

31 January 2018

ASX Release:

Redemption and Conversion of Subordinated Capital Notes

At the request of certain eligible holders, 1,606 Subordinated Capital Notes (“**SCNs**”) issued by Yancoal SCN Limited (ASX: YCN) (“**Yancoal SCN**”) will convert, effective 31 January 2018, into fully paid ordinary shares in Yancoal Australia Ltd, in accordance with the terms of issue of the SCNs.

Yancoal SCN will also redeem any outstanding SCNs for their face value of USD\$100 for each SCN (“**Face Value**”) and a final distribution of USD\$3.50 for each SCN (“**Final Distribution**”) will be paid to all SCN holders.

Yancoal SCN will be removed from the official list of the Australian Securities Exchange after the Face Value and Final Distribution has been paid to holders.

END

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