

20 April 2015

# ASX Release:

## Coal Resource and Reserve statements for year ending December 2014

The statement of Mineral Resources and Ore Reserves presented in this report has been produced in accordance with the Australasian Code for reporting of Mineral Resources and Ore Reserves 2012 (the 'JORC Code'). Commodity prices and exchange rates used to estimate the economic viability of reserves are based on the Yancoal long-term forecasts unless otherwise stated. The Ore Reserves tabulated are all held within existing, fully permitted mining leases, are within areas under applications to become mining leases or are within areas of exploration tenements detailed in the Life of Mine Plans to become mining leases in future applications.

Yancoal's leases are of sufficient duration (or convey a legal right to renew for sufficient duration) to enable all reserves on the leases to be mined in accordance with current production schedules.

The information in this report relating to Mineral Resources and Ore Reserves is based on information compiled by competent persons (as defined in the JORC 2012 Code). All competent persons have, at the time of reporting, sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity they are undertaking to qualify as a Competent Person as defined by the JORC 2012 Code. With the exception of Yarrabee each Competent Person listed in this report is an independent consultant, at the time of reporting the competent persons for Yarrabee were fulltime employees of Yancoal. The Yarrabee resource and reserves reports were peer reviewed by independent consultants at the time of their generation.

Each Competent Person consents to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Yancoal is not aware of any new information or data that materially affects the information included in this report and at the time of this report all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

All endeavours have been made to comply with the 2012 JORC Code. All of the Mineral Resource and Ore Reserve figures presented are reported in 100 per cent terms (unless otherwise stated). All of the Mineral Resource information (unless otherwise stated) is inclusive of Mineral Resources that have been converted to Ore Reserves (i.e. Mineral Resources are not additional to Ore Reserves).

The tabulated information is reported by Project, for details of the tenements and leases comprising each of these projects please refer to the following table.

PROJECT	TITLE TENEMENT	TENEMENT TYPE
<b>ASHTON</b>	ML 1529	Mining Lease
	ML 1623	Mining Lease
	ML 1533	Mining Lease
	EL 4918	Exploration License
	EL 5860	Exploration License
	ML 1696	Mining Lease
<b>AUSTAR</b>	DSL 89	Mining Lease
	ML 1157	Mining Lease
	ML 1283	Mining Lease
	ML 1345	Mining Lease
	ML 1388	Mining Lease
	ML 1550	Mining Lease
	MPL 23	Mining Lease
	MPL 204	Mining Lease
	MPL 217	Mining Lease
	MPL 233	Mining Purpose Lease
	MPL 269	Mining Purpose Lease
	MPL 1364	Mining Purpose Lease
	CCL 728	Mining Lease
	CCL 752	Mining Lease
	CML 2	Mining Lease
	ML 1661	Mining Lease
	ML 1666	Mining Lease
	ML 1677	Mining Lease
	EL 6598	Exploration License
<b>MOOLARBEN</b>	ML 1605	Mining Lease
	ML 1606	Mining Lease
	ML 1628	Mining Lease
	ML 1691	Mining Lease
	EL 6288	Exploration License
	EL 7073	Exploration License
	EL 7074	Exploration License
	MPL 0315	Mining Purpose Lease
<b>MIDDLEMOUNT</b>	ML 70379	Mining Lease
	ML 70417	Mining Lease
	MDL 282	Mineral Development License
	EPC 1225	Exploration Permit for Coal
<b>MONASH</b>	EL6123	Exploration License
	EL7579	Exploration License

PROJECT	TITLE TENEMENT	TENEMENT TYPE
<b>YARRABEE</b>	MDL 160	Mineral Development License
	ML 1770	Mining Lease
	ML 80049	Mining Lease
	ML 80050	Mining Lease
	ML 80096	Mining Lease
	ML 80104	Mining Lease
	ML 80172	Mining Lease
	ML80195	Mining Lease
	ML80196	Mining Lease
	ML80197	Mining Lease
	ML80198	Mining Lease
	EPC 1429	Exploration Permit for Coal
	EPC 1684	Exploration Permit for Coal
	EPC 621	Exploration Permit for Coal
	EPC 717	Exploration Permit for Coal
<b>GLOUCESTER BASIN</b>	A311	Exploration License
	A315	Exploration License
	EL6904	Exploration License
	ML1360	Mining Lease
	ML1409	Mining Lease
	ML1447	Mining Lease
	ML1521	Mining Lease
	ML1528	Mining Lease
	ML1538	Mining Lease
	ML1577	Mining Lease
	ML1427	Mining Lease
	ML1646	Mining Lease
	MLA1	Mining Lease Application
	MLA2	Mining Lease Application
	MLA466	Mining Lease Application
<b>DONALDSON</b>	ML1461	Mining Lease
	ML1618	Mining Lease
	ML1653	Mining Lease
	ML1555	Mining Lease
	EL 6964	Exploration License
	EL 5337	Exploration License
	EL 5497	Exploration License
	EL 5498	Exploration License

