

26 November 2018

ASX Release:

Yancoal announces Hong Kong initial public offer and proposed Australian entitlement offer

Highlights

- Yancoal is in the process of undertaking a fully underwritten Global Offering at an Offer Price of between HK\$23.48 to HK\$25.84 per Share (representing A\$4.09 to A\$4.50 per Share¹).
- Provided the Global Offering proceeds successfully, Yancoal will also undertake an Entitlement Offer at the same Offer Price as under the Global Offering, comprising an Institutional Entitlement Offer and a Retail Entitlement Offer.
- Certain shareholders have committed not to take up their rights in the Institutional Entitlement Offer and to renounce those rights in favour of investors in the Global Offering.
- Proceeds from Global Offering and the Entitlement Offer will primarily be used to repay outstanding indebtedness of Yancoal and its subsidiaries, finance the acquisition of an additional interest in the Moolarben joint venture, fund future growth opportunities / acquisitions and for working capital / general corporate purposes.

Global Offering

Yancoal Australia Limited ACN 111 859 119 (ASX: YAL) (“Yancoal” or “Company”) announces that it is in the process of undertaking a Hong Kong initial public offering of its fully paid ordinary shares (“Shares”) on the Main Board of the Stock Exchange of Hong Kong (“HKEx”) (“Global Offering”).

The offer price for Shares offered in connection with the Global Offering will be determined within a range of HK\$23.48 to HK\$25.84 per Share (representing A\$4.09 to A\$4.50 per Share¹). The closing price of Yancoal shares on ASX on Friday, 23 November 2018 was A\$3.06.

A copy of the HKEx formal notice which sets out certain details in relation to the Global Offering is set out at **Annexure A** to this announcement. A copy of the final prospectus in connection with the Global Offering which has been registered with the Hong Kong Companies Registry (“Prospectus”) and a copy of the investor presentation in relation to the Global Offering will be released to the ASX today.

Yancoal expects to announce the final pricing for the Global Offering on Friday, 30 November 2018.

¹ Based on an AU\$: HK\$ rate of 5.7405.

The Global Offering will proceed if a number of key conditions have been met, including:

- following an institutional bookbuild an Offer Price is determined within the offer price range outlined above on or before Wednesday, 5 December 2018; and
- the Company entering into the following underwriting agreements with respect to the Global Offering (“**Underwriting Agreements**”):
 - in respect of the Hong Kong Public Offering, an underwriting agreement with Morgan Stanley Asia Limited, CMB International Capital Limited, BOCI Asia Limited, Citigroup Global Markets Asia Limited, CCB International Capital Limited, China Everbright Securities (HK) Limited, Cinda International Securities Limited, Haitong International Securities Company Limited and Zhongtai International Securities Limited. This agreement was entered into on Friday, 23 November 2018; and
 - in respect of the International Offering, an underwriting agreement with Morgan Stanley & Co. International plc, CMB International Capital Limited, BOCI Asia Limited, Citigroup Global Markets Limited, CCB International Capital Limited, China Everbright Securities (HK) Limited, Cinda International Securities Limited, Haitong International Securities Company Limited and Zhongtai International Securities Limited,

which, together, provide for the underwriting of the Global Offering on the terms and conditions of the Underwriting Agreements, which are summarised in the section headed “*Underwriting*” in the Prospectus, and the Underwriting Agreements becoming and remaining unconditional and not having been terminated.

Subject to the Global Offering meeting the conditions set out in the “*Structure of the Global Offering*” section of the Prospectus, settlement of the Global Offering and commencement of trading of the Shares on the HKEx is expected to occur on Thursday, 6 December 2018.

Cornerstone investor commitments

As part of the Global Offering, the Company has entered into a cornerstone investment agreement with Shaanxi Coal and Chemical Industry Group Co., Ltd. (the “**Cornerstone Investor**”).

The Cornerstone Investor has agreed to subscribe at the Offer Price for such number of Shares (rounded down to the nearest whole board lot of 100 Shares) that may be subscribed for with an aggregate amount of approximately US\$40,000,000 (HK\$313,180,000²).

