
SHARE CAPITAL

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Under the Australia Corporations Act, Australian registered companies do not have an authorised capital, and there is no concept of a “par value” in respect of issued shares. The following is a description of the issued share capital of the Company as at the date of this prospectus and immediately following the completion of the Global Offering:

	Number of Shares
<i>Issued and to be issued, fully paid or credited as fully paid</i>	
Shares in issue as at the date of this prospectus	1,256,071,756
Shares to be issued pursuant to the Global Offering (assuming the Over-allotment Option is not exercised)	59,441,900
Total	<u>1,315,513,656</u>

Following the completion of the Global Offering, the Company will issue up to 8,225,509 Shares to existing Shareholders (or other persons to whom existing Shareholders have renounced their entitlements) who elect to take up their entitlements under the retail tranche of the Australian Entitlement Offer (see “– *The Global Offering and the Australian Entitlement Offer – The Australian Entitlement Offer*” below for further details). Following the completion of the retail tranche of the Australian Entitlement Offer, the issued capital of the Company will comprise up to 1,332,655,365 Shares, assuming the Over-allotment Option is exercised in full.

ASSUMPTIONS

The above table assumes that the Global Offering becomes unconditional.

RANKING

The Offer Shares are ordinary shares in the share capital of the Company and will rank equally in all respects with all the Shares in issue or to be issued as set out in the above table, and will qualify for all dividends and other distributions declared, made or paid by the Company following the completion of the Global Offering.

THE GLOBAL OFFERING AND THE AUSTRALIAN ENTITLEMENT OFFER

The Global Offering

The Global Offering will comprise an offering of initially 59,441,900 Offer Shares as follows:

- (a) the Hong Kong Public Offering of initially 5,944,200 Offer Shares (subject to reallocation) in Hong Kong; and
- (b) the International Offering of initially 53,497,700 Offer Shares (subject to reallocation and the Over-allotment Option) to QIBs in the United States as well as institutional and professional investors and other investors in Hong Kong and other jurisdictions outside the United States.

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For further details of the structure of the Global Offering, see “*Structure of the Global Offering*”.

The Offer Shares to be offered pursuant to the Global Offering (other than any Shares which may be issued pursuant to the Over-allotment Option) will comprise the Shares which the Company will offer pursuant to an Australian Entitlement Offer and which are renounced by the Major Shareholders, as further described below.

The Shares to be issued pursuant to any exercise of the Over-Allotment Option will be issued by the Company pursuant to its general power under the ASX Listing Rules to issue Shares up to 15% of its issued share capital, and will constitute up to 0.71% of the Company’s issued share capital as at the Latest Practicable Date.

The Australian Entitlement Offer

In connection with the Global Offering, the Company will undertake an accelerated renounceable entitlement offer (or rights offer) of its Shares to the existing Shareholders of the Company (i.e. the Australian Entitlement Offer) which is expected to be announced on Friday, 30 November 2018. The Australian Entitlement Offer is made in compliance with the ASX Listing Rules.

Pursuant to the Australian Entitlement Offer, the Company will issue up to 67,667,409 Shares (representing an offer ratio of 0.05387 new Shares for each existing Share held) at the same price as the final Offer Price for the Global Offering. The Australian Entitlement Offer will be launched shortly after the Offer Price under the Global Offering has been determined. The Offer Shares to be offered pursuant to the Global Offering (other than any Shares which may be issued pursuant to the Over-allotment Option) will form part of the Shares offered pursuant to the Australian Entitlement Offer, as further explained below.

The Australian Entitlement Offer will consist of two tranches as follows:

- (a) **institutional tranche:** this will comprise the offer of rights to subscribe for 59,441,900 Shares to the Company’s major shareholders, being Yanzhou, CSIL and Cinda (the “**Major Shareholders**”), which hold in aggregate approximately 87.8% of the Shares as at the Latest Practicable Date. The institutional tranche will be conducted immediately following the launch of the Australian Entitlement Offer and settlement of the institutional tranche will take place on the Listing Date; and
- (b) **retail tranche:** this will comprise the offer of rights to subscribe for 8,225,509 Shares to the Company’s existing Shareholders (other than the Major Shareholders), which hold in aggregate approximately 12.2% of the Shares as at the Latest Practicable Date. The retail tranche will be open for a period of 8 business days commencing from the business day after the Listing Date.

The Major Shareholders have agreed to renounce their rights to participate in the institutional tranche of the Australian Entitlement Offer in respect of an aggregate of 59,441,900 Shares, representing approximately 87.8% of the Shares to be offered pursuant to the Australian Entitlement Offer. Those Shares which are renounced by the Major Shareholders will comprise the Offer Shares which will be offered to investors in the Global Offering.

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The remaining approximately 12.2% of the Shares to be offered pursuant to the Australian Entitlement Offer (i.e. 8,225,509 Shares) will not form part of the Global Offering and will be made available in the retail tranche of the Australian Entitlement Offer. Existing Shareholders of the Company (other than the Major Shareholders) may take up their rights or renounce them privately in the retail tranche of the Australian Entitlement Offer. The Shares relating to any unexercised rights at the close of the retail tranche of the Australian Entitlement Offer will be offered in an institutional bookbuild to be conducted in Australia during a business day that is within 4 business days after the close of the retail tranche of the Australian Entitlement Offer. Any proceeds received in excess of the offer price for the Australian Entitlement Offer (net of any expenses and withholdings as required by law) will be returned to the renouncing Shareholders. There is no guarantee that the renounced entitlements will be sold or that a premium will be achieved from any such sale.

The Australian Entitlement Offer is not underwritten (other than to the extent that the Shares of the Major Shareholders are included in the Global Offering in the manner described above). Therefore, the number of Shares to be issued by the Company upon completion of the Australian Entitlement Offer will depend on the extent of the rights being taken up by the existing Shareholders of the Company (or by their assignees) and may not necessarily result in all the Shares offered under the Australian Entitlement Offer being issued.

In connection with the Australian Entitlement Offer, the Company has sought and ASIC has granted a modification of the Australia Corporations Act to permit existing Shareholders of the Company (other than the Major Shareholders) with a registered address in Australia or New Zealand to pay for Shares offered under the retail tranche of the Australian Entitlement Offer in either Australian Dollars or US Dollars.

The Shares to be issued pursuant to any exercise of the Over-Allotment Option will be issued by the Company pursuant to its general power under the ASX Listing Rules to issue shares up to 15% of its issued share capital, and will constitute up to 0.71% of the Company's issued share capital at the date of this prospectus.

EQUITY INCENTIVE PLAN

The Company has approved the Equity Incentive Plan. Under the Equity Incentive Plan, the Company has granted awards of Shares to certain persons prior to the Listing Date. The principal terms of the Equity Incentive Plan are summarised in *"Appendix VII – Statutory and General Information"*.