

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**PROPOSED SHARE SUBDIVISION;
PROPOSED INCREASE OF MAXIMUM NUMBER OF AUTHORISED
SHARES;
PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF
ASSOCIATION;
AND
PROPOSED CHANGE IN BOARD LOT SIZE**

Proposed Share Subdivision, Increase of Maximum Number of Authorised Shares, Amendments to the Memorandum and Articles of Association and Change in Board Lot Size

The Board proposes to: (i) implement the Share Subdivision on the basis that each issued and unissued Share with a par value of HK\$0.01 each will be subdivided into ten (10) Subdivided Shares with a par value of HK\$0.001 each, such that the maximum number of shares that the Company is authorised to issue will increase from 1,000,000,000 shares with a par value of HK\$0.01 each to 10,000,000,000 shares with a par value of HK\$0.001 each; (ii) increase the maximum number of shares that the Company is authorised to issue from 1,000,000,000 shares with a par value of HK\$0.01 each (equivalent to 10,000,000,000 shares with a par value of HK\$0.001 each after the Share Subdivision) to 100,000,000,000 shares with a par value of HK\$0.001 each; and (iii) implement the Amendments to the Memorandum and Articles of Association. The Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association will be considered and, if thought fit, approved by the Shareholders at the AGM. The Board further proposes to change the board lot size for trading in the shares of the Company from 500 Shares to 2,500 Subdivided Shares upon the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association becoming effective.

Reasons for the Share Subdivision, Increase of Maximum Number of Authorised Shares, Amendments to the Memorandum and Articles of Association and Change in Board Lot Size

The Board believes the reduced amount for investing in a board lot of the Subdivided Shares as a result of the Share Subdivision will improve the liquidity in the trading of the shares of the Company, thereby enabling the Company to attract more investors and broaden its Shareholders' base, while the proposed Change in Board Lot Size will maintain the trading amount for each board lot at a reasonable level. In view of the above, the Board believes that the implementation of the Share Subdivision and Change in Board Lot Size are in the interests of the Company and its Shareholders as a whole.

The proposed Increase of Maximum Number of Authorised Shares and corresponding amendments to the Memorandum and Articles of Association are required in order to: (i) cater for the additional number of shares of the Company created as a result of the Share Subdivision; and (ii) provide the Company with greater flexibility for future investment opportunities and to accommodate future issues of shares of the Company.

General

A circular containing, among other things, details regarding the proposed (i) Share Subdivision; (ii) Increase of Maximum Number of Authorised Shares; (iii) Amendments to the Memorandum and Articles of Association; and (iv) Change in Board Lot Size, and a notice convening the AGM is expected to be despatched to the Shareholders on or before Friday, 24 April 2015.

PROPOSED SHARE SUBDIVISION, INCREASE OF MAXIMUM NUMBER OF AUTHORISED SHARES AND AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

The Board proposes to:

- (i) implement the Share Subdivision on the basis that each issued and unissued Share with a par value of HK\$0.01 each will be subdivided into ten (10) Subdivided Shares with a par value of HK\$0.001 each, such that the maximum number of shares that the Company is authorised to issue will increase from 1,000,000,000 shares with a par value of HK\$0.01 each to 10,000,000,000 shares with a par value of HK\$0.001 each;
- (ii) increase the maximum number of shares that the Company is authorised to issue from 1,000,000,000 shares with a par value of HK\$0.01 each (equivalent to 10,000,000,000 shares with a par value of HK\$0.001 each after the Share Subdivision) to 100,000,000,000 shares with a par value of HK\$0.001 each; and
- (iii) implement the Amendments to the Memorandum and Articles of Association.

Effects of the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association

As at the date of this announcement, the maximum number of shares that the Company is authorised to issue amounted to 1,000,000,000 shares with a par value of HK\$0.01 each, of which 138,054,580 Shares had been allotted and issued as fully paid or credited as fully paid. Upon the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association becoming effective, on the basis that the Company does not allot, issue or repurchase any further Shares prior thereto, the maximum number of shares that the Company is authorised to issue shall be 100,000,000,000 shares each with a par value of HK\$0.001, of which 1,380,545,800 Subdivided Shares will be in issue. Upon the Share Subdivision becoming effective, the Subdivided Shares will rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid. The Share Subdivision will not result in any change in the relevant rights of the Shareholders.

