FEISHANG

Feishang Anthracite Resources Limited
飛尚無煙煤資源有限公司

(Incorporated in the British Virgin Islands with limited liability)
(Stock code: 1738)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

FINANCIAL HIGHLIGHTS
FOR THE YEAR ENDED 31 DECEMBER 2014

- Revenue up 103.6% to CNY363.4 million
- Gross profit up 24.1% to CNY87.2 million
- Loss attributable to the owners of the Company down 33.1% to CNY223.6 million
- Basic loss per share was CNY1.79

The board (the "Board") of directors (the "Directors") of Feishang Anthracite Resources Limited (the "Company") announces the consolidated annual results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2014, together with the comparative figures for the year ended 31 December 2013 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
YEAR ENDED 31 DECEMBER 2014

	Notes	**2014**	2013
		CNY'000	*CNY'000*
Revenue	*4*	**363,365**	178,501
Cost of sales		**(276,147)**	(108,242)
Gross profit		**87,218**	70,259
Selling and distribution expenses		**(8,774)**	(6,110)
Administrative expense		**(115,003)**	(142,064)
Impairment loss on property, plant and equipment	*10*	**(66,397)**	(184,417)
Other operating expenses		**(6,471)**	(6,003)
OPERATING LOSS		**(109,427)**	(268,335)
Finance costs	*5*	**(144,185)**	(115,253)
Interest income		**2,716**	1,102
Non-operating (expenses)/income, net		**(3,035)**	132
LOSS BEFORE INCOME TAX	*6*	**(253,931)**	(382,354)
Income tax benefit	*7*	**27,104**	47,817
LOSS FOR THE YEAR		**(226,827)**	(334,537)
Attributable to:			
Owners of the Company		**(223,600)**	(334,119)
Non-controlling interests		**(3,227)**	(418)
		(226,827)	(334,537)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (CNY PER SHARE)	*8*		
Basic		**(1.79)**	(2.78)
Diluted		**(1.79)**	(2.78)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2014

	2014	2013
	CNY'000	*CNY'000*
LOSS FOR THE YEAR	**(226,827)**	(334,537)
Other comprehensive income:		
Items to be reclassified to profit or loss in subsequent periods:		
Foreign currency translation adjustments	**511**	907
Total other comprehensive income for the year, net of tax	**511**	907
TOTAL COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	**(226,316)**	(333,630)
Attributable to:		
Owners of the Company	**(223,089)**	(333,212)
Non-controlling interests	**(3,227)**	(418)
	(226,316)	(333,630)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2014

		31 December	
		2014	2013
	Notes	***CNY'000***	*CNY'000*
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**2,603,568**	2,461,963
Rehabilitation fund		**31,162**	37,350
Prepayments, deposits and other receivables		**104,058**	100,658
Deferred tax assets	*7*	**28,576**	9,830
TOTAL NON-CURRENT ASSETS		**2,767,364**	2,609,801
CURRENT ASSETS			
Inventories		**17,503**	14,363
Trade and bills receivables	*11*	**99,366**	68,059
Corporate income tax refundable		**28,533**	12,007
Prepayments, deposits and other receivables		**28,399**	30,584
Pledged and restricted time deposits		**9,674**	24,864
Cash and cash equivalents		**270,140**	146,883
TOTAL CURRENT ASSETS		**453,615**	296,760
TOTAL ASSETS		**3,220,979**	2,906,561
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and bills payables	*12*	**203,101**	143,246
Other payables and accrued liabilities		**117,810**	117,315
Interest-bearing bank and other borrowings	*13*	**1,110,007**	1,018,550
Due to a related company		**–**	131,000
Interest payable		**16,176**	15,102
Income tax payable		**–**	879
Mining rights payables		**33,074**	38,876
TOTAL CURRENT LIABILITIES		**1,480,168**	1,464,968

		31 December	
		2014	2013
	Notes	***CNY'000***	*CNY'000*
NON-CURRENT LIABILITIES			
Due to a related company		**579,836**	–
Interest-bearing bank and other borrowings	*13*	**762,371**	889,504
Interest payable		**11,844**	16,729
Deferred tax liabilities	*7*	**187,834**	216,320
Mining rights payables		**33,074**	55,442
Asset retirement obligations		**9,019**	8,222
TOTAL NON-CURRENT LIABILITIES		**1,583,978**	1,186,217
TOTAL LIABILITIES		**3,064,146**	2,651,185
EQUITY			
Share capital		**1,081**	973
Reserves		**66,178**	160,880
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**67,259**	161,853
NON-CONTROLLING INTERESTS		**89,574**	93,523
TOTAL EQUITY		**156,833**	255,376
TOTAL LIABILITIES AND EQUITY		**3,220,979**	2,906,561

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

The Company is a limited liability company incorporated in the British Virgin Islands ("BVI") on 6 January 2010. The registered office address of the Company is Kingston Chambers, P.O. Box 173, Road Town, Tortola, BVI.

China Natural Resources, Inc. ("CHNR") is a BVI holding company incorporated in 1993 with its shares listed on the NASDAQ Capital Market in the United States of America. The Company was a wholly-owned subsidiary of CHNR until CHNR completed the spin off ("Spin-off") of its shareholding in the Company and the shares of the Company were listed by introduction on the Main Board of the Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") on 22 January 2014. After the Spin-off, CHNR's shareholders hold the shares of the Company directly.

CHNR's principal shareholder is Feishang Group Limited ("Feishang" or the "controlling shareholder"), a company incorporated in the BVI. Mr. LI Feilie, the director and beneficial owner of Feishang, is the chairman and chief executive officer of the Company. In the opinion of the directors of the Company, the ultimate holding company of the Company is Laitan Investments Limited, a company incorporated in the BVI.

The Company is an investment holding company. During the year, the Company's subsidiaries were engaged in the acquisition, construction and development of anthracite coal mines and extraction and sale of thermal and anthracite coal in the People's Republic of China ("PRC").

