

GETTING ON WITH THE JOB

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YANCOAL
兖煤澳大利亚有限公司

Annual Report 2024

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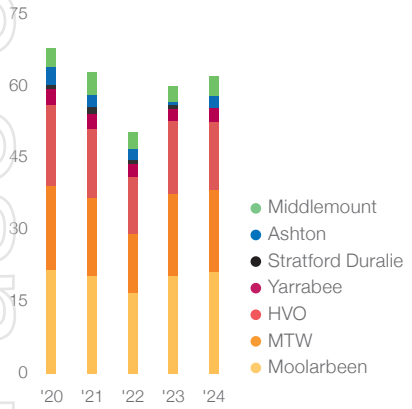
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Financial Summary

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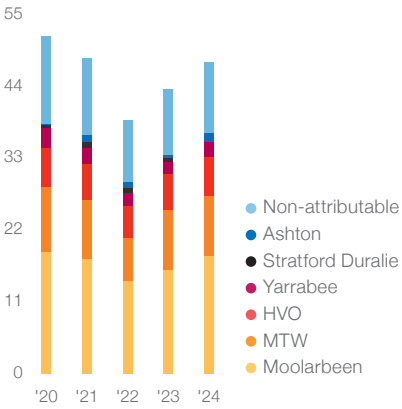
ROM Coal Production

million tonnes



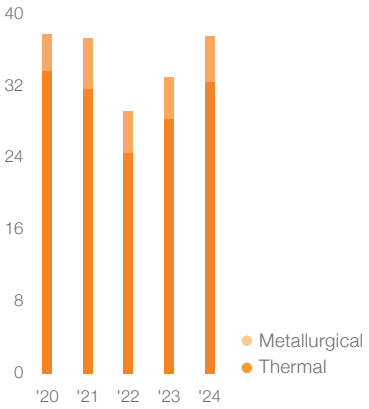
Saleable Coal Production

million tonnes



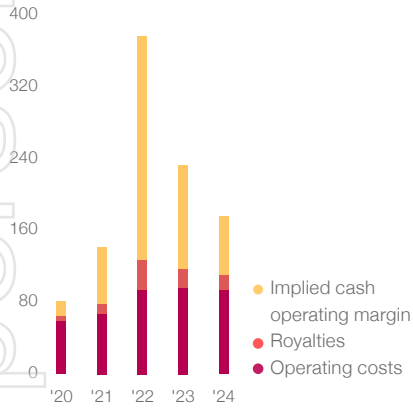
Product Mix

million tonnes



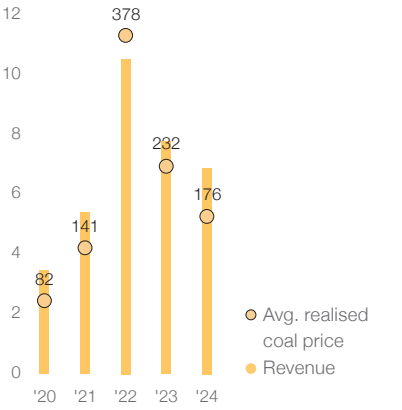
Operating Costs and Margin

A$/tonne



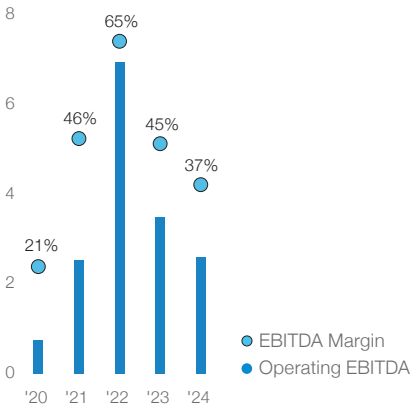
Sales Revenue

A$ billions, A$/tonne



Operating EBITDA

A$ billions, %



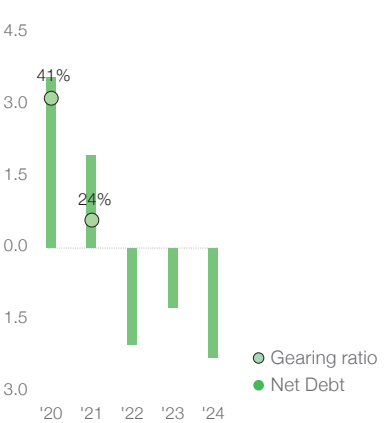
Net Profit / Loss after Tax

A$ billions



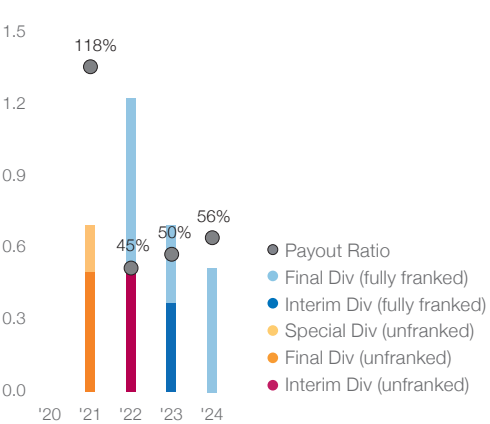
Net Debt & Gearing

A$ billions, %



Total Dividend & Payout Ratio

A$/share, %



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62.7 MILLION TONNES
ROM Coal Production (100%)

36.9 MILLION TONNES
Saleable Coal Production (attributable)

$6.9 BILLION REVENUE

$2.6 BILLION OPERATING EBITDA

$1.2 BILLION NET PROFIT

37% OPERATING EBITDA MARGIN

$2.5 BILLION CASH BALANCE
as at 31/12/24

52.0 A$ CENTS PER SHARE FULLY FRANKED DIVIDEND



Chairman and Acting CEO Review

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"Yancoal's vision is clear: To build a world class mining enterprise that provides resources that benefit modern society."



Gang Ru
Chairman of the Board



Ning Yue
Chair of the Executive Committee and Acting CEO

In 2024, Yancoal's overall performance demonstrated strength, vitality and transformation. The highlights included Yancoal: posting a second straight year of production growth; successfully containing costs in an inflationary environment; remaining debt free; and generating a sizeable cash balance at year end of almost $2.5 billion.

A critical element driving Yancoal's performance has been the implementation of the "Key Tasks" initiative, which is focused on 42 workstreams across the Group and is overseen by the Board. Operationally, the workstreams focus on sustainable improvements in key productivity drivers to deliver improved mine optimisation, increased coal production and to reduce operating costs.

Following on from 2023, which concluded with our portfolio of mines operating at near optimal production levels, Yancoal's production profile in 2024 was weighted to the second-half of the year and for the second year running we finished the year operating near optimal levels. Yancoal's attributable saleable production for 2024 increased to 36.9Mt, with wet weather recovery plans having been completed and the sites returning to "steady state" conditions.

