

12 December 2014

ASX Release:

Supplementary Prospectus

Yancoal Australia Ltd (**Yancoal**) advises that the attached Supplementary Prospectus dated 12 December 2014 has been lodged with ASIC today, extending the timetable of Yancoal SCN Limited's pro rata renounceable offer of Subordinated Capital Notes (**Offer**). The Supplementary Prospectus is to be read with the Prospectus dated 24 November 2014.

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The offering of securities in this release will only be open to investors that are in Australia or New Zealand (and institutional shareholders of Yancoal ("eligible institutional shareholders") in certain permitted jurisdictions where it is considered reasonable to make the offer having regard to the number of holders in the relevant jurisdiction, the number and value of securities they would be offered and the cost of complying with any relevant legal and regulatory requirements), and accordingly, this release does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of, any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933) (except to eligible institutional shareholders in circumstances permitted under that Act).

Yancoal SCN Limited ACN 602 841 556

Supplementary prospectus

Important Information

This document is a supplementary prospectus (**Supplementary Prospectus**). It supplements a prospectus dated 24 November 2014 issued by Yancoal SCN Limited ACN 602 841 556 (**Issuer**) offering subordinated perpetual convertible capital notes (**Subordinated Capital Notes**) (the **Prospectus**).

This Supplementary Prospectus must be read together with the Prospectus. To the extent of any inconsistency between the Prospectus and this Supplementary Prospectus, the terms of this Supplementary Prospectus will prevail. A term with a defined meaning in the Prospectus has the same meaning in this Supplementary Prospectus, unless indicated or the context requires otherwise.

This Supplementary Prospectus was lodged with the Australian Securities and Investments Commission (**ASIC**) on 12 December 2014. Neither ASIC, the ASX nor the Consenting Parties, nor their respective officers, take any responsibility for the contents of this Supplementary Prospectus.

The Prospectus and the Supplementary Prospectus are important and should both be read in their entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents of these documents.

Extension of the Offer

The Takeovers Panel proceedings commenced by Senrigan Capital Management Ltd¹ remain on foot and have not concluded. In light of this, the Issuer's Directors have decided to extend the Closing Date of the Offer to 22 December 2014. Completed Application Forms must be received by the Share Registry by no later than 5.00pm (Sydney time) on 22 December 2014.

As a consequence of the extension of the Closing Date the Issuer has varied some of the key dates applicable to the Offer. The key dates table in the Key Dates section on page 4 of the Prospectus is varied as follows:

Key dates for the Offer	Date
Closing Date for the Offer	5.00pm, 22 December 2014
Shortfall bookbuild	23 December 2014
Issue Date	31 December 2014
Subordinated Capital Notes expected to commence trading on ASX on a deferred settlement basis	2 January 2015
Holding Statements dispatched	6 January 2015
Subordinated Capital Notes expected to commence trading on ASX on a normal settlement basis	8 January 2015

The key dates for the Offer are indicative only and may change without notice. All references to time are to Sydney time.

The Issuer may vary the timetable, including by extending the Closing Date, closing the Offer early without notice or accepting late Applications, whether generally or in particular cases, or withdrawing the Offer at any time before the

¹ See the Chairman's Letter and Sections 1.5.18 and 7.2.12 of the Prospectus.

Subordinated Capital Notes are issued. If the Offer is withdrawn before the issue of Subordinated Capital Notes, all Application Payments received by the Issuer will be refunded (without interest) to Applicants as soon as possible after the withdrawal.

All corresponding dates in the Prospectus are deemed to be amended to reflect this revised timetable.

Applications

An Applicant wishing to apply for Subordinated Capital Notes should still use the Application Form for Subordinated Capital Notes that accompanied the Prospectus.

Approval of Supplementary Prospectus

This Supplementary Prospectus is issued by the Issuer and its issue has been authorised by a resolution of the Directors of the Issuer.

Signed for and on behalf of Yancoal SCN Limited

date 12/12/2014

sign here ► 
Director/Company secretary

print name Ling ZHANG