As at 31 December 2014, the Group had net current liabilities of CNY1,026.6 million (2013: CNY1,168.2 million) and total assets less current liabilities of CNY1,740.8 million (2013: CNY1,441.6 million).

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which comprise all standards and interpretations approved by the International Accounting Standards Board. These financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance relating to the preparation of financial statements, which for this financial year and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. The financial statements have been prepared under the historical cost convention. These financial statements are presented in Chinese Yuan ("CNY") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2014. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognizes (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognized in other comprehensive income is reclassified to profit or loss or retained earnings, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

Going concern

As of 31 December 2014, the Group had a working capital deficiency of CNY1,026.6 million and had undrawn loan facilities totalling CNY240.0 million available to finance its future operations. Subsequent to the end of the reporting period, the Group has secured additional loan facilities up to 31 March 2015 totalling CNY35.0 million. The Group will also enter into loan renewal discussions with the banks in due course and has, at this stage, not sought any written commitment that the loan facilities will be renewed. However, the Group has held discussion with its bankers about its future borrowing needs and no matters have been drawn to its attention to suggest that renewal may not be forthcoming on acceptable terms.

In the opinion of the Directors, the Group's forecasts and projections, after taking into account of reasonably possible changes in trading performance, operation as well as capital expenditure, the available bank facilities and the continuous financial support from Feishang, support the Group's ability to continue to operate within the level of its current capacity and that the Group is expected to have sufficient liquidity to finance its operations for the next twelve months. Therefore, the financial statements have been prepared on a going concern basis. The going concern basis assumes that the Group will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards and new interpretation for the first time for the current year's financial statements.

IFRS 10, IFRS 12 and IAS 27 (Revised) Amendments	Amendments to IFRS 10, IFRS 12 and IAS 27 (Revised) – *Investment Entities*
IAS 32 Amendments	Amendments to IAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
IAS 36 Amendments	Amendments to IAS 36 *Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*
IAS 39 Amendments	Amendments to IAS 39 *Financial Instruments: Novation of Derivatives and Continuation of Hedge Accounting*
IFRIC 21	*Levies*
Amendment to IFRS 2 included in *Annual Improvements 2010-2012 Cycle*	*Definition of Vesting Condition*[(1)]
Amendment to IFRS 3 included in *Annual Improvements 2010-2012 Cycle*	*Accounting for Contingent Consideration in a Business Combination*[(1)]
Amendment to IFRS 13 included in *Annual Improvements 2010-2012 Cycle*	*Short-term Receivables and Payables*
Amendment to IFRS 1 included in *Annual Improvements 2011-2013 Cycle*	*Meaning of Effective IFRSs*

[1] Effective from 1 July 2014

Other than explained below regarding the impact of the adoption of the above revised standards and interpretation has had no significant financial effect on these financial statements.

(a) Amendments to IFRS 10 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss rather than consolidate them. Consequential amendments were made to IFRS 12 and IAS 27. The amendments to IFRS 12 also set out the disclosure requirements for investment entities. The amendments have had no impact on the Group as the Company does not qualify as an investment entity as defined in IFRS 10.

(b) The IAS 32 Amendments clarify the meaning of "currently has a legally enforceable right to set off" for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in IAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments have had no impact on the Group as the Group does not have any offsetting arrangement.

(c) The IAS 39 Amendments provide an exception to the requirement of discontinuing hedge accounting in situations where over-the-counter derivatives designated in hedging relationships are directly or indirectly, novated to a central counterparty as a consequence of laws or regulations, or the introduction of laws or regulations. For continuance of hedge accounting under this exception, all of the following criteria must be met: (i) the novations must arise as a consequence of laws or regulations, or the introduction of laws or regulations; (ii) the parties to the hedging instrument agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties; and (iii) the novations do not result in changes to the terms of the original derivative other than changes directly attributable to the change in counterparty to achieve clearing. The amendments have had no impact on the Group as the Group has not novated any derivatives during the current and prior years.

(d) IFRIC 21 clarifies that an entity recognizes a liability for a levy when the activity that triggers payment, as identified by the relevant legislation, occurs. The interpretation also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. For a levy that is triggered upon reaching a minimum threshold, the interpretation clarifies that no liability should be recognized before the specified minimum threshold is reached. The interpretation has had no impact on the Group as the Group applied, in prior years, the recognition principles under IAS 37 Provisions, Contingent Liabilities and Contingent Assets which for the levies incurred by the Group are consistent with the requirements of IFRIC 21.

(e) The IFRS 2 Amendment clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions, including (i) a performance condition must contain a service condition; (ii) a performance target must be met while the counterparty is rendering service; (iii) a performance target may relate to the operations or activities of an entity, or to those of another entity in the same group; (iv) a performance condition may be a market or non-market condition; and (v) if the counterparty, regardless of the reason, ceases to provide service during the vesting period, the service condition is not satisfied. The amendment has had no impact on the Group.

(f) The IFRS 3 Amendment clarifies that contingent consideration arrangements arising from a business combination that are not classified as equity should be subsequently measured at fair value through profit or loss whether or not they fall within the scope of IFRS 9 or IAS 39. The amendment has had no impact on the Group.

(g) The IFRS 1 Amendment clarifies that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial. The amendment has had no impact on the Group.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group operates in one business unit based on its products, and has only one reportable segment which is the exploration and mining of coal. The Group conducts its principal operation in Mainland China. Management monitors the operating results of its business unit for the purpose of making decisions about resources allocation and performance assessment.

Geographic information

The Group's revenue from external customers is derived solely from its operation in Mainland China, and no non-current assets of the Group are located outside Mainland China.

