

Quarterly Report

For the Quarter ending 31 December 2024

Issued 20 January 2025

December Quarter 2024 (4Q 2024)

- A\$176/t average realised coal price.
- \$480 million increase in cash balance.¹
- \$2.46 billion cash balance at 31 December 2024.
- 17.3Mt ROM coal production (100% basis).
- 13.0Mt Saleable coal production (100% basis).
- 9.7Mt Attributable saleable coal production.
- 10.4Mt Attributable coal sales.

Performance Summary

Our Total Recordable Injury Frequency Rate of 6.7 remains below the comparable industry weighted benchmark.²

Total ROM coal volume and our attributable saleable coal volume were comparable with the third quarter. These production volumes aligned with the second-half weighted production profile we anticipated, and once again reaffirms the production rates that our portfolio of high-quality mines can achieve.

The A\$176/tonne overall realised coal price in 4Q 2024, comprised a 4% higher realised thermal coal price and a -6% lower realised metallurgical coal price compared to 3Q 2024. The realised thermal coal and metallurgical coal prices were in line with relevant coal index trends.

2024 Operational Guidance

- 35-39Mt attributable saleable production;
36.9Mt achieved.
- \$89-97/tonne cash operating costs;
Expected to be around mid range.
- \$650-800 million attributable capital expenditure;
Expected to be in lower half of the range.

CEC / Acting CEO Comment

Yancoal has delivered on its 2024 production guidance, producing 36.9 million tonnes of attributable saleable coal from almost 63 million tonnes of ROM coal (100% basis). This met our expected production profile across the year and is the result of a concerted effort from all our operations and logistics personnel. We expect our cash operating costs to fall within guidance when we report our 2024 Financial Results in February.

The operating performance drove another strong financial performance. We added \$480 million to our cash position and finished the year with a cash balance of almost \$2.5 billion.

We have the financial capacity to pursue corporate initiatives and make distributions to shareholders. We will be in a position to comment further on dividends after the Board meets in February to approve the 2024 Financial Results.

2024 was a strong year for Yancoal, our attributable production and sales increased by 10% and 14% respectively, and we retained a favourable operating cost profile compared to our peers.

In thermal coal markets, short-term influences continue to affect indices and market sentiment. Most recently good export coal supply has met weak regional demand resulting in subdued coal indices; however, the weakening Australian dollar has provided some offset.

Yancoal's large-scale, low-cost coal production profile is well suited to all coal market conditions. We also have no interest-bearing loans, a large net cash position and robust operating margins. We look forward to delivering another strong performance in 2025.

¹ Increase in cash balance is the increase from 30-Sep-24 to 31-Dec-24.

All financial figures are Australian dollars, unless otherwise stated.

² Details page 3.