Dealings in the Subdivided Shares

Subject to the granting of the listing of, and permission to deal in, the Subdivided Shares on the Stock Exchange, the Subdivided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

For those persons whose interests in the Company are currently held through CCASS, dealings in the Subdivided Shares are expected to be capable of settlement through CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange and without any need on the part of such persons to deposit new share certificates in respect of the Subdivided Shares with HKSCC.

Conditions of the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association

The Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association are conditional on:

- (i) the passing by the Shareholders of a resolution to approve the Share Subdivision at the AGM;
- (ii) the passing by the Shareholders of a resolution to approve the Increase of Maximum Number of Authorised Shares at the AGM;
- (iii) the passing by the Shareholders of a special resolution to approve the Amendments to the Memorandum and Articles of Association and the adoption of the amended and restated Memorandum and Articles of Association at the AGM;
- (iv) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Subdivided Shares; and
- (v) the BVI Registrar approving the registration of the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association.

The Share Subdivision will take effect at 9:00 a.m. on Monday, 1 June 2015, subject to the fulfilment of the above conditions. The Company expects to obtain the approval from the BVI Registrar mentioned in condition (v) above on Friday, 29 May 2015. In the unlikely event that the Company is unable to obtain approval from the BVI Registrar mentioned in condition (v) above before Monday, 1 June 2015, the Company may be required to halt the trading of Shares on the Stock Exchange until the approval is obtained.

Listing Application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Subdivided Shares upon the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association becoming effective.

PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

As mentioned above, the Company proposes to, subject to the approval by the Shareholders at the AGM by way of special resolution, amend the Memorandum and Articles of Association to reflect the Share Subdivision and Increase of Maximum Number of Authorised Shares. The major proposed amendments (underlined) are as follows:

Memorandum of Association

Clause 6.1

Original clause 6.1 The Company is authorised to issue a maximum of 1,000,000,000 ordinary shares of one class with a par value of HK\$0.01 each.

Amended clause 6.1 The Company is authorised to issue a maximum of 100,000,000,000 ordinary shares of one class with a par value of HK\$0.001 each.

Articles of Association

Article 1.1

Original article 1.1 The Company is authorised to issue a maximum of 1,000,000,000 ordinary shares of one class with a par value of HK\$0.01 each.

Amended article 1.1 The Company is authorised to issue a maximum of 100,000,000,000 ordinary shares of one class with a par value of HK\$0.001 each.

Article 8

Original article 8

8 **Alteration of Authorised Shares**

The Company may from time to time by Resolution of Members cancel any shares which at the date of the passing of the Resolution of Members have not been taken or agreed to be taken by any person, and diminish the maximum number of shares the Company is authorised to issue by the number of the shares so cancelled subject to the provisions of the Act.

Amended article 8

8 **Alteration of Shares**

8.1

The Company may from time to time by Resolution of Members cancel any shares which at the date of the passing of the Resolution of Members have not been taken or agreed to be taken by any person, and diminish the maximum number of shares the Company is authorised to issue by the number of the shares so cancelled subject to the provisions of the Act.

8.2

The Company may from time to time by Resolution of Members and in accordance with the Act, the Memorandum and the Articles:

(a) divide its shares, including issued shares, into a larger number of shares; or

(b) combine its shares, including issued shares, into a smaller number of shares,

provided that, where shares are divided or combined, the aggregate par value (if any) of the new shares must be equal to the aggregate par value (if any) of the original shares, and the Company shall not divide its shares if it would cause the maximum number of shares that the Company is authorised to issue by its Memorandum to be exceeded.

PROPOSED CHANGE IN BOARD LOT SIZE

In addition to the proposed Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association, the Board also proposes to change the board lot size for trading in the shares of the Company from 500 Shares to 2,500 Subdivided Shares upon the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association becoming effective.