Information about major customers

During the year ended 31 December 2013, sales derived from the three largest customers accounted for 27.7%, 19.0% and 14.5% of the consolidated revenue, respectively. During the year ended 31 December 2014, sales derived from the three largest customers accounted for 19.3%, 16.9% and 11.4% of the consolidated revenue, respectively.

4. REVENUE

Revenue represents the following:

	2014 *CNY'000*	2013 *CNY'000*
Sale of coal	**363,365**	178,501

All of the Group's revenue is derived solely from its operations in Mainland China.

5. FINANCE COSTS

	2014 *CNY'000*	2013 *CNY'000*
Interest on interest-bearing bank and other borrowings	**151,696**	132,215
Interest on payables for mining rights	**3,200**	6,263
Total interest expense	**154,896**	138,478
Less: capitalized interest	**(22,440)**	(33,684)
Bank charges	**10,490**	1,832
Entrusted loan commission fee	**442**	7,903
Accretion expenses	**797**	724
	144,185	115,253

6. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging/crediting:

	2014 *CNY'000*	2013 *CNY'000*
Crediting:		
Interest income on bank deposits	**2,716**	1,102
Charging:		
Cost of inventories sold [(a)]	**203,514**	72,938
Price adjustment fund	**11,566**	5,536
Sales tax and surcharge	**15,388**	5,415
Utilization of safety fund and production maintenance fund	**45,679**	24,353
Cost of sales	**276,147**	108,242
Employee benefit expenses	**113,334**	72,751
Depreciation, depletion and amortization:		
Property, plant and equipment	**111,938**	25,141
Auditors' remuneration:		
Audit fee	**3,000**	1,265
Audit-related fee	**–**	7,025
Operating lease rental:		
Office properties	**254**	200
Impairment of property, plant and equipment	**66,397**	184,417
Write-down of inventories to net realizable value	**–**	1,069
Repairs and maintenance	**749**	1,245
Losses arising from temporary suspension of production [(b)]	**10,725**	9,565

(a) Included in the cost of inventories sold are CNY143.1 million for the year ended 31 December 2014 (2013: CNY55.0 million), relating to employee benefit expenses and depreciation, depletion and amortization, and these amounts are also included in the respective amounts disclosed separately above for each type of expense.

(b) The amount represented the overhead costs incurred during the period of temporary suspension of production implemented by the local governments for inspections as well as the suspension of production in Gouchang Coal Mine according to Guizhou Province's coal mine consolidation policy issued in March 2013. Moreover, since June 2014, Liujiaba Coal Mine, Zhulinzhai Coal Mine and Dayuan Coal Mine also suspended production temporarily to facilitate inspection or carry out rectification or improvement of certain safety deficiencies so as to ensure their mining operations are in compliance with the requisite safety standards and other conditions required by 六枝特區安全生產監督管理局(Liuzhi Special District Administration Bureau of Work Safety*) and 納雍縣安全生產監督管理局(Nayong County Administration Bureau of Work Safety*).

* For identification purpose only

7. INCOME TAX AND DEFERRED TAX

The Company is a limited liability company incorporated in the BVI and conducts its primary business through its subsidiaries in Mainland China. It also has an intermediate holding company in Hong Kong. Under the current laws of the BVI, the Company incorporated in the BVI is not subject to tax on income or capital gains. The Hong Kong profits tax rate was 16.5% during the year ended 31 December 2014 (2013: 16.5%). The Company's Hong Kong subsidiary has both Hong Kong-sourced and non-Hong Kong-sourced incomes. The latter is not subject to Hong Kong profits tax and the related expenses are non-tax-deductible. For the Hong Kong-sourced income, no provision for Hong Kong profits tax was made as this operation sustained tax losses during the years ended 31 December 2014 and 2013. Furthermore, there are no withholding taxes in Hong Kong on the remittance of dividends.

Effective from 1 January 2008, the PRC's statutory corporate income tax ("CIT") rate is 25%. The Company's PRC subsidiaries are subject to income tax at 25% on their respective taxable incomes as calculated in accordance with the CIT Law and its relevant regulations.

Under the prevailing CIT Law and its relevant regulations, any dividends paid by the Company's PRC subsidiaries from their earnings derived after 1 January 2008 to the Company's Hong Kong subsidiary are subject to PRC dividend withholding tax of 5% or 10%, depending on the applicability of the Sino-Hong Kong tax treaty.

In accordance with the New CIT Law, enterprises established under the laws of foreign countries or regions and whose "place of effective management" is located within the PRC territory are considered PRC resident enterprises and subject to the PRC income tax at the rate of 25% on worldwide income. The definition of "place of effective management" refers to an establishment that exercises, in substance, overall management and control over the production and business, personnel, accounting and properties of an enterprise. As of 31 December 2014, no detailed interpretation or guidance has been issued to define "place of effective management". If the Company's non-PRC incorporated entities are deemed PRC tax residents, these entities would be subject to PRC tax under the New CIT Law. As of 31 December 2014, the Company has analyzed the applicability of this law and has not accrued for PRC tax on this basis. The Company will continue to monitor changes in the interpretation or guidance of this law.

