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中国神华能源股份有限公司
CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01088)

**PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS
AND
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

The Board recently received supplemental proposals from Shenhua Group Co, the controlling shareholder of the Company, to nominate candidates of directors. In accordance with the relevant laws and regulations and the Articles of Association of the Company, the Board hereby submit the above mentioned supplemental proposals to the AGM for consideration and approval as ordinary resolutions, details of which are set forth in this circular.

This supplemental circular should be read together with the circular of the Company dated 5 April 2012 (the "First Circular"). A notice convening the AGM to be held at Oriental Bay International Hotel, 26 Anwai Xibinhe Road, Dongcheng District, Beijing, the People's Republic of China on Friday, 25 May 2012 at 9:30 a.m. is set out in the First Circular. A supplemental notice notifying the AGM to be held as originally scheduled and containing additional proposed resolutions is set out on pages 8 to 9 of this supplemental circular. A second proxy form (the "Second Proxy Form") containing the originally proposed resolutions and additional proposed resolutions of appointment of directors is also enclosed herewith.

Shareholders who intend to appoint a proxy to attend the meetings are requested to complete the Second Proxy Form in accordance with the instructions printed thereon. The proxy form shall be lodged with the registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the relevant meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.

27 April 2012

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DEFINITIONS

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

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| “A Share(s)” | the domestic shares issued by the Company to domestic investors denominated in RMB and which are listed on the Shanghai Stock Exchange; |
| “AGM” | the annual general meeting of the Company to be held at Oriental Bay International Hotel, 26 Anwai Xibinhe Road, Dongcheng District, Beijing, the People’s Republic of China on Friday, 25 May 2012 at 9:30 a.m.; |
| “Articles of Association” | the articles of association of the Company, as amended, modified or otherwise supplemented from time to time; |
| “associate” | has the meaning ascribed thereto under the Hong Kong Listing Rules; |
| “Board” | the board of Directors; |
| “Company” | China Shenhua Energy Company Limited (中國神華能源股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Hong Kong Stock Exchange; |
| “Company Law” | the Company Law of the People’s Republic of China; |
| “Director(s)” | the director(s) of the Company; |
| “Group” | the Company and its subsidiaries; |
| “H Share(s)” | the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China; |
| “Hong Kong Listing Rules” | The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited; |
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “Latest Practicable Date” | 25 April 2012, being the latest practicable date prior to the issuance of this circular for ascertaining certain information contained herein; |
| “PRC” | the People’s Republic of China; |

DEFINITIONS

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| “RMB” | Renminbi, the lawful currency of the PRC; |
| “SFO” | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time; |
| “Share(s)” | ordinary share(s) of RMB1.00 each in the share capital of the Company including A Share(s) and H Share(s); |
| “Shareholder(s)” | the shareholder(s) of the Company; |
| “Shenhua Group” | collectively, Shenhua Group Co and its subsidiaries (excluding the Group); |
| “Shenhua Group Co” | Shenhua Group Corporation Limited (神華集團有限責任公司), the controlling shareholder of the Company as defined under the Hong Kong Listing Rules. |

LETTER FROM THE BOARD



中国神华能源股份有限公司
CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01088)

Executive Directors:

Zhang Xiwu
Zhang Yuzhuo
Ling Wen
Han Jianguo

Registered Address:

Shenhua Tower
22 Andingmen Xibinhe Road
Dongcheng District
Beijing, PRC

Non-executive Directors:

Liu Benren
Xie Songlin

Independent Non-executive Directors:

Fan Hsu Lai Tai
Gong Huazhang
Guo Peizhang

27 April 2012

To the Shareholders

Dear Sir or Madam,

**PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTORS
AND
SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The Board recently received supplemental proposals from Shenhua Group Co, the controlling shareholder of the Company, to nominate candidates of directors. In accordance with the relevant laws and regulations and the Articles of Association of the Company, the Board hereby submit the above mentioned supplemental proposals to the AGM for consideration and approval as ordinary resolutions, details of which are set forth in this circular.

LETTER FROM THE BOARD

This supplemental circular should be read together with the First Circular of the Company dated 5 April 2012. The purpose of this supplemental circular is to provide you with information in connection with the proposed appointment of directors of the Company and the supplemental notice of AGM.

PROPOSED APPOINTMENT OF DIRECTORS AND BACKGROUND OF THE PROPOSED CANDIDATES STANDING FOR ELECTION

The Company has received from Shenhua Group Co, the controlling shareholder of the Company, a proposal in relation to the nomination of Mr. Kong Dong and Mr. Chen Hongsheng as directors of the Company. According to the relevant laws and regulations and the Articles of Association of the Company, the appointment of directors is subject to the approval of the Shareholders. Accordingly, the Board has resolved to submit the proposal as additional ordinary resolutions at the AGM to approve the following appointments:-

- (1) Mr. Kong Dong ("Mr. Kong"), as a non-executive director of the Company; and
- (2) Mr. Chen Hongsheng ("Mr. Chen"), as a non-executive director of the Company.