PRODUCTION AND SALES DATA

			4Q 2024	3Q 2024	PP Change	4Q 2023	PCP change	12mth YtD 2024	12mth YtD 2023	Change
ROM coal production, Mt										
	Mine type	Economic interest								
Moolarben	OC / UG	95%	4.2	6.1	(31)%	6.0	(30)%	21.2	20.4	4%
Mount Thorley Warkworth	OC	83.6%	4.9	4.7	4%	5.1	(4)%	17.2	17.2	—%
Hunter Valley Operations	OC	51%	5.3	4.5	18%	5.0	6%	14.8	15.3	(3)%
Yarrabee	OC	100%	1.0	0.9	11%	0.7	43%	2.9	2.4	21%
Middlemount	OC	49.9997%	1.2	0.9	33%	1.0	20%	4.0	3.3	21%
Ashton	UG	100%	0.7	0.4	75%	-	n/a	2.5	0.7	257%
Stratford Duralie	OC	100%	0.0	0.0	n/a	0.3	n/a	0.1	0.9	(89)%
Total – 100% Basis			17.3	17.5	(1)%	18.1	(4)%	62.7	60.2	4%
Total – Attributable			12.7	13.2	(4)%	13.4	(5)%	47.7	45.5	5%
Saleable coal production, Mt										
	Coal type	Attributable Contribution								
Moolarben	Thermal	95%	4.2	5.3	(21)%	4.8	(13)%	19.0	16.7	14%
Mount Thorley Warkworth	Met. & Thermal	83.6%	3.2	3.3	(3)%	3.4	(6)%	11.2	11.3	(1)%
Hunter Valley Operations	Met. & Thermal	51%	3.7	3.2	16%	3.3	12%	11.7	10.5	11%
Yarrabee	Met. & Thermal	100%	0.7	0.7	—%	0.5	40%	2.2	1.9	16%
Middlemount	Met. & Thermal	(equity accounted)	0.7	0.5	40%	0.6	17%	2.3	2.2	5%
Ashton	Met.	100%	0.5	0.2	150%	0.1	400%	1.3	0.4	225%
Stratford Duralie	Met. & Thermal	100%	0.0	0.0	n/a	0.2	n/a	0.1	0.6	(83)%
Total – 100% Basis			13.0	13.2	(2)%	12.9	1%	47.8	43.6	10%
Total – Attributable			9.7	10.2	(5)%	9.7	—%	36.9	33.4	10%
Sales volume, Mt										
Thermal coal			8.6	9.0	(4)%	8.7	(1)%	32.5	28.4	15%
Metallurgical coal			1.8	1.4	29%	1.4	29%	5.2	4.7	10%
Total – Attributable			10.4	10.4	—%	10.1	3%	37.7	33.1	14%
Avg. realised price, A\$/tonne										
Thermal coal			163	157	4%	180	(10)%	160	211	(24)%
Metallurgical coal			242	259	(6)%	292	(17)%	276	356	(22)%
Overall avg. realised price			176	170	3%	196	(10)%	176	232	(24)%

Notes:

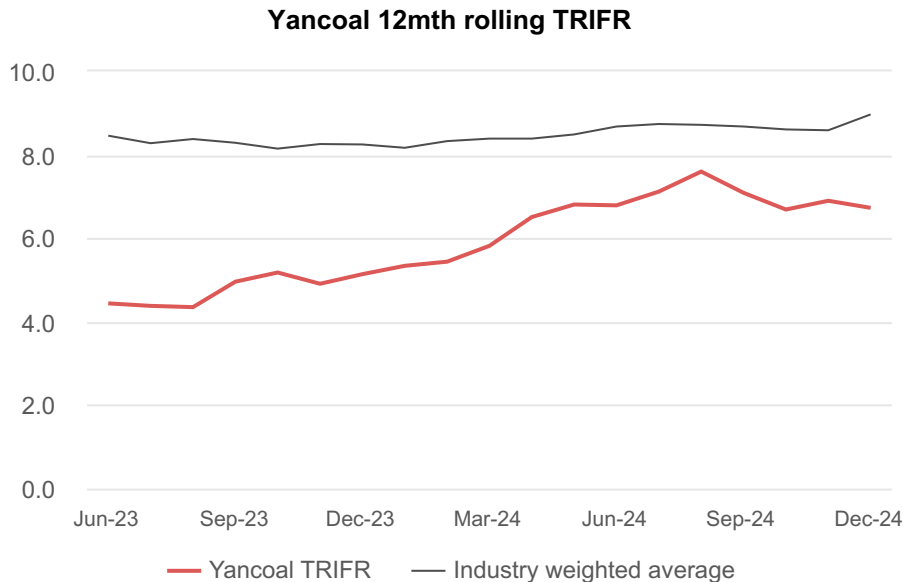
- ROM = Run of Mine; the volume extracted and available to be processed.
- Mount Thorley Warkworth Operational Integration Agreement was renewed from 1 February 2024 increasing the Warkworth joint venture contribution from 65% to 80% and reducing the Mt Thorley joint venture's contribution from 35% to 20%, resulting in Yancoal's effective interest increasing to 83.6% from 82.9%.
- Attributable figures exclude production from Middlemount (incorporated joint venture and equity-accounted).
- 'Sales volumes by coal type' excludes the sale of purchased coal.
- Realised prices are provided on an ex-mine basis, excluding purchased coal and corporate contract volumes.