The current and deferred components of income tax benefit appearing in the consolidated statement of profit or loss are as follows:

	2014 ***CNY'000***	2013 *CNY'000*
Current – Mainland China	**20,128**	8,945
Deferred – Mainland China	**(47,232)**	(56,762)
	(27,104)	(47,817)

A reconciliation of the income taxes computed at the PRC statutory tax rate of 25% to the actual income tax benefit is as follows:

	2014	2013
	CNY'000	*CNY'000*
Loss before income tax	**(253,931)**	(382,354)
Tax at the statutory tax rate of 25%	**(63,483)**	(95,589)
Effect of different tax rates for the Company and the Hong Kong subsidiary	**999**	12,734
Non-deductible expenses	**2,878**	3,364
Deferred tax assets not recognized	**1,120**	440
Tax losses not recognized	**31,807**	34,231
Tax losses utilized from previous years	**(102)**	(2,799)
Others	**(323)**	(198)
Income tax benefit	**(27,104)**	(47,817)

The Group's major deferred tax assets and deferred tax liabilities, classified after netting on a jurisdictional basis, are as follows:

	31 December	
	2014	2013
	CNY'000	*CNY'000*
Deferred tax assets		
Accrued liabilities and other payables	**5,664**	3,662
Capitalized pilot run income	**18,923**	17,954
Tax losses	**35,816**	19,859
Depreciation and fair value adjustment of property, plant and equipment	**9,706**	–
Others	**776**	589
	70,885	42,064
Deferred tax liabilities		
Depreciation and fair value adjustment of property, plant and equipment*	**(230,143)**	(248,554)
Net deferred tax liabilities	**(159,258)**	(206,490)
Classification in the consolidated statements of financial position:		
Deferred tax assets	**28,576**	9,830
Deferred tax liabilities	**(187,834)**	(216,320)

* Included in the deferred tax liabilities, there were CNY215.0 million and CNY232.2 million deferred tax liabilities recognized relating to the fair value adjustment on property, plant and equipment as of 31 December 2014 and 2013, respectively.

During 2014, deferred tax assets of CNY67.6 million (2013: CNY41.5 million) were recognized for Guizhou Nayong Dayuan Coal Mining Co., Ltd. ("Dayuan Coal"), Liuzhi Xinsong Coal Mining Co., Ltd. ("Xinsong Coal"), Liuzhi Linjiaao Coal Mining Co., Ltd. ("Linjiaao Coal") and Guizhou Yongfu Mining Co., Ltd. ("Guizhou Yongfu"). In assessing the recoverability of the Group's deferred tax assets, management has performed a detailed assessment on the available taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the deductible temporary differences and unused tax losses can be utilized before they expire. In addition, management has also performed a detailed assessment on these coal mining subsidiaries' profitability based on their production plans, product mix, forecasted selling prices, and the related production and operational costs, of which strong profits are expected.

Accordingly, management considered it is probable that the Group, in future, will earn sufficient taxable profits to utilize these coal mining subsidiaries' deductible temporary differences and unused tax losses before they expire and as such, the related deferred tax assets are recognized.

The Group did not recognize any deferred tax liabilities in respect of the 5% or 10% PRC dividend withholding tax on the undistributed earnings of its PRC subsidiaries as there were no undistributed earnings available due to the aggregate losses of the subsidiaries as of 31 December 2014 and 2013.

The total amounts of unused tax losses for which no deferred tax assets were recognized amounted to CNY322.0 million and CNY206.0 million as of 31 December 2014 and 2013, respectively. As of 31 December 2014, unused tax losses of CNY18.6 million, CNY36.5 million, CNY42.7 million, CNY108.2 million and CNY116.0 million if unused, will expire by end of 2015, 2016, 2017, 2018 and 2019, respectively.

The gross movements on the deferred tax account are as follows:

	2014	2013
	CNY'000	*CNY'000*
At beginning of the year	**(206,490)**	(263,252)
Credited to consolidated statement of profit or loss	**47,232**	56,762
At end of the year	**(159,258)**	(206,490)

8. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic and diluted loss per share for the year were calculated as follows:

	2014	2013
	CNY'000	*CNY'000*
Loss for the year attributable to owners of the Company:	**(223,600)**	(334,119)
Weighted average number of common shares ('000 shares):		
Basic	**124,887**	120,305
Diluted	**124,887**	120,305
Loss per share attributable to owners of the Company (CNY per share):		
Basic	**(1.79)**	(2.78)
Diluted	**(1.79)**	(2.78)

The Company did not have any potential diluted shares throughout the year. Accordingly, the diluted loss per share amount is the same as the basic loss per share amount.

9. DIVIDEND

No dividend has been paid or declared by the Company since its incorporation.

10. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Mining structures and mining rights	Machinery and equipment	Motor vehicles	Construction in progress	Total
	CNY'000	*CNY'000*	*CNY'000*	*CNY'000*	*CNY'000*	*CNY'000*
Cost						
At 1 January 2013	31,139	1,688,813	88,110	14,111	543,597	2,365,770
Additions	1,855	9,356	24,630	5,948	302,091	343,880
Transfers	41,432	139,635	23,881	–	(204,948)	–
At 31 December 2013 and 1 January 2014	74,426	1,837,804	136,621	20,059	640,740	2,709,650
Additions	–	4,477	23,979	7,391	284,093	319,940
Transfers	9,477	447,162	91,483	–	(548,122)	–
At 31 December 2014	**83,903**	**2,289,443**	**252,083**	**27,450**	**376,711**	**3,029,590**
Accumulated depreciation						
At 1 January 2013	(1,558)	(24,940)	(8,688)	(2,943)	–	(38,129)
Depreciation charge	(2,024)	(14,596)	(7,089)	(1,432)	–	(25,141)
At 31 December 2013 and 1 January 2014	(3,582)	(39,536)	(15,777)	(4,375)	–	(63,270)
Depreciation charge	(1,798)	(79,046)	(28,879)	(2,215)	–	(111,938)
At 31 December 2014	**(5,380)**	**(118,582)**	**(44,656)**	**(6,590)**	**–**	**(175,208)**
Impairment						
At 1 January 2013	–	–	–	–	–	–
Impairment	–	(184,417)	–	–	–	(184,417)
At 31 December 2013 and 1 January 2014	–	(184,417)	–	–	–	(184,417)
Impairment	–	(66,397)	–	–	–	(66,397)
At 31 December 2014	**–**	**(250,814)**	**–**	**–**	**–**	**(250,814)**
Net carrying amount						
At 31 December 2013	70,844	1,613,851	120,844	15,684	640,740	2,461,963
At 31 December 2014	**78,523**	**1,920,047**	**207,427**	**20,860**	**376,711**	**2,603,568**

As at 31 December 2014, certain mining rights with a carrying amount of CNY984.5 million (2013: CNY798.7 million) were pledged to secure bank loans with a carrying amount of CNY718.8 million (2013: CNY485.9 million) (note 13).

