

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To: Company Name/Scheme Yancoal Australia Limited

ACN/ARSN ACN 111 658 119

1. Details of substantial holder (1)

Name Yanzhou Coal Mining Company Limited (Yanzhou Coal) and each of its related corporations (including Yankuang Group Corporation Limited (Yankuang))

ACN/ARSN (if applicable) N/A

The holder became a substantial holder on 28/07/2012, upon the listing of Yancoal Australia Limited on ASX

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary shares	775,488,994	775,488,994	100% (based on 775,488,994 shares on issue) *See note below

* Note: As noted in section 8.0 of the Explanatory Booklet to effect the merger between Yancoal Australia Limited and Gloucester Coal Ltd dated 27 April 2012, Yanzhou Coal's voting power is currently 100%, but will decrease to 70% immediately following implementation of the scheme of arrangement on 6 July 2012.

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Yanzhou Coal	Relevant interest under section 608(1) of the Corporations Act 2001 (CA) (Act) as the registered and beneficial holder of the shares.	775,488,994 ordinary shares
Each of Yanzhou Coal's related corporations (including Yankuang)	Each is an associate of and/or controls Yanzhou Coal and accordingly, has a relevant interest in the same shares as Yanzhou Coal under sections 608(3)(a) and/or 608(3)(b) of the Act.	775,488,994 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Yanzhou Coal	Yanzhou Coal	Yanzhou Coal	775,488,994 ordinary shares
Each of Yanzhou Coal's related corporations (including Yankuang)	Yanzhou Coal	Yanzhou Coal	775,488,994 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Not applicable. None of the relevant interests were acquired in the four months prior to the day that the substantial holder became a substantial holder.

6. Associates

The names of the persons named in paragraph 1 above are associates of the substantial holder and as follows:

Name and ACIN/AFSL of applicant	Nature of association
Fuchun Substantial holder	Each substantial holder is an associate of each of the other substantial holders as a result of section 13(2)(a) of the Act because they are members of a corporate group.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Yanhuo Coal	298 Fuchun South Road Zoufeng Shandong Province PRC 271500
Block of Yanhuo Coal's related corporations including Yanhuo Coal	298 Fuchun South Road Zoufeng Shandong Province PRC 271500

Signature

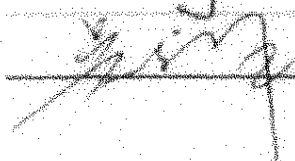
print name

Yuxiang Wu

capacity

Director

sign here



date

28/06/2012

DIRECTOR

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members, is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 603 and 671(6)(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme of any: (a) the person or an associate has a relevant interest in;
- (6) The person's votes divided by the total votes in the body corporate or scheme regulated by 130.
- (7) include details of:
 - (a) any relevant agreement or other arrangements by which the relevant interest was acquired. If subsection (7)(5)-(6) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving 5% and accurate details of any contract, agreement or arrangement, must accompany this form, together with a written statement certifying the contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting power or disposal of the securities to which the relevant interest relates (indicating clearly the particular sections to which the qualification applies).
- See the definition of "relevant agreement" in section 5 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included if any benefit was or is to be paid on behalf of the substantial holder or its associate in relation to the acquisition, even if they are not paid directly to the person from whom the relevant interest was acquired.