1Q = March quarter period
 2Q = June quarter period
 3Q = September quarter period
 4Q = December quarter period

Mt = million tonnes
 YtD = Year to Date
 Met. = Metallurgical coal

PP = Prior quarter period
 PCP = Prior year corresponding period
 UG = Underground
 OC = Open-cut

SAFETY



The health and well-being of all Yancoal employees is always a key focus. The 12-month rolling Total Recordable Injury Frequency Rate (“TRIFR”) was 6.7 at the end of 4Q 2024; an improvement from 7.1 at the end of 3Q 2024.

Whilst still below the comparable industry weighted average of 9.0³, we remain committed to improving the trend through targeted safety intervention activities.

COAL SALES AND COAL MARKET OUTLOOK

During 4Q 2024, attributable sales of 10.4Mt were the same as the prior quarter and 0.7Mt ahead of attributable saleable coal production.

Yancoal sells the majority of its thermal coal at prices associated with the GlobalCOAL NEWC 6,000kCal NAR index (GCNewc) and the All-Published Index 5 (API5) 5,500kCal index. Each contract has price adjustments for energy content and other coal characteristics. Typically, thermal coal produced in the Hunter Valley tends to have GCNewc index characteristics. In contrast, coal produced west of the Hunter Valley tends to have API5 Index characteristics or sits between the indices. Multiple coal seams are mined at each mine, so the coal quality varies depending on where it was sourced in any given period. Yancoal’s metallurgical coal is typically sold at prices associated with the Platts Low Vol PCI FOB Australia and Platts Semi-Soft FOB Australia Indices.

During 4Q 2024, the API5 index averaged US\$88/t, similar to 3Q 2024; while, the GCNewc index averaged US\$138/t, down marginally from US\$141/t in 3Q 2024. The Low Vol PCI index averaged US\$157/t, down from \$174/t; while the Semi-Soft index was almost unchanged, averaging US\$137/t.

Yancoal's realised prices in any given period tend to reflect relevant coal price indices from prior periods due to various sales contract structures and timing. Factors influencing the realised price can include: premiums (or discounts) to reflect market conditions; the capacity to wash coal and improve the product specifications; and the availability of coal for purchase and blending.

After converting to Australian dollars, in 4Q 2024 Yancoal recorded an average realised thermal coal price of A\$163/t and an average realised metallurgical coal price of A\$242/t. Yancoal's overall average realised sales price in 4Q 2024 was A\$176/t, compared to A\$170/t in the prior quarter and A\$196/t in 4Q 2023.

³ Based on the available industry data at the time of preparing the report

	Units	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
API5, 5,500kCal	US\$/t	125	102	88	96	93	89	87	88
GCNewc, 6,000kCal	US\$/t	242	158	149	136	126	136	141	138
Low Vol PCI, FOB Aust.	US\$/t	311	207	169	185	164	164	174	157
Semi-Soft, FOB Aust.	US\$/t	266	181	167	161	150	152	138	137
AUD:USD		0.68	0.67	0.65	0.65	0.66	0.66	0.67	0.65
API5, 5,500kCal	A\$/t	183	153	135	148	142	134	137	132
GCNewc, 6,000kCal	A\$/t	354	237	228	208	191	206	210	211
Low Vol PCI, FOB Aust.	A\$/t	456	310	258	285	249	248	259	241
Semi-Soft, FOB Aust.	A\$/t	389	271	255	247	228	231	205	210
Realised Thermal price	A\$/t	338	197	178	180	159	163	157	163
Realised Metallurgical price	A\$/t	383	403	360	292	334	318	259	242
Overall realised price	A\$/t	347	226	197	196	180	181	170	176

Source: GlobalCOAL, Platts, Argus/McCloskey, Reserve Bank of Australia.⁴

Note: A\$/t prices are a simple conversion using the US\$/t price and relevant AUD-USD exchange rates for the period.