Refer to the following table for details of the relevant competent persons for each project.

PROJECT	REPORT TYPE	COMPETENT PERSON (CP)	CP #	TITLE	COMPANY
MOOLARBEN	RESOURCE	Jon Barber	1	Principal Consultant	Jon Barber Mining Consultants
	RESERVE	Jon Barber	1	Principal Consultant	Jon Barber Mining Consultants
AUSTAR	RESOURCE	Robert Dyson	2	Senior Geologist - General Manager Operations	McElroy Bryan Geological Services Pty
	RESERVE	Michael Barker	3	General Manager Underground Services	Palaris Mining P/L
ASHTON	RESOURCE	Tom Bradbury	13	Coal Specialist	Geos Mining
	RESERVE - UG	Greg Mattila	14	Principal	Mattila Pty Limited
	RESERVE - SEOC	Greg Mattila	14	Principal	Mattila Pty Limited
YARRABEE	RESOURCE	Stuart Whyte	4	Superintendent Geology and Exploration	Yarrabee Coal Company Pty Ltd
	RESERVE	Andrew Lau	5	Technical Services Manager	Yarrabee Coal Company Pty Ltd
GLOUCESTER - STRATFORD	RESOURCE	Janet Bartolo	6	Senior Geologist - Manager Geological Modelling	McElroy Bryan Geological Services Pty
	RESERVE	Trisha Wilson	7	Senior Mining Consultant	RungePincockMinarco
GLOUCESTER - DURALIE	RESOURCE	Janet Bartolo	6	Senior Geologist - Manager Geological Modelling	McElroy Bryan Geological Services Pty
	RESERVE	Trisha Wilson	7	Senior Mining Consultant	RungePincockMinarco
GLOUCESTER - GRANT & CHAINEY	RESOURCE	Janet Bartolo	6	Senior Geologist - Manager Geological Modelling	McElroy Bryan Geological Services Pty
	RESERVE	Trisha Wilson	7	Senior Mining Consultant	RungePincockMinarco
MIDDLEMOUNT	RESOURCE	Greg Jones	8	Principal Consultant	JB Mining Services Pty Ltd
	RESERVE	Mark Bryant	9	Principal Mining Consultant	The Minserve Group Pty Ltd
DONALDSON	RESOURCE	Dr. John Bamberry	10	Principal Geologist	Palaris Mining P/L
	RESERVE	Michael Barker	3	General Manager Underground Services	Palaris Mining P/L
MONASH	RESOURCE	Robert Dyson	2	Senior Geologist - General Manager Operations	McElroy Bryan Geological Services Pty

On an attributable basis Yancoal's group total year-end 31<sup>st</sup> December 2014 position is as follows:

- Measured, Indicated and Inferred Resources are 3,074.7Mt <sup>(1)</sup>.
- Recoverable Proved and Probable Reserves are 633.8Mt <sup>(2)</sup>.
- Marketable Proved and Probable Reserves are 456.2Mt <sup>(2)</sup>.

(1) Resource depletions are only applied upon update of the JORC resource reports, as a result the 31<sup>st</sup> December 2014 resource numbers remain the same as those in the JORC report for the period.

(2) The above total reserve numbers are the depleted by production from the JORC report date to 31<sup>st</sup> December 2014.