As at 31 December 2014, certain buildings with a carrying amount totaling CNY69.0 million were without title certificates. The Group has obtained the relevant confirmation letters issued by the local authorities confirming that they will not impose any penalties in connection with the construction of these buildings, and that the Group may continue to use these buildings in accordance with the current uses. The Directors are of the view that the Group is entitled to lawfully and validly occupy and use the above-mentioned buildings. The Directors are also of the opinion that the aforesaid matter will not have any significant impact on the Group's financial position as of the end of the year.

Interest expenses of CNY22.4 million and CNY33.7 million arising from borrowings attributable to the construction of property, plant and equipment were capitalized at an annual rate of 6.00% to 8.00% and were included in 'additions' to construction in progress and mining rights during the years ended 31 December 2014 and 2013, respectively.

Operations have been temporarily suspended at Dayuan Coal Mine since June 2014 to carry out rectification of certain safety deficiencies or related improvement so as to ensure its mining operations are in compliance with the requisite safety standards and other conditions required by relevant Administration Bureau of Work Safety in the PRC. Dayuan Coal Mine was designated as a single cash generating unit ("CGU"). The carrying value of the long-term assets was compared to the recoverable amount of the CGU, which was based predominantly on the fair-value-less-costs-of-disposal ("FVLCD") approach. The fair value measurement of the recoverable amount is categorized within level 3 of the fair value hierarchy. FVLCD calculations use pre-tax cash flow projections over the reserve life over Dayuan Coal Mine. Other key assumptions applied in the impairment tests include the production volume, expected coal price, coal product mix, product cost and related expenses. Management determined that these key assumptions were based on past performance and their expectations on market development. Further, the Group adopts a pre-tax rate of 11.93% for the year ended 31 December 2014 (year ended 31 December 2013: 15.05%) that reflects specific risks related to CGU as discount rates. For the year ended 31 December 2014, impairment loss for property, plant and equipment of CNY66.4 million (year ended 31 December 2013: CNY184.4 million) was recognized in profit or loss.

11. TRADE AND BILLS RECEIVABLES

	31 December	
	2014	2013
	CNY'000	*CNY'000*
Trade receivables	**95,651**	57,149
Less: provision for impairment	**–**	–
	95,651	57,149
Bills receivable	**3,715**	10,910
	99,366	68,059

A credit period of up to three months is granted to customers with an established trading history, otherwise sales on cash terms or payment in advance is required. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of the year, based on the invoice date, is as follows:

	31 December	
	2014	2013
	CNY'000	*CNY'000*
Within 3 months	**76,271**	48,933
3 to 6 months	**4,544**	5,206
6 to 12 months	**13,845**	2,966
Over 12 months	**991**	44
	95,651	57,149

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

	31 December	
	2014	2013
	CNY'000	*CNY'000*
Neither past due nor impaired	**76,271**	48,933
Within one year past due	**18,389**	8,172
More than one year past due	**991**	44
Trade receivables, net	**95,651**	57,149

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the Directors are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

Bills receivable are bills of exchange with maturity dates of less than one year.

12. TRADE AND BILLS PAYABLES

	31 December	
	2014	2013
	CNY'000	*CNY'000*
Trade payables [(a)]	**198,427**	134,382
Bills payable [(b)]	**4,674**	8,864
	203,101	143,246

[(a)] Included in trade payables were CNY149.3 million (2013: CNY91.7 million) due to construction related constructors as of 31 December 2014.

[(b)] Bills payable of CNY5.0 million was not issued as of 31 December 2014.

The aged analysis of trade payables is as follows:

	31 December	
	2014	2013
	CNY'000	*CNY'000*
Within one year	**189,775**	129,069
More than one year	**8,652**	5,313
	198,427	134,382

Bills payable are bills of exchange with maturity of less than one year. Time deposits of CNY9.7 million (2013: CNY8.9 million) were pledged to secure the bank bills as of 31 December 2014.

The trade payables are non-interest-bearing and are normally settled on a term of three to six months other than those due to construction related constructors, which are repayable on terms ranging from three months to about one year.

13. INTEREST-BEARING BANK AND OTHER BORROWINGS

	31 December 2014 CNY'000	2013 CNY'000
Current		
Bank and other borrowings – guaranteed	**255,000**	876,000
Current portion of long term bank and other borrowings – secured and guaranteed	**239,007**	100,000
Current portion of long term bank and other borrowings – guaranteed	**386,000**	42,550
Bank and other borrowings – unsecured	**230,000**	–
	1,110,007	1,018,550
Non-current		
Bank and other borrowings – guaranteed	**94,000**	360,000
Bank and other borrowings – secured and guaranteed	**479,771**	385,904
Bank and other borrowings – unsecured	**188,600**	143,600
	762,371	889,504
	1,872,378	1,908,054

Certain of the interest-bearing bank and other borrowings are secured by:

(1) Pledges over the Group's mining rights with a carrying amount of CNY984.5 million (2013: CNY798.7 million) as of 31 December 2014 (note 10);

(2) Pledges over the Company's equity interest in Guizhou Puxin Energy Co., Ltd. ("Guizhou Puxin") and Guizhou Dayun Mining Co., Ltd. ("Guizhou Dayun") as of 31 December 2014; Pledges over the Company's equity interest in Guizhou Puxin, Jinsha Baiping Ming Co., Ltd., Dayuan Coal, Nayong Gouchang Coal Ming Co., Ltd., Linjiaao Coal, Xinsong Coal and Guizhou Dayun as of 31 December 2013; and

(3) Pledges over certain of the Group's time deposits with a carrying amount of CNY16.0 million as of 31 December 2013.

