, information disclosure, investor relationship, and the corporate culture to the Company. The Board also intends to appoint Ms. Zhao as the secretary of the Board. Her proposed appointment allows her to work closely with the Board and to handle relevant corporate secretarial matters, including investor relations, horizontal and vertical internal corporate communications and daily record-keeping as well as office procedures and systems on filing, reporting and communications.

With the trainings as described in paragraph 2.2 above, Ms. Zhao will be equipped with the relevant securities laws and regulations under the Listing Rules and other applicable PRC laws and regulations, as well as other applicable Hong Kong laws and regulations related to securities and corporation and the continuing obligations of the Company as a Hong Kong listed company. Ms. Zhao will also be able to understand the universal and fundamental concepts underlying all securities regulations, for example, timely and proper disclosure, conflict of interests, connected transactions and proper corporate governance.

Based on the above, the directors of the Company believe that Ms. Zhao is capable of discharging her duty as a joint company secretary of the Company.

3.3 Ms. Zhao will continue to be assisted by the Hong Kong legal advisers and the joint company secretary of the Company

The Company has appointed a Hong Kong legal adviser to advise the Company of the corporate governance practices and compliance matters pursuant to the Listing Rules and the applicable Hong Kong laws and regulations. The Company has also engaged and will continue to engage Ms. Lee, a Chartered Company Secretary qualified in and a permanent resident of Hong Kong. Ms. Lee currently works at Tricor Services Limited.

Ms. Zhao will be assisted by the Hong Kong legal adviser and Ms. Lee on matters concerning the Company's ongoing compliance with the Listing Rules and the applicable laws and regulations. Ms. Lee will assist Ms. Zhao for a term of three years commencing from the date of appointment of Mr. Zhao as a company secretary by the Company. Ms. Lee will communicate regularly with Ms. Zhao on matters relating to corporate governance, the provisions and requirements of the Listing Rules as well as other laws and regulations which are relevant to the Company. She will also be assisted by Ms. Lee in organising board meetings and general meetings of the Company as well as other matters of the Company which are incidental to the duties of a company secretary.

Since the Company's listing on the Hong Kong Stock Exchange in 2012, the Company has established measures and policies to facilitate its company secretary to discharge her duties. Ms. Zhao will be supported by all the staff of the Board and the board of supervisors of the Company. The Company will further ensure that Ms. Zhao has access to the relevant training and support that would enhance her understanding of the Listing Rules and the duties of a company secretary of an issuer listed on the Hong Kong Stock Exchange. In addition, Ms. Zhao will comply with the annual professional training requirement under Rule 3.29 of the Listing Rules and will enhance her knowledge of the Listing Rules from the date of her appointment.

By order of the Board
Inner Mongolia Yitai Coal Co., Ltd.*
Zhang Donghai
Chairman

Inner Mongolia, the PRC, 23 April 2015

As at the date of this announcement, the executive directors of the Company are Mr. Zhang Donghai, Mr. Liu Chunlin, Mr. Ge Yaoyong, Mr. Zhang Dongsheng, Mr. Zhang Xinrong, Mr. Lv Guiliang and Mr. Song Zhanyou; and the independent non-executive directors are Mr. Yu Youguang, Mr. Qi Yongxing, Ms. Song Jianzhong and Mr. Tam Kwok Ming, Benny.

* *For identification purpose only*