The following abbreviations are used throughout this report;

AusIMM	Australasian Institute of Mining and Metallurgy
JORC	Joint Ore Reserves Committee
Met	Metallurgical Coal
Mt	Million Tonnes
OC	Open Cut
UG	Underground
SEOC	South East Open Cut

## COAL RESOURCES FOR YEAR ENDING DECEMBER 2014

Project	Yancoal Ownership %	Mining Method	Coal Type	Measured JORC Resource Mt	Indicated JORC Resource Mt	Inferred JORC Resource Mt	Total JORC Resources Mt	JORC Code	Competent Person	Report Date
Moolarben <sup>(1)</sup>	80%	OC/UG	Thermal	542.3	534	250	1326.3	2012	1	Jun-14
Austar <sup>(1)</sup>	100%	UG	Met	78	80	70	228	2012	2	Jun-14
Ashton <sup>(1)</sup>	100%	OC/UG	Met/Thermal	157.2	64.7	46	267.9	2012	13	Jun-14
Yarrabee <sup>(1)</sup>	100%	OC	Met	106	82	20	208	2012	4	Jun-14
Gloucester -Stratford <sup>(1)</sup>	100%	OC	Met/Thermal	1.0	78	28	107	2012	6	Jun-14
Gloucester - Duralie <sup>(1)</sup>	100%	OC/UG	Met/Thermal	10	65	68	143	2012	6	Jun-14
Gloucester - Grant & Chainey <sup>(1)</sup>	100%	OC	Met/Thermal	3.9	46	28	78	2012	6	Jun-14
Middlemount <sup>(1)</sup>	50%	OC	Met/Thermal	93	33.8	3	129.8	2012	8	Mar-13
Donaldson <sup>(1)</sup>	100%	UG	Met/Thermal	280	450	90	820	2012	10	Jun-14
Monash <sup>(1)</sup>	100%	UG	Met/Thermal		17	80	97	2012	2	Dec-14
<b>TOTAL</b>							<b>3404.9</b>			
Yancoal Attributable Share							<b>3074.7</b>			

(1) Resource depletions are only applied upon update of the JORC resource reports, as a result the 31<sup>st</sup> December resource numbers remain the same as those in the JORC report.

Note: All Coal Resources are inclusive of coal reserves and are reported on a 100% basis with Yancoal's ownership percent reported for each deposit. The attributable share total is the total resources when the Yancoal ownership percent is applied.

## COAL RESOURCES COMPARISON OF 2014 TO 2013 YEAR END REPORTING

Project	Yancoal Ownership %	Coal Type	Differences in Measured JORC Resource Mt	Differences in Indicated JORC Resource Mt	Differences in Inferred JORC Resource Mt	Differences in Total JORC Resources Mt
Moolarben <sup>(1)</sup>	80%	Thermal	77.2	-59.6	-7.6	10.0
Austar <sup>(2)</sup>	100%	Met	3	10	0	13
Ashton <sup>(3)</sup>	100%	Met/Thermal	13.2	-11.3	-2.0	-0.1
Yarrabee <sup>(4)</sup>	100%	Met	30.5	-7.2	7.2	30.4
Gloucester - Stratford <sup>(5)</sup>	100%	Met/Thermal	-4.8	11	3	9
Gloucester - Duralie <sup>(6)</sup>	100%	Met/Thermal	-2.6	-2	0	-4
Gloucester - Grant & Chainey <sup>(7)</sup>	100%	Met/Thermal	0	0	1	1
Middlemount <sup>(8)</sup>	50%	Met/Thermal	0	0	0	0
Donaldson <sup>(9)</sup>	100%	Met/Thermal	-316.8	237.5	74.3	-5.0
Monash <sup>(10)</sup>	100%	Met/Thermal	-148.1	-161.3	-198.4	-507.8
<b>TOTAL</b>						<b>-453.7</b>
Yancoal Attributable Share						<b>-428.9</b>

- (1) Moolarben - The total resource increase and significant shift to measured resource category is due to inclusion of drilling program data completed since the last report. The corresponding decreases in the Indicated and Inferred categories are linked to the measured resource increase.
- (2) Austar - Increase results from changed mining assumptions and inclusion of additional Indicated resources south of Ellalong Mine.
- (3) Ashton - Category shift to measured resources related to inclusion of additional drilling data (24 surface holes and 70 intra-seam holes), change of raw ash limit down to 50%, revision of JORC classification polygons and modification of the acceptable core recovery limit.
- (4) Yarrabee - Resources changes primarily due to the inclusion of 1271 holes completed since the previous report, with minor adjustments due to changed mining assumptions and changes to the models.
- (5) Gloucester (Stratford) - Resource changes due to production, review and update of default values and estimation limits review and adjustment of resource classifications and addition of new resources areas.
- (6) Gloucester (Duralie) - Resource changes due to production depletions and updating of the geological model since the last report.
- (7) Gloucester (Grant & Chainey) - Resource change due to review and update of default values and estimation limits.
- (8) Middlemount - JORC report not updated as previous report was already JORC 2012 Compliant.
- (9) Donaldson - Total resource decrease due to production depletion. The changes in resource categories are due to the reclassification of the resources according to the JORC 2012 Code.
  - a. Changed resource classification polygons resulting from the reduction in the maximum spacing between measured and indicated points of observation
  - b. Removal of seams from the resource that are deemed not economical feasible to mine.
- (10) Monash - The reductions are due to the reclassification of the resources according to the JORC 2012 Code
  - a. Changed resource classification polygons resulting from the reduction in the maximum spacing between points of observation for each category
  - b. Limiting of extrapolation beyond last data points to 300m
  - c. Reduced raw ash cut-off from 50% to 40%
  - d. Resources limited to depth of 700m.