Yancoal's operational performance was reflected in our financial results, with Yancoal's 2024 operating EBITDA of $2.6 billion translating to an operating EBITDA margin of 37%, despite the weaker coal prices experienced throughout the year (our average selling price declined by 24% to $176/tonne).

Cash operating costs per saleable production tonne decreased by $3/tonne to $93/tonne in 2024, with our second half costs at $86/tonne. The key driver of the decreases in full year and second half costs was the increase in the full year attributable saleable production, although this was partially offset by ongoing inflationary cost impacts (anticipated to continue into 2025).

The mix of end markets for our coal continues to reflect the strength of our existing relationships throughout the Asia-Pacific



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region, with customers in China, Japan and South Korea accounting for 86% of our revenue from coal sales in 2024.

In 2025, we will unite as a business to continue our foundational focus on the fundamental priority of our workforce's safety and well-being. "People" are one of our core values, and Yancoal remains committed to operating safely and transparently to achieve its objective of zero harm to our employees and contractors. Reversing the trend in injury rates during 2024 will be of the utmost importance.

The combination of solid operational and financial performance in 2024 has provided the opportunity for Yancoal to reward our shareholders and announce a dividend of $0.52/share (fully franked). Since 2018, Yancoal has paid $2.5 billion of unfranked and $2.5 billion of fully franked dividends, totalling $5.0 billion that has been returned to shareholders.

Having celebrated 20 years in Australia during 2024, Yancoal is now moving into an exciting new chapter. Pursuing growth opportunities, both organically and through acquisitions, will place Yancoal in an even stronger position to take advantage of improving market conditions and ensure our strong performance can endure future cyclical downturns or other adverse events. Yancoal is focused on building a sustainable and robust business for the future, and is implementing strategies to potentially diversify the business into commodities beyond coal, as well as alternative energy opportunities.

Together through a combination of Australian and Chinese cultures, we have built a business that will continue to reach new heights and explore new opportunities. We have a team of exceptional people, and we are excited for this team to continue to grow and work together towards our collective goals, unified with a OneYancoal approach.

Yancoal's vision is clear: to build a world class mining enterprise that provides resources that benefit modern society. Our track record over the past 20 years demonstrates that we are well placed to achieve this vision for many years to come.

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DIRECTORS' REPORT

The Directors present their report on the consolidated entity ("Yancoal" or the "Group") consisting of Yancoal Australia Ltd (the "Company") and the entities it controlled at the end of, or during, the year ended 31 December 2024 (the "period").

DIRECTORS[1]

The following persons were Directors of Yancoal Australia Ltd during the period:

Chairman

- Gang Ru (became a director on 31 May 2023 and became Chairman on 15 September 2023)

Co-Vice Chairmen

- Ning Yue (became a director on 27 September 2023)
- Gregory James Fletcher (became a director on 26 June 2012)

Directors

- Changyi Zhang (became a director on 20 April 2023)
- Xiaolong Huang (became a director on 31 May 2023)
- Debra Anne Bakker (became a director on 1 March 2024)
- Peter Andrew Smith (became a director on 17 December 2024)

Directors retired during the year

- Geoffrey William Raby (was a director from 26 June 2012 to 17 December 2024)
- Helen Jane Gillies (was a director from 30 January 2018 to 9 February 2024)
- Yaomeng Xiao (was a director from 30 May 2022 to 18 September 2024)

COMPANY SECRETARY

The Company Secretary in office during the period and up to the date of this report is Laura Ling Zhang.

REVIEW OF ACTIVITIES

Yancoal owns, operates or has a joint-venture stake in coal mines in New South Wales ("NSW"), Queensland and Western Australia. The thermal, semi-soft coking and pulverised coal injection ("PCI") coal products are exported through ports in Newcastle, Gladstone and Dalrymple Bay to customers throughout the Asia-Pacific region.

During September, an incident occurred during closure operations at the Austar Coal Mine which resulted in a fatality. The contractor involved a former long-standing employee, who was working for a contracting company as part of a team conducting the mine closure activities. Our thoughts continue to be with the family, friends and colleagues. The NSW Resources Regulator investigation into the incident is ongoing.

The portfolio of mines concluded 2023 operating at near optimal production levels. The 2024 production profile was weighted to the second-half due mostly due to mining planning and maintenance cycles influencing the first-half. Throughout the second-half of 2024 Yancoal's mines were once more operating near optimal levels and produced 20 million tonnes of attributable saleable coal.

Yancoal's 36.9 million tonnes attributable saleable coal in 2024 hit the middle of 35-39 million tonne guidance range. Similarly, cash operating costs of $93 per tonne, hit the middle of $89-97 per tonne guidance range; and notably were around $86 per tonne during the second-half as a result of the increased production rate.

Capital expenditure for 2024 was $705 million, compared to the $650-800 million guidance range. Each year final expenditure figure depends on whether some items fall within the calendar period or slip to the next year. There were notable changes to the planned activities that resulted in actual expenditure falling in the lower half of the range.

Yancoal concluded 2024 in a very good position. In addition to the operational momentum, we held almost $2.5 billion in cash at 31 December. This affords the Company the capacity to pay dividends in accordance with our dividend framework and pursue corporate initiatives should suitable opportunities be available. Refer to 'Dividend and Dividend Policy' for further details.

The 'Management Discussion and Analysis' provides a detailed business review of the period's operational, financial and sustainability performance, forward looking commentary, the Company's sustainability policies and performance as well as compliance with the laws and regulations that have a significant impact on the Company; it forms part of the Directors' Report. The key risks affecting the Group's operations, and where applicable, the strategies and measures taken to manage these risks, are detailed in the 'Corporate Governance Statement' included in this report.

[1] Jiuhong Wang, Zhiguo Zhao and Ang Li were appointed as Non-Executive Directors after the reporting period on 20 February 2025 and Changyi Zhang resigned on the same date

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CORPORATE ACTIVITIES

On 23 September 2024, Yancoal was included in the S&P/ASX 200, and S&P/ASX 300 Indices. This follows on from its inclusion in the Hang Seng Composite Index as a Mid-Cap company and the Hong Kong Stock Connect program in March 2023. Stock Connect utilises the Mutual Market Access model to give certain investors in Mainland China and Hong Kong access to each other's markets.

During the year ended 31 December 2024, neither Yancoal nor any of its subsidiaries purchased, sold or redeemed Yancoal's listed securities (including Treasury Shares as defined in the HK Listing Rules). However, as noted in the Remuneration Report, Yancoal instructed CPU Share Plans Pty Ltd as trustee of the Yancoal Australia Limited Employee Share Trust to acquire and hold fully paid ordinary shares in the Company in on-market share transactions in 2024.

