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Asia Coal Limited
亞洲煤業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 835)

**RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS
AND
NON-COMPLIANCE WITH THE LISTING RULES IN RELATION TO
BOARD COMPOSITION**

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The board (the “**Board**”) of directors (the “**Directors**”) of Asia Coal Limited (the “**Company**”) announces the resignation of Mr. Edward John HILL III (“**Mr. Hill**”), Mr. HO Man Kin, Tony (“**Mr. Ho**”) and Mr. LI Kar Fai, Peter (“**Mr. Li**”) as independent non-executive Directors with effect from 13 August 2018, 13 August 2018 and 14 August 2018, respectively, to pursue other business opportunities.

Following the resignation of Mr. Hill, Mr. Ho and Mr. Li as independent non-executive Directors:

- (a) Mr. Hill ceased to be a member of the audit committee (the “**Audit Committee**”) and remuneration committee (the “**Remuneration Committee**”) of the Company;
- (b) Mr. Ho ceased to be the chairman of the Remuneration Committee and a member of the Audit Committee and the nomination committee of the Company (the “**Nomination Committee**”); and
- (c) Mr. Li ceased to be the chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee.

Each of Mr. Hill, Mr. Ho and Mr. Li confirmed that there is no disagreement with the Board and there are no other matters in relation to his resignation that need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to thank Mr. Hill, Mr. Ho and Mr. Li for their contributions to the Company during their tenure of office.

NON-COMPLIANCE WITH THE LISTING RULES

Following the resignation of Mr. Hill, Mr. Ho and Mr. Li, the Company does not have any independent non-executive Directors, hence failing to meet the requirements of having:

- (a) at least three independent non-executive directors on the Board under Rule 3.10(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”);
- (b) independent non-executive directors who represent at least one-third of the Board under Rule 3.10A of the Listing Rules;
- (c) at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise (the “**Qualification**”) under Rule 3.10(2) of the Listing Rules;
- (d) the Audit Committee comprising only non-executive directors with a minimum of three members and chaired by an independent non-executive director, and at least one of the members is an independent non-executive director who possesses the Qualification under Rule 3.21 of the Listing Rules;
- (e) the Remuneration Committee comprising a majority of independent non-executive directors and chaired by an independent non-executive director under Rule 3.25 of the Listing Rules; and
- (f) the Nomination Committee comprising a majority of independent non-executive directors under code provision A.5.1 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules.

In order to comply with the Listing Rules and the terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee, the Company will make its best endeavours to identify suitable candidates to fill the casual vacancies on the Board for the positions of independent non-executive Directors, members of each of the Audit Committee, the Remuneration Committee and the Nomination Committee as soon as possible within three months from the effective date of the resignations of Mr. Hill, Mr. Ho and Mr. Li pursuant to Rule 3.11 of the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate.

By order of the Board
Asia Coal Limited
ZHU Xinjiang
Chairman

Hong Kong, 14 August 2018

As at the date of this announcement, the Board comprises Mr. ZHU Xinjiang, Mr. CHEUNG Siu Fai and Mr. LENG Xiaokang as executive directors.