Note: +ve = increase in reported resources, -ve = decrease in reported resources

## COAL RESERVES FOR YEAR ENDING DECEMBER 2014

Project	Yancoal Ownership %	Coal Type	Recoverable Coal Reserves				Marketable Coal Reserves				JORC Code	Competent Person #	JORC Report Date	ROM Production From JORC Report Date to Dec-14 Mt	Saleable Production From JORC Report Date to Dec-14 Mt
			Proved Reserve Report JORC	Probable Reserve Report JORC	Total Reserves At JORC Report Date	Total Reserves Dec-14	Proved Reserves Report JORC	Probable Reserve Report JORC	Total Reserves At JORC Report Date	Total Reserves Dec-14					
			Mt	Mt	Mt	Mt	Mt	Mt	Mt	Mt					
Moolarben (O/C)	80%	Thermal	166	103	269	265.1	122.5	73	195.5	192.4	2012	1	Jun-14	3.9	3.1
Moolarben (U/G)	80%	Thermal	42.3	23	65.3	65.3	42.5	23.7	66.2	66.2	2012	1	Jun-14	N/a	N/a
Austar (U/G)	100%	Met	12	33	45	43.6	10	26	36	34.8	2012	3	Jun-14	1.4	1.2
Ashton (SE O/C)	100%	Met/Thermal		15	15	15		7.8	7.8	7.8	2012	14	Jun-14	N/a	N/a
Ashton (U/G)	100%	Met	39.1	2.4	41.5	40.3		20.4	20.4	19.8	2012	14	Jun-14	1.2	0.6
Yarrabee (O/C)	100%	Met	41.5	8.3	49.8	47.6	32.7	6.5	39.2	37.4	2012	5	Jun-14	2.2	1.8
Gloucester - Stratford (O/C)	100%	Met/Thermal		38.9	38.9	38.8		21.4	21.4	21.4	2012	7	Jun-14	0.1	0.0
Gloucester - Duralie (O/C)	100%	Met/Thermal	5.7	8.7	14.4	13.4		10.3	10.3	9.6	2012	7	Jun-14	1.0	0.7
Gloucester - Grant & Chainey <sup>(1)</sup> (O/C)	100%	Met/Thermal			0	0			0	0	2012	7	Jun-14	N/a	N/a
Middlemount (O/C)	50%	Met/Thermal	66	18	84	84	50	13.4	63.4	63.4	2012	9	Jan-15	N/a	N/a
Donaldson (U/G)	100%	Thermal/Met	33	97	130	128.7	24	64	88	86.9	2012	3	Jun-14	1.3	1.1
<b>Total</b>					<b>752.9</b>	<b>741.9</b>				<b>548.2</b>	<b>539.7</b>			<b>11.0</b>	<b>8.5</b>
Yancoal Attributable Share					<b>644.0</b>	<b>633.8</b>				<b>464.2</b>	<b>456.2</b>			<b>10.2</b>	<b>7.9</b>

(1) Gloucester (Grant & Chainey) - A portion of the reserve was reallocated to the "Stratford Reserves", with the remaining decrease due to increased statutory approvals uncertainty and a lack of supporting pre-feasibility studies and infrastructure.

Note: ROM Production and Saleable Production figures from the JORC Report date to the end of December 2013 are based on actual production figures gathered by Yancoal.

Note: Met = Metallurgical coal.

Note : N/a = Not Applicable due to no Production for the period

Note: Coal Reserves are inclusive of the Coal Resources and are reported on a 100% basis for each deposit.