Matters subsequent to the end of the financial year are detailed in the 'Management Discussion and Analysis' section of this report.

DIVIDENDS AND DIVIDEND POLICY

On 23 February 2024, the Directors declared a fully franked final dividend of A$429 million, A$0.3250 per share, with a record date of 13 March 2024 and payment date of 30 April 2024.

On 20 February 2025, the Directors declared a fully franked final dividend of A$687 million, A$0.5200 per share, with a record date of 14 March 2025 and payment date of 30 April 2025.

At 31 December 2024, the company had $2,195 million in franking credits available to frank dividends for subsequent reporting periods based on an income tax rate of 30%.

According to Yancoal policy and subject in each case to applicable laws, the ongoing cash needs of the business, the statutory and common law duties of the Directors and shareholder rights pursuant to the Company's Constitution, the Directors may pay interim or final dividends, and per the Company's Constitution must:

- subject to the point below, pay as interim and/or final dividends not less than (A) 50% of net profit after tax (pre-abnormal items); or (B) 50% of the free cash flow (pre-abnormal items), in each financial year; and
- if the Directors determine that it is necessary in order to prudently manage the Company's financial position, pay as interim and/or final dividends not less than 25% of net profit after tax (pre-abnormal items) in any given financial year.

Currently, there are no Treasury Shares (as defined in the HK Listing Rules) held by the Company (whether held or deposited in the HKEx Central Clearing and Settlement System, or otherwise).

COMMUNICATION WITH SHAREHOLDERS

The Company believes in high standards of transparent corporate disclosure and is committed to disclosing to its shareholders information in a timely and fair manner via ASX and HKExnews. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly to all others as soon as practicable. Communication is mainly made through:

- Annual reports are prepared and made available to all shareholders. The Board ensures that the annual report includes all relevant material information about the Company and the Group, including future developments and other disclosures required by the *Corporations Act 2001* (Cth), the ASX listing rules, the Companies Ordinance of the Laws of Hong Kong and the Hong Kong listing rules;
- Interim reports containing a summary of the financial information and affairs of the Group for that period;
- Quarterly production reports containing a summary of the Group's production output and coal sales for the reporting period;
- Sustainability Reports outlining the Company's Sustainability efforts;
- Notices of explanatory memoranda for AGMs and extraordinary general meetings (if any) that are provided to all shareholders.

The Company does not practice selective disclosure, and Price-sensitive information is first publicly released through ASX and HKExnews. All Company shareholders are eligible to receive the Annual Report and the notice of AGM by post, if elected.

Shareholders can access all of the Company's announcements published on the ASX and HKExnews on the Company's website at www.yancoal.com.au.

PRE-EMPTIVE RIGHTS ON NEW ISSUES OF SHARES

Under the *Corporations Act 2001* (Cth) and the Company's Constitution, shareholders do not have the right to be offered any shares that are newly issued for cash before those Shares can be offered to non-shareholders.

PUBLIC FLOAT

Based on the information available to the Company as at 31 December 2024, approximately 29.5% of the issued ordinary shares of the Company are held by the public. Accordingly, the Company has complied with the waiver granted by The Stock Exchange of Hong Kong Limited under Rule 8.08(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HK Listing Rules") as part of the Company's listing in Hong Kong. Rule 8.08(1)(a) of the HK Listing Rules requires that at least 25% of an issuer's total issued share capital must at all times be held by the public.

Based on the publicly available information to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained the minimum public float of approximately 15.37% under the HK Listing Rules.

FULFILMENT OF CONDITIONS AND UNDERTAKINGS

The Company confirms that it has complied with the conditions and undertakings imposed by The Stock Exchange of Hong Kong Limited during the period from 1 January 2024 to 31 December 2024.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the Company's business were entered into or existed during the year ended 31 December 2024.

TAX RELIEF

The Company is not aware of any taxation relief available to the shareholders because they hold fully paid shares. If shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising any rights concerning the fully paid shares, they are advised to consult an expert.

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DEFINED CONTRIBUTION SCHEME

The Group does not have a defined contribution scheme (as such term is defined under the Hong Kong Occupational Retirement Schemes Ordinance). Superannuation is paid to the Group's employees in accordance with Australian legislation, and the superannuation funds of the Group's employees are managed by various independent third parties.

MAJOR CUSTOMERS AND SUPPLIERS

Information regarding the Group's sales to the major customers and purchases from the major suppliers can be found in the notes to the consolidated financial statements. The details of the customer and sales agreements are provided in the 'Continuing Connected Transactions' section of this report.

None of the Directors, or their associates, had any beneficial interest in the five largest customers or suppliers to the knowledge of the Directors. To the Directors' knowledge, no substantial shareholders of Yancoal have a beneficial interest in the five largest customers or suppliers.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the 'Continuing Connected Transactions' section of this report, no transactions, arrangements or contracts of significance in relation to the Group's business to which any of the Company's subsidiaries and fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at any time during the period or at the end of the period.

Shareholders' Interests in Contracts of Significance

Save as disclosed under the section headed 'Continuing Connected Transactions' in this report, no Company shareholder had a material interest, either directly or indirectly, in any contract of significance (whether for the provision of services to the Company or not) to the business of the Group to which the Company or its holding company or any of its subsidiaries or fellow subsidiaries was a party.

INSURANCE OF OFFICERS

Rule 10.2 of Yancoal's Constitution requires Yancoal to indemnify, to the full extent permitted by law, each Officer of the Company against liability incurred by the Officer as a Director or an Officer of the Company. The Directors named in this report, along with the Company Secretary, Chief Executive Officer, Acting Chief Executive Office, and Chief Financial Officer, have the benefit of this requirement, as do individuals who formerly held one of those positions.

During the financial year, the Company paid a premium for Directors' and Officers' Liability insurance and Defence Costs cover. The policies cover the Directors and other officers of the Group. The Directors have not included details of the nature of the liabilities covered and the amount of premium paid in respect of the Directors' and Officers' Liability insurance policy as such disclosure is prohibited under the terms of the insurance contracts.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001* (Cth).

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to its statutory audit duties where the auditor's expertise and experience with the Group are essential.

Details of the amounts paid or payable to the auditor for audit and non-audit services provided during the year are set out below.

The Board of Directors have considered the position and, in accordance with advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with any general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth). The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* (Cth) for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermines the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year, the following fees were paid or payable for services provided by the auditor of the Group:

SW Audit	2024 $'000	2023 $'000
Audit and review of financial statements	1,393	1,279
Audit related services	25	27
Other assurance services	45	39
Total services remuneration of SW Audit	**1,463**	**1,345**

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration, as required under section 307C of the *Corporations Act 2001* (Cth), is set out at the end of the Directors' Report.