Further details are contained in the “*Cornerstone Investor*” section of the Prospectus.

Entitlement Offer

Upon the Global Offering meeting the conditions noted above, Yancoal will also announce on Friday, 30 November 2018 a pro-rata accelerated renounceable entitlement offer (“**Entitlement Offer**”) under which eligible shareholders will have the opportunity to subscribe for 0.05387 new Shares for every 1 existing

² Based on a US\$: HK\$ rate of 7.8295.

Shares in the Company which they hold at 7.00pm (Sydney, Australia time) on Tuesday, 4 December 2018 (the proposed “**Record Date**”) at the same Offer Price as determined in the Global Offering.

The Entitlement Offer will be undertaken by the Company to allow Yancoal’s eligible shareholders to maintain, so far as practicable, their pro rata shareholding interests in Yancoal. The pro rata nature of the Entitlement Offer favours existing shareholders and provides an equitable mechanism for eligible shareholders to participate.

The Entitlement Offer will comprise the following:

- (a) an **Institutional Entitlement Offer**, which will comprise an offer of rights to subscribe for Shares to three of the Company’s major shareholders, Yanzhou Coal Mining Company Limited (**Yanzhou**), China Shandong Investment Limited and Cinda International HGB Investment (UK) Limited (together, the “**Major Shareholders**”). Each Major Shareholder has committed not to take up their rights in the Institutional Entitlement Offer and to renounce those rights in favour of investors in the Global Offering. The rights of the Major Shareholders relate to approximately 87.8% of the total number of rights to subscribe for new shares to be offered under the Entitlement Offer (“**New Shares**”). As all of the Shares to be offered in the Institutional Entitlement Offer will be allocated to investors under the Global Offering, the offer of Shares under the Institutional Entitlement Offer will be fully underwritten in accordance with the Underwriting Agreements; and
- (b) the **Retail Entitlement Offer**, which will comprise the offer of rights to subscribe for Shares to the Company’s eligible shareholders (other than the Major Shareholders), and will commence on Friday, 7 December 2018 and will close on Tuesday, 18 December 2018. Entitlements cannot be sold or traded on the ASX. Entitlements not taken up, along with entitlements of ineligible retail shareholders, will be sold under a bookbuild process to be undertaken by a broker to be appointed by Yancoal (“**Bookrunner**”) (“**Retail Bookbuild**”) on Friday, 21 December 2018. The bookbuild may not necessarily result in all the Shares offered under the Retail Entitlement Offer being issued. Any proceeds in excess of the Offer Price per Share that may be achieved through the Retail Bookbuild will be remitted to Renouncing Shareholders (net of expenses and withholdings required by law) in proportion to the number of Shares represented by their renounced entitlement (“**Retail Premium**”). There is no guarantee that the Bookrunner will be able to sell all (or any) renounced entitlements or that any Retail Premium will be realised from any such sales.

Entitlements under the Retail Entitlement Offer will only be exercisable by eligible shareholders. Eligible shareholders are persons who are registered as a holder of Shares as at the Record Date, are not a Major Shareholder, have a registered address on the Company’s share register in Australia or New Zealand and are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent such a person holds Shares in the Company for the account or benefit of such persons in the United States) (“**Eligible Retail Shareholders**”).

Eligible Retail Shareholders who take up their entitlement in full will also be entitled to apply for additional Shares in excess of their entitlements at the Offer Price (“**Additional New Shares**”). Additional New Shares will only be allocated to Eligible Retail Shareholders if the Retail Bookbuild does not clear above the Offer Price (and if available).

The Retail Entitlement Offer (including the Retail Bookbuild) will not be underwritten. Therefore the number of Shares to be issued on completion of the Retail Entitlement Offer will depend on the extent of the rights

being taken up by the Eligible Retail Shareholders (or by their assignees) and the Retail Bookbuild and may not necessarily result in all the New Shares offered under the Retail Entitlement Offer being issued. Accordingly, the Retail Entitlement Offer will raise up to between approximately HK\$193,000,000 to HK\$213,000,000 (representing, respectively, A\$4.09 to A\$4.50 per Yancoal share based on the Latest Practicable Date, being Friday, 18 November 2018) before costs and expenses.