In addition, Mr. LI Feilie has guaranteed certain of the Group's interest-bearing bank and other borrowings up to CNY989.0 million (2013: CNY658.5 million) as of 31 December 2014. Also, the Group's fellow subsidiaries have guaranteed certain of the Group's interest-bearing bank and other borrowings up to CNY1,274.0 million (2013: CNY1,073.5 million) as of 31 December 2014.

All borrowings are denominated in CNY.

The ranges of the effective interest rates on the Group's bank and other borrowings are as follows:

	31 December 2014 %	2013 %
Fixed-rate bank and other borrowings	**6.60~10.00**	6.30~8.40
Floating-rate bank and other borrowings	**6.00~9.00**	6.00~8.52

The maturity profile of the bank and other borrowings as of the end of the reporting period is as follows:

	31 December 2014 CNY'000	2013 CNY'000
Bank and other borrowings repayable:		
Within one year or on demand	**1,110,007**	1,018,550
In the second year	**599,600**	515,904
In the third to fifth years, inclusive	**162,771**	373,600
	1,872,378	1,908,054

MANAGEMENT DISCUSSION AND ANALYSIS

Year 2014 remained a difficult year to the coal industry in China as a whole and to the Group. However, the Group made certain progress despite the adverse environment. Firstly, the Group accelerated the project construction, managed to put Yongsheng Coal Mine into commercial production and substantially completed the construction of Dayun Coal Mine during the year ended 2014. Secondly, the Group succeeded in raising the production capacity, expanding the sales channels, and strengthening the cost management, resulting in the rise in sales volume of self-produced coal (excluding pilot run production) from 563,355 tonnes in 2013 to 1,413,900 tonnes in 2014 and the increment of revenue by 103.6%.

BUSINESS REVIEW

Snapshot of Major Developments of the Group throughout the Year

- In January 2014, the Company was successfully listed on the Main Board of the Hong Kong Stock Exchange by way of introduction.
- In January 2014, Yongsheng Coal Mine obtained the Safe Production Permit issued by Guizhou Administration of Coal Mine Safety and launched commercial production in February 2014.
- In June 2014, Guizhou Puxin was deemed as a coal mine consolidator in Guizhou province.
- As of 31 December 2014, Dayun Coal Mine completed the construction of mine shaft, water supply and drainage system, power supply system, ventilation system, safety system, haulage system, and main environmental protection systems.
- In December 2014, the Company completed the placement of 13,500,000 new shares to not less than six placees at the placing price of HK$12.00 per share. The net proceeds of the placement was approximately HK$160.9 million.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by 103.6% from CNY178.5 million in 2013 to CNY363.4 million in 2014. The rise in revenue was due to an increase in sales volume, notwithstanding a drop in average selling price in 2014. The commercial run of Yongsheng Coal Mine in 2014 contributed an increase in the sales volume from 563,355 tonnes in 2013 to 1,413,900 tonnes in 2014, representing a surge of 151.0%. However, the average selling price of anthracite coal dropped from CNY316.9 per tonne in 2013 to CNY257.0 per tonne in 2014 due to the downward pressure on the domestic economy and the coal market in China.

The Group sold a significant portion of its anthracite coal as thermal coal to power producers in Guizhou province. Also, the Group was dependent on a limited number of customers for a substantial portion of the revenue. In 2013 and 2014, the Group derived 81.4% and 62.8%, respectively, of its revenue from anthracite coal sales to its five largest customers. The management of the Group believes that by diversifying the product mix to include increased sales of chemical coal and sales of pulverized coal injection coal, the dependency on a limited number of large customers will decrease and the Group's profit margin will increase.

Cost of Sales

The Group's cost of sales increased by 155.1% from CNY108.2 million in 2013 to CNY276.1 million in 2014. This was primarily due to the increase in sales volume.

Labour costs in 2014 was CNY98.9 million, representing an increase of CNY52.5 million, or approximately 113.1%, as compared with CNY46.4 million in 2013. The increase in labour costs was lower than the rise in the sales volume of the Group's anthracite products in 2014 because as production expanded, the Group's mine operation was able to achieve economies of scale.

Material, fuel and energy costs in 2014 were CNY43.0 million, an increase of CNY14.1 million or approximately 48.8% as compared with CNY28.9 million in 2013. The increase in material, fuel and energy costs was lower than the rise in the sales volume of the Group's anthracite products in 2014 as the Group's mine operation was beginning to realize economies of scale.

Depreciation and amortization in 2014 were CNY102.4 million, representing an increase of CNY83.2 million, or approximately 433.3%, as compared with CNY19.2 million in 2013. The surge in depreciation and amortization in 2014 was caused by the larger depreciable basis arising from the transfer of construction in progress to property, plant and equipment following the commercial run of Yongsheng Coal Mine, as well as the increase in production volume which led to higher depreciation of mining related assets by using units-of-production method.

Sales tax and levies in 2014 were approximately CNY27.0 million, an increase of CNY16.0 million or approximately 145.5% as compared with CNY11.0 million in 2013. The increase in sales tax and levies was lower than the rise in the sales volume of the Group's anthracite products in 2014 as the Coal Price Adjustment Fund Management Committee of Guizhou Province reduced the price adjustment fund in Guizhou by CNY10 per tonne since August 2013, followed by the circular jointly promulgated by the Ministry of Finance and the National Development and Reform Commission of the PRC to cease the price adjustment fund since 1 December 2014.