ROUNDING OF AMOUNTS

The Group is of a kind referred to in Legislative Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in this Directors' Report and financial statements. Amounts in the Directors' Report and financial statements have been rounded off to the nearest million dollars in accordance with that legislative instrument.

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INFORMATION ON DIRECTORS[2]

GANG RU M.Econ

Non-Executive Director (31 May 2023 – current)
Chairman of the Board (15 Sep 2023 – current)

Mr Gang Ru joined China New Technology Venture Capital Corporation in July 1994, and was appointed as the Head of the Capital Market Research Center of Cvic Software Engineering Co., Ltd. in September 2000. From 2002 to 2008, he successively served as the Director and the Secretary to the Board of Directors of Shandong TV-NET Medium Development Co., Ltd. Mr Ru successively acted as the Supervisor, Chief Financial Officer and the External Director of Zibo Mining Group Co.,Ltd from 2008 to 2015. Mr Ru served as the Chief Financial Officer and External Director of Shandong Energy from 2015 to 2022. Mr Ru was appointed as the Deputy General Manager of Shandong Energy in March 2022.

Mr. Ru graduated from Shandong University. He is a Professorate Senior Economist, Professorate Senior Accountant and Certified Accountant. Mr Ru holds a Master's Degree in Economics and has rich experience in financial and capital management, corporate management, investment and financing.

NING YUE BME

Executive Director (27 Sep 2023 – current)
Chair of the Executive Committee (27 Sep 2023 – current)
Co-Vice Chairman (27 Sep 2023 – current)
Acting CEO (14 Jan 2025 - current)[3]

Mr Yue is a senior engineer who graduated from China University of Mining and Technology. He has more than 20 years of experience in coal mining operations and management.

Mr Yue joined the predecessor company of Yankuang Energy Group Company Limited ("Yankuang Energy") in 2000, and has held several senior roles during his career, including Head of the Safety Technology Section of the Jinjitan Project Department of Nantun Coal Mine, Chief Engineer of the Jinjitan Coal Mine and subsequently General Manager of the Jinjitan Coal Mine. Mr Yue is also a director of Shaanxi Future Energy Chemical Co., Ltd, a subsidiary of Yankuang Energy, and Deputy General Manager of Yankuang Energy.

GREGORY JAMES FLETCHER BCOM CA

Independent Non-Executive Director (26 Jun 2012 – Current)
Co-Vice Chairman (1 Mar 2018 – current)

Mr Fletcher was a Director of Gloucester Coal Ltd from June 2009. He was appointed as a Director of Yancoal after the merger of Yancoal and Gloucester Coal Ltd in June 2012. Mr Fletcher was elected as a Co-Vice Chairman of Yancoal in 2018.

Prior to 2009, Mr Fletcher was a senior partner of Deloitte for 16 years, during which he held many senior roles as well as working with major Australian listed companies with operations internationally, including the Asia Pacific region. He also worked closely with organisations in China, Indonesia and Mongolia to enhance governance practices.

Since 2009 Mr Fletcher has taken on Board and Audit Committee roles. He has been Chairman of SMEG Australia Pty Limited and a Board Director of Yancoal SCN Limited, Railcorp, TAFE NSW and WDS Limited and is currently a Board Director of Saunders International Limited. Mr Fletcher is a member of NSW Police Force Audit and Risk Committee, Chairman of the Western Sydney Local Health District Audit and Risk Committee, and Chairman of the Bradfield Development Authority, Audit and Risk Committee. In the past, Mr Fletcher has been Chairman of the Roads and Maritime Services Audit and Risk Committee and Audit and Risk Committee Chair for the NSW Electoral Commission and NSW HealthShare.

Mr Fletcher holds a Bachelor of Commerce, and he is a Chartered Accountant.

XIAOLONG HUANG LL.M

Non-Executive Director (31 May 2023 – current)

Mr. Xiaolong Huang, is the Director and Secretary of the Board of the Yankuang Energy. Mr. Huang joined the predecessor of Yankuang Energy in 1999 and became the Securities Affairs Representative of Yankuang Energy in 2006. In 2008 and 2012, he took office as the Deputy-Director-Level Secretary of the Board Secretariat of Yankuang Energy and the Deputy Director of the Board Secretariat successively. He served as the Director of the former Shandong Energy Equity Reform and Restructuring Office in 2013, and a Standing-Director of the Board Secretariat of Shandong Energy in August 2020. In July 2021 and August 2021, he became the Secretary of the Board of Yankuang Energy and a Director of Yankuang Energy successively.

Mr. Huang graduated from the University of International Business and Economics. He is a Professorate Senior Economist with a master's degree of Laws.

CHANGYI ZHANG MBA

Non-Executive Director (20 Apr 2023 – 20 Feb 2025)

Mr. Zhang started his career working at China Construction Bank in 1987 and joined China Cinda Asset Management Co., Ltd. ("China Cinda") in 1999. From 2008 to 2016, he served as the general manager of China Cinda Shandong Branch and the general manager of the Planning & Finance Department and the Finance & Accounting Department of China Cinda. In 2017, Mr. Zhang was appointed as the general manager of the Strategic Client Department IV of China Cinda, responsible for the overall work of the department, and led the completion of several overseas merger and acquisition investment. Mr Zhang was appointed as the senior expert of the Strategic Client Department IV in 2024.

Mr. Zhang is also currently the Chairman of Hebei Xinhua Energy Technology Group Co. Ltd, Mr. Zhang graduated from Zhongnan University of Economics and Law. He is a senior accountant with an MBA degree. He has rich experience in financial management, business management, investment and financing.

[2] Profiles of Directors as at 31 December 2024. Jiuhong Wang, Zhiguo Zhao and Ang Li were appointed as Non-Executive Directors after the reporting period on 20 February 2025 and Changyi Zhang resigned on the same date.
[3] On 14 January 2025,Yancoal announced Mr Moult had decided to resign as CEO with his employment ending on 14 July 2025, and active duties ceasing from 14 January 2025. Mr Ning Yue is serving as Acting CEO, effective from 14 January 2025.

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DEBRA ANNE BAKKER MAppFin BBA

Independent Non-Executive Director (1 Mar 2024 – Current)

Ms Bakker has experience encompassing precious metal, base metal and critical mineral mining, oil and gas development, shipping logistics, commodity trading and corporate financing. She currently sits on the Boards of IGO Ltd, X64 Ltd, Transhipment Services Australia, and Auramet Trading LLC.

During her career, Ms Bakker, held prominent roles in banking and finance, including: Head of Metals and Mining Origination in Commonwealth Bank of Australia's Natural Resources Division; Risk Advisory at Kiodex, a provider of energy risk management solutions; and positions with Standard Bank and Barclays in London and Sydney.

