

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Yancoal Australia Limited (Yancoal)

ABN

82 111 859 119

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 67,667,409 Shares (New Shares) to be issued under a pro-rata accelerated renounceable entitlement offer (Entitlement Offer) as described in the ASX Announcements in respect of the Entitlement Offer (including the ASX Announcement attaching the Entitlement Offer booklet) lodged with ASX on 29 November 2018 (ASX Materials). The exact number of shares to be issued under the Entitlement Offer is still to be finalised and is subject to reconciliation of shareholder entitlements and rounding. |

<p>3 Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p>	<p>Fully paid ordinary shares</p>
<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>From the issue date, the New Shares will rank equally in all respects with the existing Shares in Yancoal currently on issue.</p>
<p>5 Issue price or consideration</p>	<p>HK\$23.48 per New Share (Offer Price)</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>As described in the ASX Materials.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

6c	Number of +securities issued without security holder approval under rule 7.1	N/A
6d	Number of +securities issued with security holder approval under rule 7.1A	N/A
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	N/A
6f	Number of +securities issued under an exception in rule 7.2	See item 2 above
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	N/A
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/A
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	N/A
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	<p>The issue date for New Shares under the institutional component of the Entitlement Offer is scheduled to be 6 December 2018.</p> <p>The issue date for New Shares under the retail component of the Entitlement Offer is scheduled to be 28 December 2018.</p>

	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	After completion of the Entitlement Offer there will be up to 1,332,655,365 Shares on issue (based on 1,256,071,756 Shares on issue as at the date of this Appendix 3B and the number of New Shares to be issued under the Entitlement Offer (assuming the Over-Allotment Option is exercised in full), subject to the effects of rounding).
		Ordinary shares

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	41,482,104
		Deferred Share Rights

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Same dividend entitlements as existing Shares on issue
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Part 2 - Pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	0.05387 for 1
14	+Class of +securities to which the offer relates	Fully paid ordinary shares

+ See chapter 19 for defined terms.

- 15 +Record date to determine entitlements 7.00pm (Sydney, Australia time) 4 December 2018
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? Yes
- 17 Policy for deciding entitlements in relation to fractions Fractional entitlements will be rounded up to the nearest whole number of Shares
- 18 Names of countries in which the entity has security holders who will not be sent new offer documents
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7. All countries other than Australia and New Zealand and any other jurisdictions into which it is decided to make offers, as disclosed in the ASX Materials.
- 19 Closing date for receipt of acceptances or renunciations Each eligible institutional shareholder has committed to renounce their entitlements under the institutional entitlement offer.

The closing date of the retail entitlement offer is 18 December 2018.
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The retail entitlement offer is not underwritten.

Since all of the shares offered under the institutional entitlement offer will be renounced in favour of the investors under the Global Offering and the Global Offering is fully underwritten, the institutional entitlement offer is fully underwritten.

The Global Offering comprises a Hong Kong Public Offering and an International Offering. The underwriting arrangements for the Global Offering are as follows:

- 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; 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,
(together, the **Underwriters**).

21	Amount of any underwriting fee or commission	<p>The Underwriters will receive an underwriting commission of 2.5% of the aggregate Offer Price of all the offer shares that is offered in the Global Offering (including any offer shares to be issued pursuant to the exercise of the Over-allotment Option), out of which they will pay any subunderwriting commissions and other fees.</p> <p>The aggregate underwriting commissions payable to the Underwriters in relation to the Global Offering (assuming the exercise of the Over-allotment Option in full) will be approximately HK\$40.13 million.</p>
22	Names of any brokers to the issue	Morgan Stanley Australia Securities Pty Limited (who has been appointed as the bookrunner of the retail bookbuild)
23	Fee or commission payable to the broker to the issue	There are no brokers appointed to the Entitlement Offer. The Bookrunner will be entitled to a fee that is yet to be agreed between the parties.
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	N/A
25	If the issue is contingent on security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	A draft Entitlement Offer booklet was released on ASX on 29 November 2018. The final Entitlement Offer booklet (together with the personalised entitlement and acceptance forms) will be despatched to eligible shareholders by 7 December 2018.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A

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|----|---|---|
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | <p>Eligible shareholders who wish to transfer all or part of their entitlements other than on ASX must send a completed Renunciation and Transfer Form (obtainable from Yancoal's share registry, Computershare Investor Services Pty Limited, or their broker) together with their Entitlement and Acceptance Form and the transferee's requisite application monies to Yancoal's share registry in relation to those entitlements that they wish to transfer.</p> <p>See section 3.8 of the Entitlement Offer booklet for more information.</p> |
| 33 | +Issue date | <p>The issue date for New Shares under the institutional component of the Entitlement Offer is scheduled to be 6 December 2018.</p> <p>The issue date for New Shares under the retail component of the Entitlement Offer is scheduled to be 28 December 2018.</p> |

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid,

+ See chapter 19 for defined terms.

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

- 38 Number of +securities for which +quotation is sought
- 39 +Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?
- If the additional +securities do not rank equally, please state:
- the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

<p>41 Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another +security, clearly identify that other +security)</p>	<p>N/A</p>
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<p>42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)</p>	<p>Number</p>	<p>+Class</p>
	<p>N/A</p>	<p>N/A</p>

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.


Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:


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(Director/Company secretary)

Date: 29 November 2018

Print name: Laura Ling Zhang

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

NOT APPLICABLE

+ See chapter 19 for defined terms.