Based on the closing price of HK\$12.00 per Share (equivalent to ten (10) Subdivided Shares at HK\$1.20 per Subdivided Share) as at the date of this announcement, the value of each board lot of 2,500 Subdivided Shares, assuming the Share Subdivision has taken effect, would be HK\$3,000.

EXCHANGE OF SHARE CERTIFICATES

Subject to the commencement of dealings in the Subdivided Shares, which is expected to be at 9:00 a.m. on Monday, 1 June 2015, Shareholders may, on or after Monday, 1 June 2015 until 4:30 p.m. on Wednesday, 8 July 2015 (both days inclusive), submit share certificates for existing Shares to the Company's branch registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange, at the expense of the Company, for new share certificates for the Subdivided Shares with a new par value of HK\$0.001 each (on the basis of every one (1) Share for ten (10) Subdivided Shares). Thereafter, share certificates for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate issued for the Subdivided Shares or each existing share certificate for the Shares submitted for cancellation, whichever number of share certificates involved is higher. Nevertheless, the existing share certificates for the Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Subdivided Shares at any time, but will not be accepted for delivery, trading, settlement and registration upon completion of the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association.

In order to distinguish between the existing and the new share certificates, new share certificates for the Subdivided Shares will be in yellow colour, which is different from the existing share certificates for the Shares, which are in blue colour.

It is expected that new share certificates for the Subdivided Shares will be available for collection within ten (10) Business Days from the date of submission of the existing share certificates for the Shares to the Company's share registrar at the abovementioned address. New share certificates will be issued in the new board lot size of 2,500 Subdivided Shares.

It is expected that the proposed Share Subdivision and Change in Board Lot Size will not result in any odd lots of the Subdivided Shares other than those already existing. As such, there will be no odd lot arrangement to match the sales and purchases of odd lots of the Subdivided Shares.

REASONS FOR THE SHARE SUBDIVISION, INCREASE OF MAXIMUM NUMBER OF AUTHORISED SHARES, AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND CHANGE IN BOARD LOT SIZE

The proposed Share Subdivision will (i) decrease the par value; (ii) increase the total number of shares of the Company in issue; and (iii) result in a downward adjustment to the trading price of the shares of the Company.

The Board believes the reduced amount for investing in a board lot of the Subdivided Shares as a result of the Share Subdivision will improve the liquidity in the trading of the shares of the Company, thereby enabling the Company to attract more investors and broaden its Shareholders' base, while the proposed Change in Board Lot Size will maintain the trading amount for each board lot at a reasonable level. In view of the above, the Board believes that the implementation of the Share Subdivision and Change in Board Lot Size are in the interests of the Company and its Shareholders as a whole.

The proposed Increase of Maximum Number of Authorised Shares and corresponding amendments to the Memorandum and Articles of Association are required in order to: (i) cater for the additional number of shares of the Company created as a result of the Share Subdivision; and (ii) provide the Company with greater flexibility for future investment opportunities and to accommodate future issues of shares of the Company.

Other than the expenses to be incurred (including printing charges and professional fees) by the Company in relation to the proposed Share Subdivision, Increase of Maximum Number of Authorised Shares, Amendments to the Memorandum and Articles of Association and Change in Board Lot Size, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests of the Shareholders.

EXPECTED TIMETABLE FOR THE PROPOSED SHARE SUBDIVISION AND CHANGE IN BOARD LOT SIZE

The expected timetable in relation to the proposed Share Subdivision and Change in Board Lot Size is set out below:

Despatch of circular and notice of AGM on or before Friday, 24 April 2015

Latest time for lodging any share transfers
with the Company's branch share registrar in
Hong Kong, Tricor Investor Services Limited
for the purpose of determining the entitlement
to attend and vote at the AGM 4:30 p.m. on Tuesday, 26 May 2015

Closure of register of members of the Company 9:00 a.m. on Wednesday, 27 May 2015
to 4:30 p.m. on Friday, 29 May 2015

Latest time for lodging the form of proxy
for the AGM 2:30 p.m. on Wednesday, 27 May 2015

