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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)

**ANNOUNCEMENT
MADE PURSUANT TO RULE 13.09 OF
THE RULES GOVERNING THE LISTING OF SECURITIES
ON THE STOCK EXCHANGE OF HONG KONG LIMITED AND
THE INSIDE INFORMATION PROVISIONS**

This announcement is made by the Board pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The Board is pleased to announce that on 30 June 2015 (after trading hours), the Company entered into the Sale and Purchase Agreement with the Vendors and the Target Company pursuant to which the Company acquired the Sale Shares and the Shareholders' Loans from the Vendors at an aggregate consideration of US\$6,500,000 (equivalent to approximately HK\$50,700,000), in contemplation of the completion of the Restructuring.

Completion had taken place immediately after the execution of the Sale and Purchase Agreement. The Target Company has become a wholly-owned subsidiary of the Company upon the Completion. The Consideration shall be payable by the Company in various tranches upon the satisfactions of the Conditions Subsequent including the Restructuring Completion by 31 December 2015.

The Transactions do not constitute any notifiable transaction of the Company under Chapter 14 of the Listing Rules nor any connected transaction under Chapter 14A of the Listing Rules.

This announcement is made by the Board pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

SALE AND PURCHASE AGREEMENT

Sale and Purchase of Sale Shares and Shareholders' Loans

The Board is pleased to announce that on 30 June 2015 (after trading hours), the Company entered into the Sale and Purchase Agreement with the Vendors and the Target Company pursuant to which the Company acquired the Sale Shares and the Shareholders' Loans from the Vendors at an aggregate consideration of US\$6,500,000 (equivalent to approximately HK\$50,700,000), in contemplation of the completion of the Restructuring.

As at the date of the Sale and Purchase Agreement and prior to Completion, the Target Company was owned as to 49% by Mr. Liao and 51% by Guilin Ceke. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, each of Mr. Liao, Guilin Ceke and its ultimate beneficial owner(s) is an Independent Third Party.

As at the date of the Sale and Purchase Agreement, the Target Company was the beneficial owner of (i) 35% of the issued share capital of/equity interest in Sri Lanka Electroteks Ceke; (ii) 70% of the issued share capital of/equity interest in Kyrgyzstan KDM; (iii) 50% of the issued share capital of/equity interest in Madagascar Ceke; and (iv) 33% of the issued share capital of/equity interest in Costa Rica TV UHF.

The Target Company is or is intended to be an investment holding company principally engaged in the operations of wide frequency band microwave digital terrestrial TV broadcasting through the Overseas Companies. Each of the Overseas Companies is principally engaged in the establishment, development, operations and maintenance of the digital terrestrial TV broadcasting and/or the operation of wide frequency band microwave digital terrestrial TV projects.

Completion

Completion had taken place immediately after the execution of the Sale and Purchase Agreement. The Target Company has become a wholly-owned subsidiary of the Company upon the Completion.

Consideration and Conditions Subsequent

The Consideration is US\$6,500,000 (equivalent to approximately HK\$50,700,000) and shall be payable by the Company in various tranches upon the satisfactions of the Conditions Subsequent including the Restructuring Completion by 31 December 2015.

The Consideration was determined after arm's length negotiations between the Company and the Vendors having considered the business development status (including, inter alia, the number of current active paid subscribers) of and the estimated revenue to be generated by each of the Overseas Companies based on such development status. The Consideration will be funded by the internal resources of the Group.

The Conditions Subsequent may only be waived by the Company (with or without imposing conditions).

Upon the Restructuring Completion, the Target Company shall become the legal and beneficial owner of (i) 51.25% of the issued share capital of/equity interest in Sri Lanka Electroteks Ceke; (ii) 70% of the issued share capital of/equity interest in Kyrgyzstan KDM; (iii) 50% of the issued share capital of/equity interest in Madagascar Ceke; and (iv) 33% of the issued share capital of/equity interest in Costa Rica TV UHF.

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Company is an investment holding company. The Group is principally engaged in the acquisition, construction and development of anthracite coal mines and extraction and sale of thermal and anthracite coal in the PRC.