Ms Bakker has a Masters of Applied Finance from Macquarie University and a Bachelor of Business Administration from Edith Cowan University.

PETER ANDREW SMITH MBA

Independent Non-Executive Director (17 Dec 2024 – Current)

Mr Peter Smith was appointed a Director of Yancoal in 2024.

Mr Smith is Chair of the Health, Safety, Environment and Community Committee and a member of the Nomination and Remuneration Committee.

Mr Smith is a well credentialed resource industry director, with experience encompassing the gold, coal, metals and fertilisers sectors. He currently sits on the Boards of Evolution Mining Limited (ASX: EVN) and Iluka Resources Limited (ASX: ILU); and was previously a non-executive Director of NSW Minerals Council, Western Metals Limited, VP Minerals Limited and Surat 18 Pty Ltd.

During his career, Mr Smith, held prominent senior positions with Rio Tinto, WMC Resources, Ensham Resources, Western Metals, Newcrest Mining, Israel Chemicals Limited, and Kestrel Coal Resources.

Mr Smith has a Master of Business Administration and Management from University of Southern Queensland.

Former Directors who served during 2024

YAOMENG XIAO M.ENG

Non-Executive Director (30 May 2022 – 18 Sept 2024)

Mr Xiao, joined Yankuang Energy's predecessor in 1994. Mr Xiao was appointed as the director of the Safety Inspection Department of Dongtan Coal Mine of the Yankuang Energy in 2013, and the chairman and the general manager of Guizhou Wulunshan Coal Mining Company Limited in 2014. In 2016, he was appointed as the deputy general manager of Yankuang Guizhou Neng Hua Company Limited. In July 2018, he was appointed as the manager of Jining No. 3 Coal Mine of Yankuang Energy. In April 2020, he was appointed as the vice general manager of Yankuang Energy. In July 2021, he took office as the Secretary of the CPC Yankuang Energy Committee and the general manager of Yankuang Energy, and was appointed as the director of the Yankuang Energy in August 2021.

Mr. Xiao graduated from China University of Mining and Technology. He is a research fellow in applied engineering technology with a master's degree of engineering.

DR GEOFFREY WILLIAM RABY

BEC (HONS) MEC AND PHD (ECONOMICS)

Independent Non-Executive Director (26 Jun 2012 - 17 Dec 2024)

Dr Geoffrey Raby was appointed as a Director of Yancoal in 2012. Dr Raby was formerly Australia's Ambassador to the People's Republic of China from 2007 to 2011. Prior to that, he was a Deputy Secretary in the Department of Foreign Affairs and Trade ("DFAT"). Dr Raby has extensive experience in international affairs and trade, having been Australia's Ambassador to the World Trade Organisation (1998 to 2001), Australia's APEC Ambassador (2003 to 2005), Head of DFAT's Office of Trade Negotiations and Head of the Trade Policy Issues Division at the OECD, Paris. Between 1986 and 1991 he was Head of the Economic Section at the Australian Embassy, Beijing. He has been the Chair of DFAT's Audit Committee and served as an ex-officio member of the Boards of Austrade and Export Finance and Insurance Corporation.

Dr Geoffrey Raby holds a Bachelor of Economics, a Master of Economics and a Doctor of Philosophy in Economics.

HELEN JANE GILLIES

MBA, MCONSTRLAW, LLB(HONS), BCOM, FAICD

Independent Non-Executive Director (30 Jan 2018 – 9 Feb 2024)

Helen Gillies is an experienced Director and legal, risk and compliance professional.

Ms Gillies was appointed as a Non-Executive Director of the ASX listed company Monadelphous Group Limited ("MND") in 2016. She is the Chair of the Audit Committee of MND and a member of the Nomination Committee of MND and a member of the Remuneration Committee of MND.

She was appointed as a Non-Executive Director of Bankstown and Camden Airports in September 2017, an unlisted entity. She was appointed as a Non-Executive Director with Lexon Insurance Pte Ltd, an unlisted entity.

Previously, she served as a Director of Aurelia Metals Limited 2021 to 2024, Red Flag Group Limited from 2016 to 2020, a director of Sinclair Knight Merz Management Pty Limited from October 2002 to September 2008 and Sinclair Knight Merz Management Pty Limited from September 2010 to December 2013. She was also a Non-Executive Director of Civil Aviation Safety Authority from 2009 to 2014.

Ms Helen Gillies holds a Master of Business Administration and a Master of Construction Law, as well as undergraduate degrees in Commerce and Law. She also has completed the Advanced Management Program and the International Directors Programme at Insead, France. Ms Gillies is a Fellow of the Australian Institute of Company Directors.

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INFORMATION ON MANAGEMENT[4]

DAVID JAMES MOULT

C. ENG (MINING), MBA, FAUSIMM, FIMMM, MAICD

Chief Executive Officer (9 Mar 2020 – 14 Jan 2025)[5]
Independent Non-Executive Director (30 Jan 2018 – 9 Mar 2020)

David Moult was an Independent Director of Yancoal from January 2018 to March 2020 when he was then appointed to the role of Chief Executive Officer ("CEO"). He has over 40 years of global coal mining experience. He was Managing Director and CEO of Centennial Coal Company Limited from 2011 to 2017, then a Non-Executive director of Centennial Coal from May 2017 until January 2018. He previously held the position of Chief Operating Officer of Centennial Coal from 1998 to 2011.

Mr Moult has worked with Joy Mining Machinery in the USA and Australia, RJB Mining PLC and British Coal in the UK.

Mr Moult is Director of the Minerals Council of Australia ("MCA"), a Director and former Chairman of the New South Wales Minerals Council ("NSWMC"), and a Director of Port Waratah Coal Services ("PWCS"). Mr Moult is a member of the Coal Industry Advisory Board to the International Energy Agency.

Mr Moult holds a Master of Business Administration and a Higher National Diploma in Mining. Mr Moult is a Chartered Mining Engineer in the United Kingdom, a Fellow of the Australasian Institute of Mining and Metallurgy, a Fellow of the Institute of Materials, Minerals and Mining, a European Engineer of European Federation of National Engineering Associations and a member of the Australia Institute of Company Directors.

NING (KEVIN) SU FCPA

Chief Financial Officer (1 Jun 2020 – Current)

Ning (Kevin) Su, a Fellow of CPA Australia (FCPA), joined Yancoal as General Manager Treasury in June 2014. He has over 20 years of accounting, financial, and treasury experience across manufacturing and mining industries in China and Australia. Mr Su was previously the financial controller of Acer's Oceanic Region, acting in various accounting and finance positions in the company from 2003 to 2014. Mr Su holds a Master of Commerce Degree from the University of Sydney and a Bachelor of Commerce Degree from the University of International Business and Economics in China.

