

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 representations 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)

INSIDE INFORMATION BUSINESS UPDATE

This announcement is made by Feishang Anthracite Resources Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company about the latest situation and progress of the Group’s business and the possible relevant effects on the Group’s financial results for the six months ending 30 June 2021 (the “**Period**”).

As disclosed in the 2020 annual report of the Company, the geological complexities of current mining faces encountered by the Group have led to a decline in the quantity and quality of the Group’s coal products. The geological complexities have continued well into the first half of 2021, so the decline in the quantity and quality of the Group’s coal products has been longer than expected, resulting in a lower-than-expected average selling price of the Group’s coal products despite the current strong coal market sentiment. In addition, in the first half of 2021 in Jinsha County where major coalmines of the Group are located, other coalmines unrelated to the Group suffered from accidents which prompted the relevant governmental authorities to impose stringent coalmine safety supervision measures across the board in addition to the usual national standard requirements. Compliance with the additional stringent measures have slowed down tunneling advancement and brought about temporary stoppages of coal production of the Group. This in turn resulted in an increase in unit production cost and a drop in overall production volume. The Board, having regard to the presently available information, expects that the Group will continue to record a loss for the Period due to the above factors.

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

By Order of the Board
Feishang Anthracite Resources Limited
HAN Weibing
Chairman

Hong Kong, 28 June 2021

As at the date of this announcement, the executive Directors are Mr. HAN Weibing, Mr. HE Jianhu, Mr. TAM Cheuk Ho, Mr. WANG Weidong, Mr. WONG Wah On Edward, Mr. YANG Guohua and Mr. YUE Ming Wai Bonaventure; and the independent non-executive Directors are Mr. CHAN Him Alfred, Mr. LO Kin Cheung, Mr. HUANG Zuye and Mr. WANG Xiufeng.