Thermal coal export markets experienced steady supply and benign demand conditions during the quarter. Thermal coal indices were highest in October ahead of the winter re-stock cycle, then drifted lower after a mild start to the northern hemisphere winter allowed end-users to carry stocks for longer than usual. Geopolitical tensions created some volatility in the coal markets, but these were not the primary sentiment drivers.

Compared to the prior year, Australian thermal coal exports were +2% for 2024. Major export countries, except Russia and Colombia, also increased export sales compared to 2023. Across the major coal importers, imports were up year-on-year into China (+13%), India (+4%) and South-East Asia (+10%), but down into Japan (-1%) and Korea (-14% due to increased use of biomass power generation).⁵

As we have previously noted, the overall thermal coal markets still appear relatively balanced. For the GCNewc index, the maximum price during the quarter was 8% above the average and the minimum was -13% below the average. While this range is somewhat more volatile than the prior quarter, pricing remains relatively range-bound. The price range was even smaller in the API5 market; 4% above the average and -6% below. We retain our view that thermal coal markets and coal indices remain subject to trader sentiment and short-term drivers such as weather induced demand factors or supply disruption events.

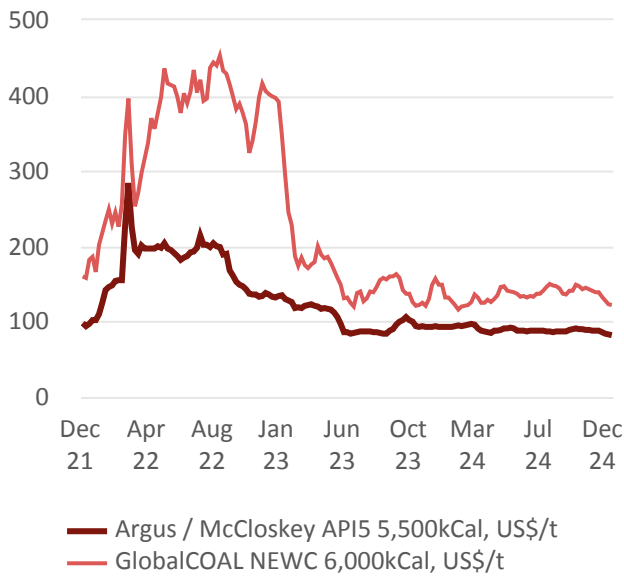
The metallurgical coal markets were also stable, albeit at prices lower than six months ago, as steel market conditions remain weak with global steel output down ~6% during the year compared to 2023. The average Low Vol PCI price was more impacted as its usage is more readily flexed in the steel production process. In contrast, coke production kept the average semi-soft-coking coal index price steady through the quarter.

The lower AUD:USD exchange rate provided an offset to the softer coal indices for Australian exporters like Yancoal.

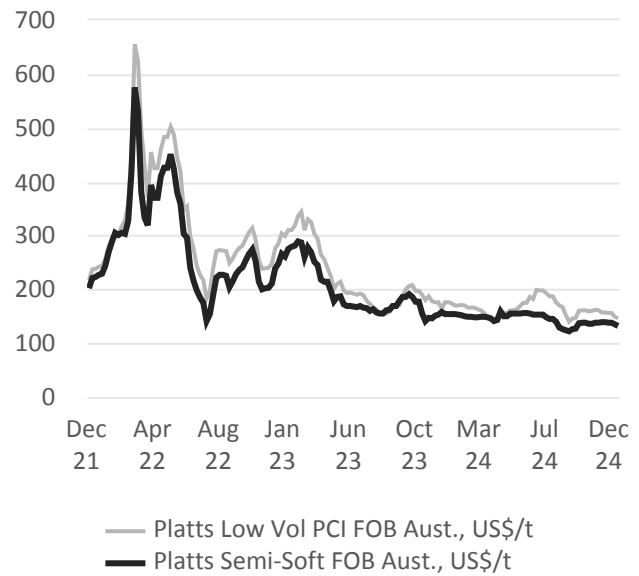
⁴ The data and information provided by GlobalCOAL, Platts and Argus/McCloskey may not be copied or used except as expressly permitted in writing by the data provider.