LAURA LING ZHANG BA, MA, EMBA, AGIA, FCIS, GAICD

Company Secretary, Chief Legal, Compliance, Corporate Affairs Officer (6 Sep 2005 – Current)

Laura Ling Zhang was appointed as the Company Secretary on 6 September 2005.

Ms Zhang is one of the founding executives of the Company and has been the Company Secretary since September 2005. She has over 20 years of experience in the mining industry and has been instrumental in the Company's growth. She oversees the Company's corporate governance, group legal issues, corporate compliance, projects/corporate initiatives, investor relations and corporate affairs.

Ms Zhang graduated with a Bachelor of Arts degree and a Master of Arts degree in language literature and cross-cultural communication. Ms Zhang also holds a graduate diploma of applied corporate governance from Governance Institute of Australia (formerly known as Chartered Secretaries Australia) in 2008 and foundations of directorship certificate of Australian Institute of Company Directors in 2012. Ms Zhang completed her EMBA degree at the Australian Graduate School of Management at the University of New South Wales in 2019. Ms Zhang was previously a Fellow of the Hong Kong Institute of Chartered Secretaries between May 2016 and July 2021, and is currently a Fellow member of the Governance Institute of Australia. Ms Zhang completed the company director's course of the Australian Institute of Company Directors in 2011 and the international directors programme course of INSEAD in 2024.

[4] Profiles of Management as at 31 December 2024.
[5] On 14 January 2025,Yancoal announced Mr Moult had decided to resign as CEO with his employment to end on 14 July 2025, and the CEO duties, company subsidiaries and related industry directors duties ceasing from 14 January 2025. Mr Ning Yue is serving as Acting CEO, effective from 14 January 2025.

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DIRECTOR/CEO as at 31 December 2024	OTHER CURRENT KEY DIRECTORSHIPS
Gang Ru (Director)	Director of Zhongtai Securities Co.,Ltd
Ning Yue (Director)	Director of Shaanxi Future Energy Chemical Co., Ltd
Gregory James Fletcher (Director)	Director of Saunders International Limited, Chairman Audit and Risk Committee and Member of the Remuneration and Nomination Committee (ASX:SND) (since 2015) Member of NSW Health Infrastructure Audit and Risk Committee Member of Audit and Risk Committee NSW Police Force Member of the Audit and Risk Committee for Transport for New South Wales Chairman of the Audit and Risk Committee of Western Sydney Local Health District Chairman of the Bradfield Development Authority Audit and Risk Committee
Xiaolong Huang (Director)	Director and the Secretary of the Board of Yankuang Energy Group Co., Ltd Chairman of the Supervisory Committee of Shandong Huaju Energy Co., Ltd Director of Yancoal International (Holding) Co., Ltd. Director of Yankuang Xinjiang Energy Chemicals Company Ltd
Changyi Zhang (Director)	Chairman of Hebei Xinhua Energy Technology Group Co., Ltd
Debra Anne Bakker (Director)	Director of IGO Ltd (ASX: IGO) (since 2016) Director of Ten Sixty Four Limited (ASX: X64) (since 2023) Transhipment Services Australia
Peter Andrew Smith (Director)	Director of Evolution Mining Ltd (ASX: EVN) (since 2020) Director of Iluka Resource Ltd (ASX: ILU) (since 2024)
David James Moult (CEO)	Director of the Minerals Council of Australia Director of the New South Wales Minerals Council Director of Port Waratah Coal Services Ltd

DIRECTOR/CEO as at 31 December 2024	FORMER DIRECTORSHIPS IN LAST THREE YEARS
Gang Ru (Director)	None
Ning Yue (Director)	None
Gregory James Fletcher (Director)	Chairman of NSW eHealth Audit and Risk Committee Chairman of NSW HealthShare Audit and Risk Committee Member of the Audit and Risk Committee of TAFE NSW Chairman of NSW Electoral Commission Audit and Risk Committee
Xiaolong Huang (Director)	None
Changyi Zhang (Director)	None
Debra Anne Bakker (Director)	Director of Carnarvon Petroleum Ltd (ASX: CVN) (5 Oct 2020 - 15 Dec 2023
Peter Andrew Smith (Director)	Non-executive Director VP Minerals Limited Non-executive Director Surat 18 Pty Ltd
David James Moult (CEO)	Independent Non-Executive Director of Yancoal Australia Ltd (30 Jan 2018 – 9 Mar 2020) Director of the World Coal Association Director of Coal Services Pty Limited Director of Coal Mines Insurance Pty Ltd Director of Mines Rescue Pty Limited Director of Middlemount Coal Pty Ltd Director of Middlemount Mine Management Pty Ltd Director of Ribfield Pty Ltd

SPECIAL RESPONSIBILITIES AS AT 31 DECEMBER 2024:

DIRECTOR	AUDIT AND RISK MANAGEMENT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY COMMITTEE	STRATEGY AND DEVELOPMENT COMMITTEE
Gang Ru	Member	Member	-	**Chair**
Ning Yue	-	-	Member	-
Xiaolong Huang	-	-	Member	Member
Changyi Zhang	-	-	-	Member
Gregory James Fletcher	**Chair**	Member	-	-
Debra Anne Bakker	Member	**Chair**		
Peter Andrew Smith		Member	**Chair**	-

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CURRENT DIRECTORSHIPS AND COMPANY SECRETARY POSITIONS WITHIN THE GROUP HELD BY ACTING CEO AND CFO:

	COMPANY	CEO	CFO		COMPANY	CEO	CFO
1	ABAKK Pty Limited	Dir.	C.S.	36	Miller Pohang Coal Co Pty Ltd	-	Dir.
2	Ashton Coal Mines Pty Ltd	Dir.	C.S.	37	Minmi Land Pty Ltd	Dir.	Dir.
3	Ashton Coal Operations Pty Limited	Dir.	C.S.	38	Monash Coal Holdings Pty Ltd	Dir.	Dir.
4	Athena Coal Operations Pty Ltd	Dir.	Dir.	39	Monash Coal Pty Ltd	Dir.	Dir.
5	Athena Coal Sales Pty Ltd	Dir.	Dir.	40	Moolarben Coal Mines Pty Ltd	Dir.	Dir.
6	Austar Coal Mine Pty Limited	Dir.	C.S.	41	Moolarben Coal Operations Pty Ltd	Dir.	Dir.
7	Australian Coal Resources Pty Ltd	Dir.	Dir.	42	Moolarben Coal Sales Pty Ltd	Dir.	Dir.
8	Black Hill Land Pty Ltd	Dir.	Dir.	43	Mount Thorley Coal Loading Ltd	Dir.	Dir.
9	Catherine Hill Bay Land Pty Ltd	Dir.	Dir.	44	Mount Thorley Operations Pty Limited	Dir.	Dir.
10	CIM Duralie Pty Ltd	Dir.	Dir.	45	Namoi Valley Coal Pty Limited	Dir.	Dir.
11	CIM Mining Pty Ltd	Dir.	Dir.	46	Newcastle Coal Company Pty Ltd	Dir.	C.S.
12	CIM Services Pty Ltd	Dir.	Dir.	47	Nords Wharf Land Pty Ltd	Dir.	Dir.
13	CIM Stratford Pty Ltd	Dir.	Dir.	48	Northern (Rhondda) Collieries Pty Ltd	Dir.	Dir.
14	CNA Bengalla Investments Pty Limited	Dir.	Dir.	49	Novacoal Australia Pty Limited	Dir.	Dir.
15	CNA Resources Pty Ltd	Dir.	Dir.	50	Oaklands Coal Pty Limited	Dir.	Dir.
16	CNA Warkworth Australasia Pty Limited	Dir.	Dir.	51	Primecoal International Pty Ltd	Dir.	C.S.
17	CNA Warkworth Pty Ltd	Dir.	Dir.	52	Proserpina Coal Pty Ltd	Dir.	Dir.
18	Coal & Allied (NSW) Pty Limited	Dir.	Dir.	53	R.W.Miller (Holdings) Pty Ltd	Dir.	Dir.
19	Coal & Allied Industries Pty Ltd	Dir.	Dir.	54	Stratford Coal Marketing Pty Ltd	Dir.	Dir.
20	Coal & Allied Mining Services Pty Limited	Dir.	Dir.	55	Stratford Coal Pty. Ltd	Dir.	Dir.
21	Coal & Allied Operations Pty Ltd	Dir.	Dir.	56	Warkworth Coal Sales Limited	-	Dir.
22	Donaldson Coal Finance Pty Limited	Dir.	C.S.	57	Warkworth Mining Limited	-	Dir.
23	Donaldson Coal Holdings Limited	Dir.	C.S.	58	Warkworth Pastoral Coal Pty Ltd	-	Dir.
24	Donaldson Coal Pty Ltd	Dir.	C.S.	59	Warkworth Tailings Treatment Pty Ltd	-	Dir.
25	Duralie Coal Marketing Pty Ltd	Dir.	Dir.	60	Watagan Mining Company Pty Ltd	Dir.	C.S.
26	Duralie Coal Pty Ltd	Dir.	Dir.	61	Westralian Prospectors Pty Ltd	Dir.	Dir.
27	Eucla Mining Pty Ltd	Dir.	Dir.	62	White Mining (NSW) Pty Limited	Dir.	C.S.
28	Felix NSW Pty Ltd	Dir.	Dir.	63	White Mining Pty Ltd	Dir.	C.S.
29	Gloucester (SPV) Pty Ltd	Dir.	Dir.	64	White Mining Services Pty Limited	Dir.	C.S.
30	Gloucester (Sub-Holdings 1) Pty Ltd	Dir.	C.S.	65	Yancoal Australia Sales Pty Ltd	Dir.	Dir.
31	Gloucester (Sub-Holdings 2) Pty Ltd	Dir.	Dir.	66	Yancoal Mining Services Pty Ltd	Dir.	Dir.
32	Gloucester Coal Pty Ltd	Dir.	Dir.	67	Yancoal Moolarben Pty Ltd	Dir.	Dir.
33	Gwandalan Land Pty Ltd	Dir.	Dir.	68	Yancoal Resources Pty Ltd	Dir.	Dir.
34	Kalamah Pty Ltd	Dir.	Dir.	69	Yarrabee Coal Company Pty Ltd	Dir.	Dir.
35	Lower Hunter Land Holdings Pty Ltd	Dir.	Dir.				

CURRENT DIRECTORSHIPS AND COMPANY SECRETARY POSITIONS OF SUBSIDIARIES OF SHANDONG ENERGY AND YANKUANG OUTSIDE THE GROUP HELD BY ACTING CEO AND CFO:

	COMPANY	CEO	CFO		COMPANY	CEO	CFO
1	AMH (Chinchilla Coal) Pty Ltd	Dir.	Dir.	12	Tonford Holdings Pty Ltd	Dir.	-
2	Athena Coal Mines Pty Ltd	Dir.	Dir.	13	UCC Energy Pty Limited	-	Dir.
4	Mountfield Properties Pty Ltd	Dir.	Dir.	15	Yankuang (Australia) Metal Mining Pty Ltd	Dir.	Dir.
5	Ozstar Australia Pty Ltd	Dir.	Dir.	16	Yankuang Bauxite Resources Pty Ltd	Dir.	Dir.
6	Premier Coal Pty Ltd (formerly Premier Coal Ltd)	-	Dir.	17	Yankuang OzStar Pty Ltd	Dir.	Dir.
8	Syntech Holdings II Pty Ltd	Dir.	Dir.	19	Wilpeena Holdings Pty Ltd	Dir.	-
9	Syntech Holdings Pty Ltd	Dir.	Dir.	20	Yancoal Energy Pty Ltd	Dir.	-
10	Syntech Resources Pty Ltd	Dir.	Dir.	21	Yankuang Resources Pty Ltd	Dir.	Dir.
11	Tonford Pty. Ltd.	Dir.	Dir.	22	Yancoal CSR Pty Ltd	Dir.	Dir.

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MEETINGS OF DIRECTORS

The numbers of meetings of the Company's Board of Directors and of each Board Committee held during the year ended 31 December 2024, and the numbers of meetings attended by each Director were:

	GENERAL MEETINGS[6]		MEETINGS OF THE BOARD[7]		MEETINGS OF COMMITTEES								TRAINING
	AGM		FULL MEETINGS OF DIRECTORS		AUDIT AND RISK MANAGEMENT		HEALTH, SAFETY, ENVIRONMENT, AND COMMUNITY		NOMINATION AND REMUNERATION		STRATEGY AND DEVELOPMENT		CONTINUOUS PROFESSIONAL DEVELOPMENT
	A[8]	B[9]	A	B	A	B	A	B	A	B	A	B	
Gang Ru	1	1	11	12	4	4	—	—	3	3	1	1	Note
Ning Yue	1	1	12	12	—	—	3	4	—	—	—	—	Note
Xiaolong Huang	—	1	12	12	—	—	4	4	—	0	1	1	Note
Changyi Zhang	—	1	5	12	—	—	0	0	—	—	1	1	Note
Gregory James Fletcher	1	1	12	12	4	4	—	—	3	3	0	0	Note
Debra Anne Bakker[10]	1	1	11	11	3	3	—	—	2	2	—	—	Note
Peter Andrew Smith[11]	n/a	n/a	1	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Geoffrey William Raby[12]	1	1	12	12	—	—	4	4	3	3	1	1	Note
Yaomeng Xiao[13]	—	1	6	7	—	—	—	—	2	2	—	—	Note
Helen Jane Gillies[14]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Note: Each Director received continuous professional development training during the year ended 31 December 2024, which included training on directors' duties and Australian positive duty obligations to prevent workplace unlawful conduct, cybersecurity risks, anti-bribery and corruption, sustainability and climate related reporting and disclosure, proposed changes to the ASX and HKEx corporate governance regimes and other relevant topics. The Directors are also continually updated on developments in applicable statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Also in addition to scheduled Board meetings, Directors received additional briefings from Management in relation to various operational and project matters.