Full details of the proposed timetable for the Entitlement Offer will be provided in due course.

Use of proceeds

The funds raised from the Global Offering and the Entitlement Offer will be primarily used for the following purposes:

- to repay outstanding indebtedness of the Company and its subsidiaries under the syndicated loan facility with Bank of China and China Construction Bank and potentially unsecured loans from related parties;
- to finance potential future acquisitions;
- to finance the acquisition of an additional 4% interest in the unincorporated Moolarben joint venture³; and
- for working capital and general corporate purposes.

Lock-up Arrangements

Under the Rule 10.07 of the Listing Rules of HKEx (“**HK Listing Rules**”), following the listing on HKEx, Yanzhou and Yankuang Group Company Limited (“**Yankuang**”) will be restricted from disposing of shares as follows:

- (a) for the first 6 months following listing on the HKSE, Yanzhou and Yankuang shall not “dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of the Shares in respect of which it is shown by [the] prospectus to be the beneficial owner”; and
- (b) for a further period of 6 months (following the expiration of the first 6 month period), Yanzhou and Yankuang shall not “dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interest or encumbrances in respect of [its Shares] ... if immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it would cease to be a controlling shareholder [of Yancoal (i.e. a less than 30% shareholder)]”,

(“**Lock-up Rules**”). For the purposes of the Global Offering, both Yanzhou and Yankuang will be controlling shareholders of Yancoal. The applicable restrictions under Rule 10.07 of the HK Listing Rules are contained in an undertaking given by Yanzhou and Yankuang in favour of Yancoal and HKEx (“**Lock-ups**”).

³ Yancoal has entered into a sale and purchase agreement (**SPA**) for the purchase of an additional 4% interest in Moolarben from Korea Resources Corporation. The SPA remains conditional upon the satisfaction of certain conditions precedent. The Moolarben acquisition will raise Yancoal’s interest in the unincorporated Moolarben JV to 85%.

Importantly, the Lock-ups will not impose any restrictions on voting. Additionally, the Lock-ups will allow Yanzhou to accept into a successful takeover bid and allow securities to be transferred or cancelled as part of a merger by scheme of arrangement.

ASIC has granted a modification to section 609 of the Corporations Act (as modified by ASIC Class Order [CO 13/520]). This modification ensures HKEx will not be taken to have a relevant interest in Yancoal securities merely by virtue of the Lock-ups.

The relief also includes a modification to the substantial holding provisions of the Corporations Act such that Yancoal will be obliged to make a substantial holding disclosure under section 671B of the Corporations Act with respect to the Lock-ups on behalf of HKEx, despite the aforementioned modifications. Yancoal will make the requisite substantial holder disclosures to the market as and when required.

Market stabilisation on HKEx

In connection with the Global Offering, the price of Yancoal shares may be stabilised in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) and applicable Australian laws (including the terms of a no action letter issued by the Australian Securities and Investments Commission). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and by virtue of the requirements of the Australian Securities and Investments Commission are contained in the Prospectus.

If the Shares trade below the Offer Price following the completion of the Global Offering on 6 December 2018, Morgan Stanley Asia Limited, as the stabilisation manager (**Stabilisation Manager**) may (for a period of ending on Saturday, 29 December 2018) undertake market stabilisation activities on the HKEx. The purchase of Shares on the HKEx during this period may have the indirect effect of stabilising the trading price for Shares on the ASX (since Shares may be “shunted” between ASX and HKEx and so it may be there will be an equilibrium between the trading prices of Shares on both markets over time).

