

20 February 2013

ASX Release:

Coal Resources and Reserves

Yancoal Australia Ltd is pleased to announce its revised Resources and Reserves report prepared in accordance with the requirements of the JORC Code 2004 for each of its operating mines and projects.

The update is the result of a detailed review of recent drilling results, geological modelling and mining experience at all of the company's operating mines and exploration tenements.

The changes to both the total Resources and Reserves from the estimates provided at the time of the merger between Gloucester and Yancoal and in the scheme booklet are relatively minor. Additional drilling at some of the mines combined with updated geological models for each project has led to the changes. The most significant moves were at Moolarben which increased Resources by 38Mt to 1222Mt (3.3%) and Donaldson where Resources fell by 58Mt to 827Mt.

Current Proved and Probable Reserves of 799.7Mt declined by 1.7% from 813.9Mt presented in the scheme booklet.

Yancoal ranks third behind BHP Billiton and Rio Tinto in terms of total Resources and Reserves for companies listed on the Australian Stock Exchange.

COAL RESOURCES

Project	Ownership %	Measured Resource Mt	Indicated Resource Mt	Inferred Resource Mt	Total Resources Mt	Competent Person Reference	Report Date
Moolarben (O/C & U/G)	80	423.4	577.9	220.9	1222.2	1	Jun-12
Austar (U/G)	100	81	70	70	221	2	Jun-12
Ashton (O/C & U/G)	90	134.9	136.3	51.3	322.5	4	Dec-12
Yarrabee (O/C)	100	78.1	89.4	13.1	180.6	1	Jun-12
Stratford (O/C)	100	5.8	67	25	98	6	Sep-12
Duralie (O/C)	100	12.6	67	68	148	6	Sep-12
Grant & Chainey (O/C)	100	3.9	46	27	77	6	Sep-12
Middlemount (O/C)	50	89.3	31.5	1.8	122.6	8	Jun-10
Donaldson (U/G)	100	599.2	212.5	15.7	827.4	10	Dec-12
Monash (U/G)	100	148.1	178.3	278.4	604.8	12	Dec-12
TOTAL					3824.0		

Note: All Coal Resources are reported on a 100% basis with Yancoal's ownership reported for each deposit. For references see the Competent Persons Statement of Compliance on page 2 of this release

COAL RESERVES

Project	Ownership %	Recoverable Reserves			Marketable Reserves			Competent Person Reference	Report Date
		Proved Reserve	Probable Reserve	Total Reserves	Proved Reserves	Probable Reserve	Total Reserves		
		Mt	Mt	Mt	Mt	Mt	Mt		
Moolarben (O/C)	80	75.9	161.9	237.8	52.2	109.7	161.9	1	Jun-12
Moolarben (U/G)	80	35.7	27.4	63.1	35.7	27.4	63.1	1	Jun-12
Austar (UG)	100	15.0	34.8	49.7	12.4	27.2	39.6	3	Jun-12
Ashton (SE O/C)	90	14.9	3.0	17.9	10.2	2.1	12.3	5	Dec-12
Ashton (WP O/C)	90		13.1	13.0		7.0	7.0	1	Jan-12
Ashton (U/G)	90	14.0	29.1	43.1	7.9	17.3	25.2	3	Dec-12
Yarrabee (O/C)	100	39.7	21.7	61.4	14.9	34.5	49.4	1	Jun-12
Stratford (O/C)	100	0.9	39.0	40.0	0.5	21.2	21.7	7	Sep-12
Duralie (O/C)	100	8.4	12.2	20.6	4.8	8.5	13.3	7	Sep-12
Grant & Chainey (O/C)	100		8.8	8.8		5.0	5.0	7	Sep-12
Middlemount (O/C)	50	69.0	27.0	96.0	51.0	18.1	69.1	9	Feb-11
Donaldson (U/G)	100	81.1	67.2	148.3			90.5	11	Jul-12
TOTAL				799.7			558.1		

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

Statement of Compliance

Information in this report that relates to Coal Resources and Coal Reserves is based on and accurately reflects reports prepared by the Competent Person named beside the respective information. Jon Barber **(1)** is the Principal Consultant with Jon Barber Mining Consultants. Robert Dyson **(2)** is the General Manager Operations with McElroy Bryan Geological Services Pty Ltd. Michael Barker **(3)** is the General Manager Underground Services with Palaris Mining P/L. Brad Willis **(4)** is the General Manager Geological Services with Palaris Mining P/L. David Lennard **(5)** is the General Manager Open Cut with Palaris Mining P/L. Janet Bartolo **(6)** is the Manager Geological Modelling with McElroy Bryan Geological Services Pty Ltd. Trisha Wilson **(7)** is the Senior Mining Consultant with RungePincockMinarco. Greg Jones is the Principal Consultant with JB Mining Services Pty Ltd. Mark Bryant **(9)** is the Principal Mining Consultant with The Minserve group Pty Ltd. Damian James **(10)** is the Manager Technical Services with Ellembey Consulting. Dave Thomas **(11)** is the Principal Consultant with IMC Mining Group Pty Ltd. Paul Wootton **(12)** is the Chief Geologist with Ellembey Consulting.

Named Competent Persons consent to the inclusion of material in the form in which it appears. The tables were compiled by Yancoal Australia Limited. All Competent Persons named are Fellows or Members of the Australasian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and have sufficient experience which is relevant to the style of mineralisation and type of deposit being reported on, by them, to qualify as Competent Persons as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

INVESTOR RELATIONS CONTACT: Ian McAleese 02 8243 5314, Mobile 0427 227 530 or email imcaleese@yancoal.com.au

About Yancoal

In NSW Yancoal operates Moolarben mine near Mudgee in the NSW central west; Ashton, Austar, Abel, Tasman and Donaldson mines in the Hunter Valley; and Duralie and Stratford in the Gloucester region north of Newcastle. The company also operates Yarrabee mine near Blackwater in central Queensland, and has a near 50 per cent share in Middlemount mine north-west of Rockhampton. Yancoal also has investments in two coal terminals - Wiggins Island in Gladstone which Yancoal holds 5.6 per cent share and NCIG in Newcastle which Yancoal holds a 27 per cent share. On behalf of its major shareholder, Yanzhou, Yancoal manages Cameby Downs mine in south west Queensland, Premier mine in south west Western Australia, Longwall Top Coal Caving (LTCC) technologies Pty Ltd and Ultra Clean Coal (UCC) Pty Ltd.