AGM 2:30 p.m. on Friday, 29 May 2015

Publication of announcement of results of AGM Friday, 29 May 2015

Register of members of the Company re-opens 9:00 a.m. on Monday, 1 June 2015

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association

Effective date of the Share Subdivision Monday, 1 June 2015

First day of free exchange of existing share
certificate for the Shares for new share
certificates for the Subdivided Shares Monday, 1 June 2015

Dealings in Subdivided Shares commence 9:00 a.m. on Monday, 1 June 2015

Original counter for trading in Shares in
board lots of 500 Shares (in the form of
existing share certificates for the Shares)
temporarily closes 9:00 a.m. on Monday, 1 June 2015

Temporary counter for trading in Subdivided
Shares in board lots of 5,000 Subdivided
Shares (in the form of existing share certificates
for the Shares) opens 9:00 a.m. on Monday, 1 June 2015

Original counter for trading in Subdivided
Shares in new board lots of 2,500
Subdivided Shares (in the form of new share
certificates for the Subdivided Shares) re-opens 9:00 a.m. on Monday, 15 June 2015

Parallel trading in Subdivided Shares
(in the form of new share certificates
for Subdivided Shares and existing
share certificates for the Shares) commences 9:00 a.m. on Monday, 15 June 2015

Temporary counter for trading in Subdivided
Shares in board lots of 5,000 Subdivided
Shares (in the form of existing share
certificates for the Shares) closes 4:00 p.m. on Monday, 6 July 2015

Parallel trading in Subdivided Shares
(in the form of new share certificates
for the Subdivided Shares and existing
share certificates for the Shares) ends 4:00 p.m. on Monday, 6 July 2015

Last day for free exchange of existing share
certificates for the Shares for new share
certificates for the Subdivided Shares 4:30 p.m. on Wednesday, 8 July 2015

Note: All times and dates refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above are indicative only, in particular, the effective date of the Share Subdivision is conditional on the fulfilment of all the conditions mentioned under the subheading headed “Conditions of the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association” in this announcement, and may be varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

GENERAL

The proposed (i) Share Subdivision; (ii) Increase of Maximum Number of Authorised Shares; and (iii) Amendments to the Memorandum and Articles of Association are subject to Shareholders’ approval at the AGM and registration by the BVI Registrar. No Shareholders are required to abstain from voting on the resolutions in relation to the above mentioned matters.

A circular containing, among other things, details of the proposed (i) Share Subdivision; (ii) Increase of Maximum Number of Authorised Shares; (iii) Amendments to the Memorandum and Articles of Association; and (iv) Change in Board Lot Size, and a notice convening the AGM will be despatched to the Shareholders on or before Friday, 24 April 2015.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at 2:30 p.m. on Friday, 29 May 2015
“Amendments to the Memorandum and Articles of Association”	the proposed amendments to the Memorandum and Articles of Association to reflect the Share Subdivision and Increase of Maximum Number of Authorised Shares
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturday, Sunday and public holidays in Hong Kong) on which licensed banks generally are open for business in Hong Kong
“BVI”	the British Virgin Islands
“BVI Registrar”	the Registrar of Corporate Affairs in the BVI
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size for trading in the shares of the Company from 500 Shares to 2,500 Subdivided Shares upon the Share Subdivision, Increase of Maximum Number of Authorised Shares and Amendments to the Memorandum and Articles of Association becoming effective
“Company”	Feishang Anthracite Resources Limited, a company incorporated in the BVI with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the directors of the Company
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Increase of Maximum Number of Authorised Shares”	the proposed increase of the maximum number of shares that the Company is authorised to issue from 1,000,000,000 Shares (equivalent to 10,000,000,000 Subdivided Shares) to 100,000,000,000 Subdivided Shares
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles of Association”	the amended and restated memorandum of association and articles of association of the Company as amended, supplemented or modified from time to time
“Memorandum of Association”	the memorandum of association of the Company as amended, supplemented or modified from time to time
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) or Subdivided Share(s) as the context requires
“Share Subdivision”	the proposed share subdivision of every issued or unissued Share into ten (10) Subdivided Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company upon the Share Subdivision becoming effective

By order of the Board
FEISHANG ANTHRACITE RESOURCES LIMITED
LI Feilie
Chairman

Hong Kong, 17 April 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.