The Stabilisation Manager may cover the over-allocations it made in the Global Offering by requiring Yancoal to issue additional new Shares equal to the number of Shares it over-allocated (**Over-Allotment Option**). If exercised fully, the Over-Allotment Option would result in Yancoal issuing an additional 8,916,200 Shares (representing 0.67% of all Shares on issue as at the date of this announcement but before the full exercise of the Over-Allotment Option, assuming that the level of take-up of the Retail Entitlement Offer is 100%). Therefore, exercise of the Over-Allotment Option will lead to the dilution of all existing shareholders, even if they exercise their entitlements in full.

These market stabilisation activities will be subject to certain conditions, including that:

- stabilising bids will only be made by the Stabilisation Manager in Hong Kong (i.e. stabilisation activities will not occur on the ASX);
- any stabilising bids by the Stabilisation Manager must not at any time be higher than the lower of the then highest price for an independent (from the Stabilisation Manager) transaction effected on the HKEx or the Stabilisation Manager’s determination of the lowest price payable for Shares by institutions under the Global Offering; and

- the purchases made by the Stabilisation Manager on a given trading day will be disclosed on the ASX market announcements platform prior to commencement of trading on the following trading day (with such disclosure to be made on a daily basis).

Other Information

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities nor is it calculated to invite any such offer or invitation.

In particular, this announcement does not constitute an offer to sell or an invitation or a solicitation of any offer to buy or subscribe for any securities in Hong Kong, the United States of America, Australia or elsewhere. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act. The securities described herein have not been and will not be registered under the U.S. Securities Act. There will be no public offering of securities in the United States of America.

This announcement is not for release, publication or distribution, in whole or in part, in, into or from the United States of America or any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction.

Ends

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Important Notices

This announcement is not financial product or investment advice nor a recommendation to acquire New Shares and has been prepared without taking into account the objectives, financial situation or needs of individuals. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances. Yancoal is not licensed to provide financial product advice in respect of New Shares.

Not for distribution or release in the United States

This announcement and any material accompanying it may not be released or distributed in the United States. This announcement and any material accompanying it does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The entitlements, New Shares and Additional New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (as amended) (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. The entitlements may not be taken up by persons in the United States and the New Shares (or additional New Shares, as the case may be) may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. The New Shares and Additional New Shares to be offered and sold to Eligible Shareholders will only be sold in 'offshore transactions' (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S thereunder.

Forward looking statements

This announcement contains certain forward-looking statements including statements of current intention, statements of opinion and predictions as to possible future events. Forward-looking statements can generally be identified by the use of forward looking words such as “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “likely”, “intend”, “should”, “could”, “may”, “target”, “plan”, “consider”, “foresee”, “aim”, “will” and other similar expressions within the meaning of securities laws of applicable jurisdictions, and include but are not limited to the outcome and effects of the Entitlement Offer. Indications of, and guidance or outlook on, future earnings, financial position, performance and strategies are also forward looking statements. Such statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. These forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements. Those risks, uncertainties, assumptions and other important factors are not all within the control of the Company and cannot be predicted by the Company. This includes changes in circumstances or events that may cause objectives to change as well as any statements about market and industry trends, which are based on interpretations of current market conditions. They also include general economic conditions, exchange rates, interest rates, regulatory environments, competitive pressures, selling price, market demand and conditions in the financial markets which may cause objectives to change or may cause outcomes not to be realised. This announcement includes forward looking statements in relation to and the Entitlement Offer and the Company's future financial results. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are cautioned not to place undue reliance on

forward-looking statements and none of the Company or any of its subsidiaries, affiliates and associated companies (or any of their respective officers, employees or agents) makes any representation, assurance or guarantee as to the accuracy or likelihood of fulfilment of any forward looking statement or any outcomes expressed or implied in any forward looking statements.