⁵ Sourced from "Commodity Insights"

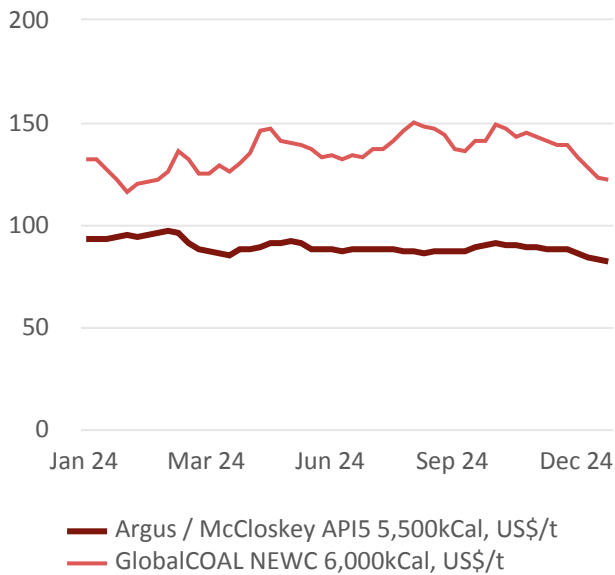
Thermal coal indices - past 3 years



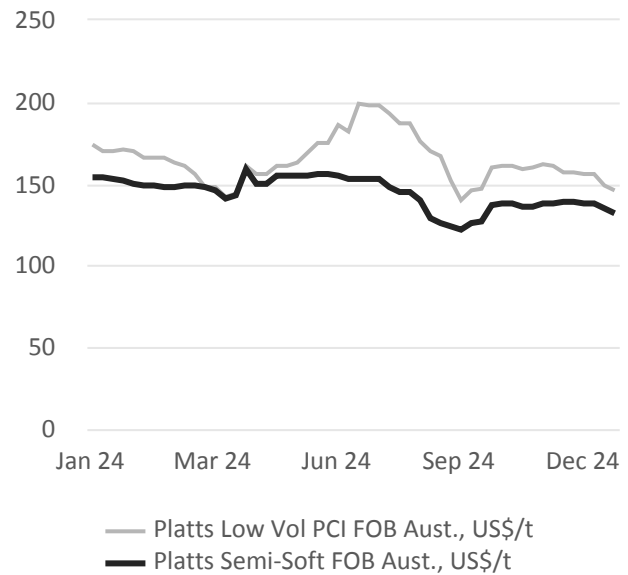
Metallurgical coal indices - past 3 years



Thermal coal indices - past year



Metallurgical coal indices - past year



Source: GlobalCOAL, Platts, Argus/McCloskey

ASSET PERFORMANCE

Occasionally above average rainfall occurred in parts of eastern Australia during 4Q 2024 with our mines in NSW and Queensland encountering some weather disruptions during the quarter. However, in most cases rainfall impacts on production were modest, due to past investment in water storage and handling capacity. Combined ROM coal and saleable coal production figures largely replicated the strong 3Q performance and delivered a full year outcome in the middle of our guidance range.

Moolarben

In the underground mine a longwall move was underway which commenced during the quarter with coal production due to restart in February.

Aside from some weather delays and temporary open-cut coal by-pass feeder restrictions, ROM coal output production ran to plan. Moolarben was successful in maximizing coal production and achieved the permitted production cap of 16 million tonne annual open-cut ROM coal.

Saleable coal production followed the ROM coal profile with a small uplift due to a favourable yield through the wash plant toward the end of the year.