Breakdown of the Group's Unit Cost of Sales

Cost Items for Mining Activity	**2014** ***CNY/tonne***	2013 *CNY/tonne*
Labour costs	**70.0**	82.4
Raw materials, fuel and energy	**30.4**	51.4
Depreciation and amortization	**72.4**	34.0
Taxes & levies payable to governments	**19.1**	19.4
Other production-related costs	**3.4**	4.9
Total cost for coal production	**195.3**	192.1

The major suppliers for the Group's mining operations include third party contractors and suppliers of ancillary materials used in the mining operations. In 2013 and 2014, the total purchases (including those from coal mine construction contractors) from the five largest suppliers were CNY207.3 million and CNY164.9 million, respectively, representing approximately 40.0% and 36.2%, respectively, of the total purchases. In 2013 and 2014, the largest supplier accounted for approximately 11.5% and 11.0%, respectively, of the total purchases. Each of the five largest suppliers is a third party contractor.

Gross Profit and Gross Margin

As a result of the foregoing, the gross profit, which is equal to revenue less cost of sales, increased by 24.1% from CNY70.3 million in 2013 to CNY87.2 million in 2014. The gross margin, which is equal to gross profit divided by revenue, decreased from 39.4% in 2013 to 24.0% in 2014, primarily due to a drop in the average selling price of anthracite coal.

Selling and Distribution Expenses

The selling and distribution expenses increased by 43.6% from CNY6.1 million in 2013 to CNY8.8 million in 2014, primarily due to an increase in payroll expense for the Group's sales staff and an increase in the sales and marketing activities following the rise in the production output.

Administrative Expenses

The administrative expenses decreased by 19.0% from CNY142.1 million in 2013 to CNY115.0 million in 2014. The drop was primarily resulted from the decrease in expense related to the preparation for the listing of the Company on the Hong Kong Stock Exchange.

Impairment Loss on Property, Plant and Equipment

The Group incurred an impairment loss on property, plant and equipment of CNY184.4 million in 2013 and CNY66.4 million in 2014 in connection with the temporary suspension of Gouchang Coal Mine and Dayuan Coal Mine, respectively.

Operating Loss

As a result of the foregoing, the operating loss decreased significantly from CNY268.3 million in 2013 to CNY109.4 million in 2014.

Finance Costs

The finance costs increased by 25.1% from CNY115.3 million in 2013 to CNY144.2 million in 2014, principally due to a 14.7% increase in interest expenses on interest-bearing bank and other borrowings from CNY132.2 million in 2013 to CNY151.7 million in 2014. Interest expenses on interest-bearing bank and other borrowings increased primarily due to a rise in interest rate of the renewed interest-bearing bank and other borrowings. A lower level of capitalized interest in 2014 as compared to 2013 also attributed to the rise in interest expenses. The lower level of capitalized interest in 2014 was mainly due to the cessation of interest capitalization along with the pilot run of Dayuan Coal Mine in July 2013 as well as the pilot run of Yongsheng Coal Mine in June 2013.

The Group also incurred entrusted loan commission fees of CNY7.9 million in 2013 and CNY0.4 million in 2014 as the Group replaced the inter-company loans with entrusted loans.

Interest Income

The interest income increased by 146.5% from CNY1.1 million in 2013 to CNY2.7 million in 2014, mainly as a result of the rise in the average balance of the Group's bank deposits in 2014.

Net Non-operating Expense/Income

The net non-operating income was CNY0.1 million in 2013 compared to the net non-operating expense of CNY3.0 million in 2014. The net non-operating income in 2013 primarily reflected the reversal of certain payables on the outstanding social security fund or housing provident fund contributions. The net non-operating expense in 2014 mainly represented the community donation in Jinsha county made.

Loss Before Income Tax

As a result of the foregoing, the loss before income tax decreased from CNY382.4 million in 2013 to CNY253.9 million in 2014.

Income Tax Benefit

The Group had an income tax benefit of CNY27.1 million in 2014, compared to an income tax benefit of CNY47.8 million in 2013. The drop in income tax benefit in 2014 was mainly due to the less reversal of deferred tax liabilities in 2014 resulting from the decrease of impairment loss on property, plant and equipment.

Loss Attributable to the Owners of the Company

The loss attributable to the owners of the Group for the year was CNY223.6 million in 2014, a drop of CNY110.5 million from the loss of CNY334.1 million in 2013. This was mainly attributable to (i) the CNY118.0 million reduction in impairment loss of coal mine from CNY184.4 million for Gouchang Coal Mine in 2013 to CNY66.4 million in connection with the temporary suspension of Dayuan Coal Mine in 2014; (ii) the decrease of CNY27.1 million in administrative expenses resulting from the decrease in expenses related to the preparation for the listing of the Company on the Hong Kong Stock Exchange; and (iii) the increase of CNY17.0 million in gross profit resulting from the increase in sales volume; notwithstanding a decrease of CNY20.7 million in income tax benefit and an increase of CNY28.9 million in finance cost as a result of the rise in interest rate of the renewed interest-bearing borrowings in 2014.

PROSPECTS

After three years of mine construction, Dayun Coal Mine obtained the approval of pilot run from the Energy Bureau of Guizhou Province on 2 March 2015. It is anticipated that, following the commercial run of the coal washing plant and the completion of shipping port in the first half of 2015, and the launch of Dayun Coal Mine's commercial production in the second half of 2015, the Group will gradually realize economies of scale arising from the increase in production output and enhancement in product quality. The Group will continue to streamline its operations, safety, stringent cost control and marketing effort to improve the cash flow and performance of the Group.

CAPITAL COMMITMENTS

As at 31 December 2014, the Group had contractual capital commitments in respect of coal mine under construction and development and coal washing plant amounting to CNY35.1 million.

FINAL DIVIDEND

In order to retain resources for the Group's business development, the Board does not recommend the payment of a final dividend for the year ended 31 December 2014 (2013: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2014, the Group employed approximately 316 full time employees (not including 965 workers provided by third party labour agencies) for its principal activities (2013: 366). Employees' costs (including Directors' emoluments) amounted to CNY118.0 million (including payment to workers provided by third party labour agencies) for the year ended 31 December 2014 (2013: CNY91.1 million). The Group recognizes the importance of high calibre and competent staff and continues to provide remuneration packages to employees with reference to prevailing market practices and individual performance. Other various benefits, such as medical and retirement benefits, are also provided. In addition, share options may be granted to eligible employees of the Group in accordance with the terms of the approved share option scheme of the Company.