Annexure A: HKEx Formal Notice

*Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) 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.*

*This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for securities. Potential investors should read the prospectus dated 26 November 2018 (the “**Prospectus**”) of Yancoal Australia Ltd (the “**Company**”) for detailed information about the Global Offering described below before deciding whether or not to invest in the Offer Shares.*

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

*This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States or any other jurisdiction where such distribution is prohibited by law. This announcement does not constitute and is not an offer to sell or a solicitation of any offer to buy securities in Hong Kong, the United States or any other jurisdiction. The Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) (the “**U.S. Securities Act**”) or any state securities laws of the United States and may not be offered or sold in the United States absent registration under the U.S. Securities Act or except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. There is not and it is not currently intended for there to be any public offering of securities of the Company in the United States.*

*In connection with the Global Offering, Morgan Stanley Asia Limited, as stabilising manager (the “**Stabilising Manager**”) (or any person acting for it), on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilising or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilising Manager (or any person acting for it) to conduct any such stabilising action, which, if taken, (a) will be conducted at the absolute discretion of the Stabilising Manager (or any person acting for it) and in what the Stabilising Manager reasonably regards as the best interest of the Company, (b) may be discontinued at any time and (c) is required to be brought to an end within 30 days of the last day for the lodging of applications under the Hong Kong Public Offering. Such stabilisation action, if taken, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilising) Rules, as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).*

Potential investors should be aware that stabilising action cannot be taken to support the price of the Shares for longer than the stabilisation period which begins on the Listing Date and is expected to expire on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. After this date, no further stabilising action may be taken, and demand for the Shares and the price of the Shares could fall.



Yancoal Australia Ltd
ACN 111 859 119
兗煤澳大利亞有限公司*

(Incorporated in Victoria, Australia with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	: 59,441,900 Shares (subject to the Over-allotment Option)
Number of Hong Kong Offer Shares	: 5,944,200 Shares (subject to reallocation)
Number of International Offer Shares	: 53,497,700 Shares (subject to reallocation and the Over-allotment Option)
Maximum Offer Price	: HK\$25.84 per Offer Share plus brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)
Stock code	: 3668

Joint Sponsors

Morgan Stanley



BOC INTERNATIONAL

Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

Morgan Stanley



BOC INTERNATIONAL



Joint Bookrunners and Joint Lead Managers (in alphabetical order)



* For identification purposes only

Application has been made by the Company to the Listing Committee of the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the shares of the Company (the “Shares”) in issue and the Shares to be issued pursuant to the Global Offering (including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option) and the Australian Entitlement Offer. Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. on Thursday, 6 December 2018, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Thursday, 6 December 2018. Whether or not the Over-allotment Option is exercised, an announcement will be made by the Company on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.yancoal.com.au.

The Global Offering comprises the Hong Kong Public Offering of initially 5,944,200 Shares (subject to reallocation) and the International Offering of initially 53,497,700 Shares (subject to reallocation and the Over-allotment Option) representing approximately 10% and 90% of the total number of Offer Shares initially available under the Global Offering, respectively. In connection with the Global Offering, the Company is expected to grant the Over-allotment Option to the Stabilising Manager which is exercisable by the Stabilising Manager from the Listing Date until 30 days after the last day for the lodging of applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 8,916,200 additional Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering.

The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be subject to reallocation as described in the section headed “*Structure of the Global Offering*” in the Prospectus. In particular, the Joint Global Coordinators shall have the right to reallocate Offer Shares from the International Offering to the Hong Kong Public Offering. In accordance with Guidance Letter HKEx-GL91-18 issued by the Stock Exchange, if such reallocation is done other than pursuant to Practice Note 18 of the Listing Rules, the maximum total number of Offer Shares that may be reallocated to the Hong Kong Public Offering following such reallocation shall be not more than double the initial allocation to the Hong Kong Public Offering (i.e. 11,888,400 Offer Shares). Further details on the circumstances under which the above guidance letter would apply are set out in the section titled “Structure of the Global Offering” in the Prospectus.

Subject to the granting of the approval for the listing of, and permission to deal in, the Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the Shares to be admitted into CCASS.

The Offer Price will not be more than HK\$25.84 per Offer Share and is currently expected to be not less than HK\$23.48 per Offer Share, unless otherwise announced. Applicants under the Hong Kong Public Offering are required to pay on application, the Maximum Offer Price of HK\$25.84 per Offer Share plus brokerage of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, subject to refund.

Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus, the related Application Forms and the designated website for the White Form eIPO.

Important

The Company will be relying on Section 9A of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong) and will be issuing the **WHITE** and **YELLOW** Application Forms without them being accompanied by a printed Prospectus. The contents of the printed Prospectus are identical to the electronic version of the Prospectus which can be accessed and downloaded from the websites of the Company at www.yancoal.com.au and the Stock Exchange at www.hkexnews.hk under the “*HKExnews > Listed Company Information > Latest Listed Company Information*” section, respectively.

Members of the public may obtain a copy of the printed Prospectus, free of charge, upon request during normal business hours from 9:00 a.m. on Monday, 26 November 2018 until 12:00 noon on Thursday, 29 November 2018 at the following locations:

1. any of the following branches of the receiving bank for the Hong Kong Public Offering:

Bank of China (Hong Kong) Limited

	Branch Name	Address
Hong Kong Island	King’s Road Branch	131-133 King’s Road, North Point, Hong Kong
	Central District (Wing On House) Branch	B/F-2/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
Kowloon	Lam Tin Branch	Shop 12, 49 Kai Tin Road, Lam Tin, Kowloon
	Tsim Sha Tsui Branch	24-28 Carnarvon Road, Tsim Sha Tsui, Kowloon
New Territories	Tseung Kwan O Plaza Branch	Shop 112-125, Level 1, Tseung Kwan O Plaza, Tseung Kwan O, New Territories
	Tuen Mun Town Plaza Branch	Shop 2, Tuen Mun Town Plaza phase II, Tuen Mun, New Territories

2. any of the following offices of the Joint Global Coordinators:
 - (a) **Morgan Stanley Asia Limited**, at 46/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong;
 - (b) **CMB International Capital Limited**, at 45/F, Champion Tower, 3 Garden Road, Central, Hong Kong;
 - (c) **BOCI Asia Limited**, at 26th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong; and
 - (d) **Citigroup Global Markets Asia Limited**, at 50/F, Champion Tower, 3 Garden Road, Central, Hong Kong; and
3. the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

Details of where printed prospectuses may be obtained will be displayed prominently at every branch of Bank of China (Hong Kong) Limited where WHITE Application Forms are distributed.

During normal business hours from 9:00 a.m. on Monday, 26 November 2018 until 12:00 noon on Thursday, 29 November 2018, at least three copies of the printed prospectus will be available for inspection at every location where the **WHITE** and **YELLOW** Application Forms are distributed as set out in the section headed “*How to Apply for Hong Kong Offer Shares*” in the Prospectus.

Applicants who would like the Hong Kong Offer Shares to be allotted in their own names should either (i) complete and sign the **WHITE** Application Forms; or (ii) submit applications online through the designated website of the **White Form eIPO** Service Provider at www.eipo.com.hk. Applicants who would like the Hong Kong Offer Shares to be allotted in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms; or (ii) give **electronic application instructions** to HKSCC via CCASS.

Copies of the **WHITE** Application Form may be obtained during normal business hours from 9:00 a.m. on Monday, 26 November 2018 until 12:00 noon on Thursday, 29 November 2018 from:

- any of the following offices of the Joint Global Coordinators:

Morgan Stanley Asia Limited	CMB International Capital Limited	BOCI Asia Limited	Citigroup Global Markets Asia Limited
46/F International Commerce Centre 1 Austin Road West Kowloon, Hong Kong	45/F, Champion Tower 3 Garden Road Central, Hong Kong	26th Floor Bank of China Tower 1 Garden Road Central, Hong Kong	50/F, Champion Tower, 3 Garden Road, Central, Hong Kong

- any of the following branches of the receiving bank for the Hong Kong Public Offering:

Bank of China (Hong Kong) Limited

	Branch Name	Address
Hong Kong Island	King's Road Branch	131-133 King's Road, North Point, Hong Kong
	Central District (Wing On House) Branch	B/F-2/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
Kowloon	Lam Tin Branch	Shop 12, 49 Kai Tin Road, Lam Tin, Kowloon
	Tsim Sha Tsui Branch	24-28 Carnarvon Road, Tsim Sha Tsui, Kowloon
New Territories	Tseung Kwan O Plaza Branch	Shop 112-125, Level 1, Tseung Kwan O Plaza, Tseung Kwan O, New Territories
	Tuen Mun Town Plaza Branch	Shop 2, Tuen Mun Town Plaza phase II, Tuen Mun, New Territories

Copies of the Prospectus, together with the **YELLOW** Application Form, may be obtained during normal business hours from 9:00 a.m. on Monday, 26 November 2018 until 12:00 noon on Thursday, 29 November 2018 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker.

The **WHITE** or **YELLOW** Application Form completed in accordance with the instructions printed thereon, together with a cheque or a banker's cashier order payable to "*BANK OF CHINA (HONG KONG) NOMINEES LIMITED – YANCOAL AUSTRALIA PUBLIC OFFER*", should be deposited in the special collection boxes provided at any of the branches of the receiving bank referred to above on such dates and during such times as specified in the Application Forms.

Applicants applying through the **White Form eIPO** service may submit applications through the designated website at www.eipo.com.hk (24 hours daily, except on the last day for applications) from 9:00 a.m. on Monday, 26 November 2018 until 11:30 a.m. on Thursday, 29 November 2018, and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Thursday, 29 November 2018, or such later time as described in the section headed "*How to Apply for Hong Kong Offer Shares – Effect of Bad Weather on the Opening and Closing of the Application Lists*" in the Prospectus.

CCASS Participants can input **electronic application instructions** (24 hours daily, except on the last day for applications) from 9:00 a.m. on Monday, 26 November 2018 until 12:00 noon on Thursday, 29 November 2018 or such later time as described in the section headed "*How to Apply for Hong Kong Offer Shares – Effect of Bad Weather on the Opening and Closing of the Application Lists*" in the Prospectus.

Please refer to the sections headed "*Structure of the Global Offering*" and "*How to Apply for Hong Kong Offer Shares*" in the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.

The Company expects to announce the Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares on Wednesday, 5 December 2018 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) and on the websites of the Company at www.yancoal.com.au and the Stock Exchange at www.hkexnews.hk. The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available from Wednesday, 5 December 2018 through a variety of channels specified in the section headed "*How to Apply for Hong Kong Offer Shares – Publication of Results*" in the Prospectus.

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the Maximum Offer Price of HK\$25.84 per Offer Share (excluding brokerage, SFC transaction levy and Stock Exchange trading fee payable thereon), or if the conditions of the Global Offering are not fulfilled in accordance with the section headed "*Structure of the Global Offering – Conditions of the Global Offering*" in the Prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and Stock Exchange trading fee, will be refunded, without interest or the cheque or banker's cashier order will not be cleared. Further details are set out in the paragraph headed "*Refund of Application Monies*" in the section headed "*How to Apply for Hong Kong Offer Shares*" in the Prospectus.

The Company will not issue temporary documents of title in respect of the Offer Shares. Share certificates will only become valid certificates of title at 8:00 a.m. on Thursday, 6 December 2018 provided that the Global Offering has become unconditional in all respects and the right of termination described in the section headed “*Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination*” in the Prospectus has not been exercised. No receipt will be issued for sums paid on application.

Dealings in the Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Thursday, 6 December 2018. The Shares will be traded in board lots of 100 Shares. The stock code of the Shares will be 3668.

By order of the Board
Yancoal Australia Ltd
Baocai ZHANG
Chairman

Hong Kong, 26 November 2018

As of the date of this announcement, the executive Director is Mr. Fucun Wang, the non-executive Directors are Mr. Baocai Zhang, Mr. Cunliang Lai, Mr. Xiangqian Wu, Mr. Fuqi Wang, Mr. Qingchun Zhao and Mr. Xing Feng and the independent non-executive Directors are Mr. Gregory James Fletcher, Dr. Geoffrey William Raby, Mr. David James Moulton and Ms. Helen Jane Gillies.