The above proposed appointments of directors are subject to the approval of the shareholders of the Company by way of ordinary resolution(s) at the AGM.

Background of Mr. Kong and Mr. Chen are as follows:-

Kong Dong

Mr. Kong Dong, aged 63, Chinese, graduated from Jiangxi University of Technology in 1977. Mr. Kong is a senior economist, and has extensive experience in the corporate operation and management.

Mr. Kong has been a member of the National Committee of the Chinese People's Political Consultative Conference since February 2012. Mr. Kong has been an external director of China Telecom Corporation since April 2012 and the vice chairman of China National Aviation Corporation (Group) Limited since June 2004.

Mr. Kong was the general manager of China National Aviation Holding Company from March 2008 to November 2011 and chairman and executive director of Air China Limited from April 2008 to January 2012 and the non-executive director and vice chairman of the board of directors of Cathay Pacific Airways Limited from May 2008 to March 2012.

Mr. Kong's previous positions included assistant to general manager and deputy general manager of China Ocean Helicopter Company, deputy general manager and general manager of Shenzhen Airport Group, director-general in charge of the expansion project of the Beijing Capital International Airport, president of China National Aviation Corporation, deputy general manager of China National Aviation Holding Company, vice chairman of Air China Limited and the president of China National Aviation Corporation (Group) Limited.

LETTER FROM THE BOARD

Mr. Kong has been an external director of Shenhua Group Co since February 2012.

Save as disclosed above, Mr. Kong has not held any directorship in other listed companies in the past three years.

Save as disclosed above, Mr. Kong has not held any concurrent position in the Company or any other member of the Group in the past three years, and does not have any relationship with any other directors, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Kong does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and does not hold any shares of the Company.

Mr. Kong did not receive any punishment from any securities regulatory and supervisory authorities of the State Council, other authorities and stock exchanges.

Upon approval of Mr. Kong's appointment by the Shareholders, Mr. Kong will enter into a service contract with the Company for a term commencing from the date of appointment to the expiry of the current session of the Board, being 17 June 2013. Pursuant to the Articles of Association, Mr. Kong will, if approved by the Shareholders, be elected and appointed at the general meeting and may offer himself for subsequent re-election and reappointment.

The remuneration of Mr. Kong will be determined at the general meeting pursuant to the Articles of Association and with reference to recommendation of the remuneration committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

Save as disclosed above, the Board is not aware of any other matters in relation to Mr. Kong's proposed appointment as a director of the Company that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

Chen Hongsheng

Mr. Chen Hongsheng, aged 62, Chinese, graduated from Sichuan International Studies University in 1975, and from Capital University of Economics and Business in 2001, with a postgraduate diploma in business administration. Mr. Chen is a senior economist, and has extensive experience in shipping operation and management.

Mr. Chen has been an external director of SINOTRANS & CSC Holdings Co., Ltd. since December 2011 and the external director of State Development & Investment Corp. of the PRC since April 2012.

LETTER FROM THE BOARD

Mr. Chen was vice president of China Ocean Shipping (Group) Company from November 1998 to October 2009, chairman of COSCO Shipping Co., Ltd. from January 2003 to January 2006, executive director and general manager of China COSCO Holdings Company Limited from March 2005 to November 2009, non-executive director of China COSCO Holdings Company Limited from November 2009 to October 2010, and successively served as executive director, chairman of the board of directors and concurrently as non-executive director of COSCO Pacific Limited from September 2003 to October 2010.

Mr. Chen's previous positions included general manager of Shipping Department of China Ocean Shipping Agency Co., Ltd., deputy general manager and general manager of COSCO Beijing International Freight Forwarding Company, deputy general manager of COSCO Container Lines Co., Ltd. and general director of COSCO International Freight Co., Ltd. under China Ocean Shipping (Group) Company and the vice president of COSCO (Hong Kong) Group Limited.

Mr. Chen has been an external director of Shenhua Group Co since February 2012.

Save as disclosed above, Mr. Chen has not held any directorship in other listed companies in the past three years.

Save as disclosed above, Mr. Chen has not held any concurrent position in the Company or any other member of the Group in the past three years, and does not have any relationship with any other directors, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Chen does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and does not hold any shares of the Company.

Mr. Chen did not receive any punishment from any securities regulatory and supervisory authorities of the State Council, other authorities and stock exchanges.