As stated in the annual report of the Company for the year ended 31 December 2014, the plunge in the oil price in 2014 had a significant adverse impact on the coal market, the price of anthracite and chemical coal is expected to remain weak and stable in the near future. As such, the Directors are of the view that it is beneficial to the Group to explore other investment opportunities that could broaden the investment portfolio, diversify the operations and increase the income stream of the Group.

Although the Overseas Companies are still in their early stage of development, by leveraging the vast experience and expertise of the Company's Chairman, Mr. LI Feilie, in operating business in developing countries, and in view of the experience and expertise of the other shareholders of the Overseas Companies in the relevant local media industry coupled with the Target Group's right to require Guilin Geke to supply its patented wide frequency band microwave point to point link equipment and technology, the Group is positive about the prospects of the digital TV broadcasting industry in developing countries in which the Overseas Countries are situated. For instance, as advised by the Vendors, the number of active paid subscribers of Sri Lanka Electroteks Ceke's TV broadcasting operations in June 2015 is approximately 11,590. The total population of Sri Lanka is approximately 21 million (4.5 million households) in 2015. In addition to the huge market potential of paid digital terrestrial TV broadcasting following the gradual switch-off from analogue TV services, the Overseas Companies may also develop other new revenue-generating initiatives, say, education programme-on-demand, advertising packages leveraging on the digital platforms, and push video-on-demand. In view of the above, the Directors consider that the Transactions will allow the Group to diversify its business into the digital terrestrial TV broadcasting in Sri Lanka, Costa Rica, Kyrgyzstan and Madagascar, develop another income stream to the Group and increase the long term commercial value of the Group.

The terms of the Sale and Purchase Agreement were determined after arm's length negotiations between the parties. The Directors (including the independent non-executive Directors), consider that the terms of the Sale and Purchase Agreement are normal commercial terms and fair and reasonable and the Transactions are in the interests of the Company and the Shareholders as a whole.

GENERAL

The Transactions do not constitute any notifiable transaction of the Company under Chapter 14 of the Listing Rules nor any connected transaction under Chapter 14A of the Listing Rules.

As the Transactions may have a material influence on the results for the Group, the Directors consider that it is appropriate to make disclosure in respect of the entering of the Sale and Purchase Agreement by publication of this announcement in order to enable the Shareholders and the public to appraise the position of the Group.

As performance of an agreement may be affected by various uncertainties leading to potential risks resulting from default and/or non-performance thereunder, the Company will make timely disclosure by publishing an announcement as and when appropriate and necessary if the Company encounters any material risk in the course of performing the Sale and Purchase Agreement.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings, unless the context otherwise requires:

“Board”	the board of Directors
“Company”	Feishang Anthracite Resources Limited, a company incorporated in the British Virgin Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the sale and purchase of the Sale Shares and the Shareholders’ Loans in accordance with the Sale and Purchase Agreement
“Conditions Subsequent”	the conditions required to be satisfied (unless waived by the Company) after Completion pursuant to the Sale and Purchase Agreement (including but not limited to the Restructuring Completion)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of US\$6,500,000 (equivalent to approximately HK\$50,700,000) payable by the Company to the Vendors for the purchase of the Sale Shares and the Shareholders’ Loans
“Costa Rica”	the Republic of Costa Rica
“Costa Rica Completion”	completion of (i) the transfer of 33% of the issued share capital of/equity interest in Costa Rica TV UHF to the Target Company; (ii) payment in full of all such tax, duties and imposts in connection with such transfer; and (iii) all necessary filing and registration procedures in connection with such transfer and the Target Company having become the legal and beneficial owner of such 33% issued share capital of/equity interest in Costa Rica TV UHF
“Costa Rica TV UHF”	TV de San José UHF, S.A., a company incorporated in Costa Rica with limited liability
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries

“Guilin Ceke”	桂林市思奇通信設備有限公司 (Guilin City Ceke Communication Equipment Company Limited), a company established in the PRC with limited liability which is principally engaged in the production of head end system, transmitting system and terminal receiver system with wide frequency band microwave point to point link patented technology
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Independent Third Party/Parties”	person(s) who is/are not connected person(s) of the Group and its connected persons
“Kyrgyzstan”	Kyrgyzstan Republic
“Kyrgyzstan Completion”	completion of (i) the transfer of 70% of the issued share capital of/equity interest in Kyrgyzstan KDM to the Target Company; (ii) payment in full of all such tax, duties and imposts in connection with such transfer; and (iii) all necessary filing and registration procedures in connection with such transfer and the Target Company having become the legal and beneficial owner of such 70% issued share capital of/equity interest in Kyrgyzstan KDM
“Kyrgyzstan KDM”	К и Д и Э м Т и В и, a company incorporated in Kyrgyzstan with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Madagascar”	the Republic of Madagascar
“Madagascar Completion”	completion of (i) the transfer of 50% of the issued share capital of/equity interest in Madagascar Ceke to the Target Company; (ii) payment in full of all such tax, duties and imposts in connection with such transfer; and (iii) all necessary filing and registration procedures in connection with such transfer and the Target Company having become the legal and beneficial owner of such 50% issued share capital of/equity interest in Madagascar Ceke
“Madagascar Ceke”	Ceke Madagascar Private Investment Agency SA, a company incorporated in Madagascar with limited liability
“Mr. Liao”	Mr. Liao Jun
“Overseas Companies” and each an “Overseas Company”	Sri Lanka Electroteks Ceke, Costa Rica TV UHF, Kyrgyzstan KDM and Madagascar Ceke
“PRC”	the People’s Republic of China

“Restructuring”	Target Company’s acquisition at an aggregate nominal consideration of RMB1 of the legal and beneficial interest in (i) 51.25% of the issued share capital of/equity interest in Sri Lanka Electroteks Ceke; (ii) 33% of the issued share capital of/equity interest in Costa Rica TV UHF; (iii) 70% of the issued share capital of/equity interest in Kyrgyzstan KDM; and (iv) 50% of the issued share capital of/equity interest in Madagascar Ceke
“Restructuring Completion”	the Sri Lanka Completion, the Costa Rica Completion, the Kyrgyzstan Completion and the Madagascar Completion
“RMB”	Reminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement dated 30 June 2015 entered into between the Company, the Vendors and the Target Company for the sale and purchase of the Sale Shares and the Shareholders’ Loans
“Sale Shares”	the 10,000 shares of the Target Company, representing the entire issued share capital of the Target Company held by the Vendors
“Shareholder(s)”	the shareholder(s) of the Company
“Shareholders’ Loans”	the interest-free shareholders’ loans due and owing by the Target Company to the Vendors as at the date of the Completion
“Sri Lanka”	Democratic Socialist Republic of Sri Lanka
“Sri Lanka Electroteks Ceke”	Electroteks Ceke (Private) Limited, a company incorporated in Sri Lanka with limited liability
“Sri Lanka Completion”	completion of (i) the transfer of 51.25% of the issued share capital of/equity interest in Sri Lanka Electroteks Ceke to the Target Company; (ii) payment in full of all such tax, duties and imposts in connection with such transfer; and (iii) all necessary filing and registration procedures in connection with such transfer and the Target Company having become the legal and beneficial owner of such 51.25% issued share capital of/equity interest in Sri Lanka Electroteks Ceke
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Hongkong Madia Investment Manage Co., Limited, a company incorporated in Hong Kong with limited liability
“Target Group”	the Target Company and its subsidiaries, jointly-controlled companies and associated companies from time to time
“Transactions”	the transactions contemplated under the Sale and Purchase Agreement
“US\$”	United States Dollars, the lawful currency of the United States of America

“Vendors” Mr. Liao and Guilin Ceke

“%” per cent.

In this announcement, the conversion of US\$ into HK\$ has been made at the rate of US\$1.00:HK\$7.80. Such conversion rate is included in this announcement for indicative purpose only and should not be construed as a representation that any amount has been, could have been or may be, exchanged at this or any other rate.

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

Hong Kong, 30 June 2015

As at the date of this announcement, the executive Directors of the Company are Mr. LI Feilie, Mr. HAN Weibing, Mr. WAN Huojin, Mr. TAM Cheuk Ho, Mr. WONG Wah On Edward and Mr. YUE Ming Wai Bonaventure; and the independent non-executive Directors of the Company are Mr. LO Kin Cheung, Mr. HUANG Zuye and Mr. HUANG Songzhong.