The emolument policy of the employees of the Group is set up on the basis of their merit, qualifications and competence. The emoluments of the Directors are determined having regard to the Group's operating results, individual performance and comparable market statistics. No Director, or any of his associates, and executive is involved in dealing his own remuneration.

PURCHASE, SALE OR REDEMPTION OF THE SHARES OF THE COMPANY

On 23 December 2014, the Company completed the placement of 13,500,000 shares to not less than six placees at the placing price of HK$12.00 per share. For details of the share placement, please refer to the announcement of the Company dated 10 December 2014.

Save as disclosed above, there was no purchase, sale or redemption of the Company's shares by the Company or any of its subsidiaries for the year ended 31 December 2014.

CORPORATE GOVERNANCE

The Company has adopted the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") as contained in Appendix 14 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") as its own code of corporate governance. For the year ended 31 December 2014, the Company has complied with the code provisions as set out in the CG Code, save and except for code provisions A.2.1 and E.1.2 as set out below.

Chairman and Chief Executive

Mr. LI Feilie is the chairman and chief executive officer of the Company. He is mainly responsible for the Group's overall strategies, planning, management and business development. Code provision A.2.1 of the CG Code stipulates that the roles of the chairman and chief executive should be separate and should not be performed by the same individual. The Company deviates from this code provision of the CG Code with Mr. LI Feilie being the chairman and chief executive officer of the Company concurrently. The Board considers this arrangement is appropriate as it allows for efficient discharge of the executive functions of the chief executive officer. The Board believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high-calibre individuals including three independent non-executive Directors offering independent advice from different perspectives. In addition, major decisions are made after consultation with the Board and appropriate Board committees, as well as senior management. The Board is therefore of the view that there are adequate balance and safeguards in place.

Attendance of Chairmen of Board Committees at General Meeting

Code provision E.1.2 of the CG Code stipulates that the chairman of the board should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, he should invite another member of the committee or failing this his duly appointed delegate, to attend. Mr. HUANG Zuye, chairman of the nomination committee of the Company, as well as Mr. GU Jianshe, former chairman of the remuneration committee and corporate social responsibility committee of the Company, did not attend the annual general meeting of the Company held on 30 May 2014 due to travel document issue.

Subsequent Events

On 4 January 2015, Guizhou Dayun fully drew down the remaining loan facility amounting to CNY20.0 million out of the total CNY150.0 million long-term bank loan from Industrial and Commercial Bank of China Limited in 2012. The loan bears a floating annual interest rate equal to 10% above the over-five-year base lending rate stipulated by the People's Bank of China from time to time (6.15% per annum, resulting in an annual interest rate of 6.77% per annum).

On 8 January 2015, Guizhou Puxin received and fully drew down a CNY25.0 million short-term bank loan from Industrial and Commercial Bank of China Limited to be repaid on 7 January 2016. The purpose of the loan is to finance the purchase of coal. The loan bears a floating annual interest rate equal to 25% above the one-year base lending rate stipulated by the People's Bank of China (5.60% per annum, resulting in an annual interest rate of 7.00% per annum).

On 10 February 2015, Guizhou Puxin received and fully drew down a CNY10.0 million half-year bank loan from China Merchants Bank Co., Ltd., to be repaid on 9 August 2015. The purpose of the loan is to finance the working capital of Guizhou Puxin. The loan bears a fixed annual interest rate equal to 30% above the half-year base lending rate stipulated by the People's Bank of China.

REVIEW OF ANNUAL RESULTS

The figures in this preliminary announcement of the results of the Group for the year ended 31 December 2014, which have been reviewed by the audit committee of the Company, have been agreed to the amounts set out in the Group's draft consolidated financial statements for the year by the Group's auditors, Ernst & Young. The work of Ernst & Young, in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants.

ANNUAL GENERAL MEETING

The annual general meeting of the Company ("AGM") was scheduled to be held on 29 May 2015. The notice of AGM will be published on the website of the Company at www.fsanthracite.com and the designated website of the Hong Kong Stock Exchange at www.hkexnews.hk in due course.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITES OF THE COMPANY AND THE HONG KONG STOCK EXCHANGE

Pursuant to the requirements of the Listing Rules, the 2014 annual report of the Company will set out all information required by the Listing Rules and will be published on the website of the Company (www.fsanthracite.com) and the designated website of the Hong Kong Stock Exchange (www.hkexnews.hk) on or before 30 April 2015.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 27 May 2015 to Friday, 29 May 2015 (both days inclusive) during which period no transfer of shares of the Company will be effected. In order to determine the entitlement to attend and vote at the AGM, all share transfers accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 26 May 2015.

APPRECIATION

The chairman of the Company would like to take this opportunity to express his appreciation to the staff and management team of the Group for their endeavours and to the Guizhou Government for its guidance and assistance during the year. The chairman of the Company also gives his sincere gratitude to all the shareholders of the Company for their continual support.

By Order of the Board
Feishang Anthracite Resources Limited
LI Feilie
Chairman

Hong Kong, 31 March 2015

As at the date of this announcement, the executive Directors of the Company are Mr. LI Feilie (Chairman and Chief Executive Officer), Mr. HAN Weibing (Chief Operating Officer), Mr. WAN Huojin (Chief Technical Officer), Mr. TAM Cheuk Ho and Mr. WONG Wah On Edward; and the independent non-executive Directors of the Company are Mr. LO Kin Cheung, Mr. HUANG Zuye and Mr. HUANG Songzhong.