Upon approval of Mr. Chen's appointment by the Shareholders, Mr. Chen will enter into a service contract with the Company for a term commencing from the date of appointment to the expiry of the current session of the Board, being 17 June 2013. Pursuant to the Articles of Association, Mr. Chen, if approved by the Shareholders, will be elected and appointed at the general meeting and may offer himself for re-election and reappointment.

The remuneration of Mr. Chen will be determined at the general meeting pursuant to the Articles of Association of the Company and with reference to recommendation of the remuneration committee of the Board in accordance with its terms of reference, taking into account, among other matters, his duties and responsibilities.

LETTER FROM THE BOARD

Save as disclosed above, the Board is not aware of any other matters in relation to Mr. Chen's proposed appointment as a director of the Company that need to be brought to the attention of the shareholders of the Company nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules.

THE ANNUAL GENERAL MEETING

The AGM will be held at Oriental Bay International Hotel, 26 Anwai Xibinhe Road, Dongcheng District, Beijing, the People's Republic of China on Friday, 25 May 2012 at 9:30 a.m. A supplemental notice notifying the AGM to be held as originally scheduled and containing additional proposed resolutions is set out on pages 8 to 9 of this supplemental circular. A Second Proxy Form containing the originally proposed resolutions and additional proposed resolutions of appointment of directors is also enclosed herewith.

Shareholders who intend to appoint a proxy to attend the meetings are requested to complete the Second Proxy Form in accordance with the instructions printed thereon. The proxy form shall be lodged with the registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the relevant meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors consider that the proposed appointment of directors mentioned above are in the best interests of the Company and its Shareholders as a whole, and recommend that all Shareholders should vote in favour of the relevant resolutions at the AGM.

Yours faithfully,
By order of the Board
Huang Qing
Secretary to the Board of Directors

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.



中国神华能源股份有限公司 CHINA SHENHUA ENERGY COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01088)

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

Reference is made to the notice of annual general meeting for 2011 of China Shenhua Energy Company Limited (the "Company") dated 5 April 2012.

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the annual general meeting for 2011 of the Company ("Annual General Meeting") will be held at Oriental Bay International Hotel, 26 Anwai Xibinhe Road, Dongcheng District, Beijing, the People's Republic of China at 9:30 a.m. on Friday, 25 May 2012 as scheduled. In addition to the resolutions set out in the notice of Annual General Meeting dated 5 April 2012, the Annual General Meeting will also consider and, at its discretion, adopt the following supplemental proposals submitted by Shenhua Group Corporation Limited (a controlling shareholder of the Company):—

AS ORDINARY RESOLUTIONS:

- "9. To consider and, if thought fit, to approve the appointment of Mr. Kong Dong as a director of the second session of the board of directors of the Company and as a non-executive director of the Company.
10. To consider and, if thought fit, to approve the appointment of Mr. Chen Hongsheng as a director of the second session of the board of directors of the Company and as a non-executive director of the Company."

Further, the special resolutions numbered 9, 10 and 11 respectively set out in the notice of Annual General Meeting of the Company dated 5 April 2012 shall be re-numbered and referred to as special resolutions numbered 11, 12 and 13 respectively.

By Order of the Board
China Shenhua Energy Company Limited
Huang Qing
Secretary to the Board of Directors

Beijing, 27 April 2012

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Detailed information regarding the supplemental proposals on appointment of directors is set out in the supplemental circular of the Annual General Meeting of the Company dated 27 April 2012. Other than the above mentioned supplemental proposals, there are no changes to other matters in connection with the Annual General Meeting. For details of the other resolutions to be considered at the Annual General Meeting and other related matters, please refer to the notice of the Annual General Meeting of the Company dated 5 April 2012.
2. Shareholder who intend to appoint a proxy to attend the Annual General Meeting, shall complete and return the enclosed second proxy form, containing the originally proposed resolutions and additional proposed resolutions, to the registrar of H shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.
3. Please refer to the notice of the Annual General Meeting of the Company dated 5 April 2012 for details in respect of other resolutions to be passed at the Annual General Meeting, eligibility for attending the Annual General Meeting, registration procedures, closure of register of members, procedures for demanding a poll to vote on resolutions and other relevant matters.

As at the date hereof, the Board comprises Dr. Zhang Xiwu, Dr. Zhang Yuzhuo, Dr. Ling Wen and Mr. Han Jianguo, as executive Directors, Mr. Liu Benren and Mr. Xie Songlin, as non-executive Directors, and Ms. Fan Hsu Lai Tai, Mr. Gong Huazhang and Mr. Guo Peizhang, as independent non-executive Directors.