## COAL RESERVES COMPARISON OF 2014 TO 2013 YEAR END REPORTING

Project	Yancoal Ownership %	Coal Type	Recoverable Coal Reserves Differences				Marketable Coal Reserves Differences			
			Proved Reserve Report JORC Mt	Probable Reserve Report JORC Mt	Total Reserves Report JORC Mt	Total Reserves End of Dec Mt	Proved Reserves Report JORC Mt	Probable Reserve Report JORC Mt	Total Reserves Report JORC Mt	Total Reserves End of Dec Mt
Moolarben <sup>(1)</sup> (O/C)	80%	Thermal	41.3	-26.9	14.4	14.7	35.6	-16.4	19.2	19.3
Moolarben <sup>(2)</sup> (U/G)	80%	Thermal	5.0	-2.6	2.4	2.4	5.2	-1.9	3.3	3.3
Austar <sup>(3)</sup> (U/G)	100%	Met	-2.2	-0.5	-2.7	-3.3	-1.5	-0.3	-1.8	-2.3
Ashton <sup>(4)</sup> (SE O/C)	100%	Met/Thermal	0.0	-0.6	-0.6	-0.6	0.0	0.0	0.0	0.0
Ashton <sup>(5)</sup> (U/G)	100%	Met	3.6	-3.5	0.1	-0.2	0.0	0.8	0.8	0.6
Yarrabee <sup>(6)</sup> (O/C)	100%	Met	4.0	-12.9	-9.0	-9.3	19.2	-26.7	-7.4	-7.6
Gloucester - Stratford <sup>(7)</sup> (O/C)	100%	Met/Thermal	-0.9	-0.1	-1.1	0.5	-0.5	0.2	-0.3	0.8
Gloucester - Duralie <sup>(8)</sup> (O/C)	100%	Met/Thermal	-2.7	-3.5	-6.2	-4.5	-4.8	1.8	-3.0	-2.1
Gloucester - Grant & Chainey <sup>(9)</sup> (O/C)	100%	Met/Thermal	0.0	-8.8	-8.8	-8.8	0.0	-5.0	-5.0	-5.0
Middlemount <sup>(10)</sup> (O/C)	50%	Met/Thermal	-3.0	-9.0	-12.0	-5.8	-1.0	-4.7	-5.7	-1.1
Donaldson <sup>(11)</sup> (U/G)	100%	Thermal/Met	-45.3	37.0	-8.3	-8.2	24.0	64.0	2.3	2.3
<b>Total</b>					-31.8	-23.0				
Yancoal Attributable Share					-29.1	-23.5				

(1) Moolarben OC - changes are due to a) reclassification of Resources after additional exploration, and b) Improved recovery of coal in OC 1 & 2, c) Change in washing density to produce a higher ash product, d) Product moisture changes increasing marketable reserves.

(2) Moolarben UG - Increases after updated assumptions were applied to dilution and moisture values.

(3) Austar UG - Minor mine plan changes and a slight reduction in top coal caving reduced Reserves.

(4) Ashton SE OC - Reclassified following additional exploration and modelling.

(5) Ashton UG - Minor changes to mine plan assumptions and moisture values decreased Reserves.

(6) Yarrabee - Changes in Reserves due to a) production depletion, b) reduced confidence in a lox-line definition (Yes Pit) and modifying factors reduced reserves, c) Increased drilling upgraded Resource and Reserve classification, d) Minor changes to Reserves due to geotechnical stability (A pit) and high complex geology (Dom 6).

(7) Gloucester Stratford – Stratford South reserves from Grant & Chainey incorporated into the Stratford Reserve, this was then offset by an alteration in the design of the Stratford pits.

(8) Gloucester Duralie - Minor changes to Mine plan assumptions and updated geology model.

(9) Gloucester Grant & Chainey - A portion of the reserve was reallocated to the "Stratford Reserves", with the remaining decrease due to increased statutory approvals uncertainty and a lack of supporting pre-feasibility studies and infrastructure.

(10) Middlemount - Changes due to mainly production depletion, a decrease in ROM moisture and additional drilling improving Resource confidence.

(11) Donaldson UG - changes are due to a shift in tonnes from Proved to Probable due to a change in the reclassification of Resources, and an update in mining model assumptions.

Note: +ve = increase in reported reserves, -ve = decrease in reported reserves

Additional information about the company can be found at [www.yancoal.com.au](http://www.yancoal.com.au)

**Ends**

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