Mount Thorley Warkworth (MTW)

MTW replicated the elevated production figures from the prior quarter, due to slightly shorter haul cycles, increased load and haul volumes, and generally favourable weather conditions.

Minor production impacts resulting from temporary outages at one of the wash plants coupled with lower than forecast yield at times, were overcome across the quarter.

Hunter Valley Operations (HVO)

Increased production at HVO relative to the prior quarter was one of the positive drivers of Yancoal's fourth quarter performance. Improved truck utilisation and favourable weather conditions contributed to the strong performance.

The two wash plants successfully balanced feed volumes, throughput and recovery yield in order to maximise overall saleable coal production.

Yarrabee

Despite some wet weather and difficult geotechnical conditions during the quarter, Yarrabee was able to produce more ROM coal than the prior quarter and finished the year with a much stronger operational profile than the first six months of the year. The capacity to deal with geotechnical conditions and constrained mining conditions greatly improved during the second half of the year.

Middlemount

There was some wet weather impact during the quarter; however, conditions were generally good and operations were able to recover quickly. ROM coal mining activities were carefully managed to match stockpile capacity. Like other operations, Middlemount was able to produce higher ROM volumes compared to the previous quarter.

Ashton

Development and longwall production rates and coal wash plant yield were good during the quarter. A longwall move commenced during December and is scheduled for completion by the end of January.

Stratford Duralie

Mine closure activities are now underway. Decommissioning, landform shaping and water management are the primary focus.

DEVELOPMENT PROJECTS and EXPLORATION

The MTW underground mine pre-feasibility studies are subject to further assessments, which should enable a feasibility study to commence in 2025. Should the development proceed, this project could significantly extend the future production profile.

At HVO, the Joint Venture is working through the approvals process to allow operations to continue within the existing mining lease footprint.

The Stratford Pumped Hydro and Solar Project is subject to ongoing feasibility, and both internal and external approval processes. As was reported previously, the NSW government granted the project “Critical State Significant Infrastructure” status, recognising the importance of projects such as this to provide the long-duration storage required to decarbonise the NSW economy.

Yancoal incurred \$1.5 million in exploration capital expenditure during the period at Hunter Valley Operations, Moolarben and Yarrabee. The exploration work comprised 11 core and non-core boreholes for a total of 970 metres drilled.⁶ Drilling was focused on structure, washability and coal quality for Hunter Valley Operations and Moolarben, and updating the geological model at Yarrabee.

BOARD and MANAGEMENT

On 17 December 2024, Dr Geoffrey William Raby stepped down as an Independent Non-Executive Director (“INED”). Mr Peter Smith was appointed as an INED effective 17 December 2024. Mr Smith will serve as Chair of the Health, Safety, Environment and Community Committee and as a member of the Nomination and Remuneration Committee.

On 14 January 2025, Mr David Moulton resigned as Chief Executive Officer (“CEO”). Mr Ning Yue, Chair of the Executive Committee (“CEC”), is serving as Acting CEO until the Board makes a permanent appointment to the role. The Board will undertake a comprehensive search to find the Company’s next CEO, and at the appropriate time will inform the market once an appointment is made.

CONFERENCE CALL FOR ANALYSTS AND INVESTORS

The Company will host an audio conference call for analysts and investors. We will provide comments on the quarterly performance and conduct a ‘Question and Answer’ session.

Date: Tuesday, 21 January 2025

Time: 12:00pm (midday) Sydney, 9:00am Hong Kong

Webcast: <https://edge.media-server.com/mmc/p/7v8o75jd>

Participants are encouraged to use the webcast link to pre-register for the conference call. There is an option to have the hosting company call participants directly at the scheduled start time.

⁶ Reported expense is Yancoal’s attributable share. Hole count and drill metres are on a 100% basis.

Authorised for lodgement by the Yancoal Disclosure Committee. This report was compiled from verified material. The Yancoal Disclosure Committee evaluates and reviews the process and content to confirm the integrity of the report.

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