CHANGES IN DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE HK LISTING RULES

Other than as disclosed in the section headed 'Executive Statutory Remuneration' in the Remuneration Report, the changes in Directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the HK Listing Rules are set out below[15]:

- Geoffrey William Raby, Independent Non-Executive Director, resigned as a director with effect 17 December 2024.
- Helen Jane Gilles, Independent Non-Executive Director, resigned as a director with effect 9 February 2024.
- Yaomeng Xiao, Non-Executive Director, resigned as a director with effect 18 September 2024.

[6] General meetings included the Company's Annual General Meeting held on 30 May 2024.
[7] The number of meetings of the Board of Directors were 12, however, the Directors received briefings from Management from time to time in relation to various operational and project matters.
[8] A = Number of meetings attended.
[9] B = Number of meetings held during the time the Director held office or was a member of the Committee during the year.
[10] Ms Debra Anne Bakker was appointed as a director of the Company and as the Chair of the Nomination and Remuneration Committee (NRC) and as a member of the Audit and Risk Management Committee (ARMC) effective 1 March 2024.
[11] Mr Peter Andrew Smith was appointed as a director of the Company and as the Chair of the Health Safety Environment and Community Committee (HSEC Committee) and as a member of the NRC which became effective during the Company's Board meeting on 17 December 2024.
[12] Dr Geoffrey William Raby resigned as a director of the Company and as the Chair of the Health Safety Environment and Community Committee (HSEC Committee), as a member of the NRC and as a member of the Strategy and Development Committee (SDC) which became effective during the Company's Board meeting on 17 December 2024.
[13] Mr Yaomeng Xiao resigned as a director of the Company and as a member of the NRC effective 16 September 2024.
[14] Ms Helen Jane Gillies resigned as a director of the Company and as the Chair of the NRC and as a member of the ARMC effective 9 February 2024.
[15] As at 31 December 2024.

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DIRECTORS' CONFIRMATIONS

DIRECTOR'S INTEREST IN COMPETING BUSINESS

Xiaolong Huang, a Non-Executive Director, serves as a director of Yankuang Energy. No Directors serve as a director of Shandong Energy Group. Shandong Energy Group and Yankuang Energy Group are the controlling shareholders of the Company. As at 31 December 2024, Shandong Energy Group is, directly and indirectly, interested in approximately 52.83% of the shares in Yankuang Energy and Yankuang Energy is interested in approximately 62.26% of the shares in the Company.

Shandong Energy Group is a capital investment company with exposure to coal, coal chemicals and aluminium, power generation, machinery manufacturing and financial investments. Yankuang Energy is principally engaged in the production of coal and coal chemicals, manufacturing of mechanical and electrical equipment and power and heat generation. The mining assets of Yankuang Energy Group located in Australia, other than through its interest in the Group, are managed and operated by the Company. Shandong Energy Group does not have any interests in mines in Australia other than through its interests in Yankuang Energy and the Group.

Except as disclosed above, none of the Directors are interested in any business apart from the Group's business which competes with or is likely to compete directly or indirectly, with the Group's business during the year ended 31 December 2024.

LETTERS OF APPOINTMENT AND SERVICE CONTRACTS

Each Director has entered into a letter of appointment in relation to his/her role as a director of the Company, which is subject to termination by the Director or the Company in accordance with the terms of the letter of appointment, the requirements of the Listing Rules and the provisions relating to the retirement and rotation of the Directors under the Constitution.

Pursuant to the terms of the letter of appointment entered into between each Director (on the one part) and the Company (on the other part), (a) the Executive Director and the non-executive Directors are not entitled to receive any director's fees; (b) the annual director's fees payable by the Company to each Independent Non-executive Director are $178,448 (save for Gregory Fletcher who receives fees as set out in (e) below); (c) an Independent Non-executive Director (save for Gregory Fletcher) will receive from the Company an additional fee of $43,260 for being the chairman of the Audit and Risk Management Committee, the Nomination and Remuneration Committee or the Health, Safety, Environment and Community Committee, (d) an Independent Non-Executive Director (save for Gregory Fletcher) will receive from the Company an additional fee of $21,630 for being a member of the Audit and Risk Management Committee, the Health, Safety, Environment and Community Committee, the Nomination and Remuneration Committee or the Strategy and Development Committee, and certain additional fees on a per day basis as approved by the Board for the role on an independent board committee for any major related party transactions, and (e) Gregory Fletcher will receive $389,340 including superannuation in aggregate for his role as a Co-Vice Chair of the Board, Chair of the Audit and Risk Management Committee, member of the Nomination and Remuneration Committee and chair of the Independent Board Committee.

Each Director is entitled to be indemnified by the Company (to the extent permitted under the Constitution and applicable laws) and to be reimbursed by the Company for all necessary and reasonable out-of-pocket expenses properly incurred in connection with the performance and discharge of his/her duties under his/her letter of appointment.

Save as disclosed above, none of the Directors has entered into any service contracts as a director with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

INTERESTS AND POSITIONS IN SHARES

INTERESTS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY

As at 31 December 2024, the interests or short positions (as applicable) of the Directors and the Chief Executive of the Company in the Shares and debentures of the Company and any interests or short positions (as applicable) in shares or debentures of any of the Company's associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (1) have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions (as applicable) which they are taken or deemed to have under such provisions of the SFO), (2) are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (3) are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the HK Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange, are as follows:

THE COMPANY

NAME OF EXECUTIVE OR DIRECTOR	NUMBER OF SHARES AND UNDERLYING SHARES	NATURE OF INTEREST	APPROXIMATE PERCENTAGE
Gregory James Fletcher (Director)	2,100	Beneficial owner	0.00016%
Debra Anne Bakker (Director)	9,000	Beneficial owner	0.00068%
David James Moult (CEO)	5,683,998	Beneficial owner	0.00430%

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ASSOCIATED CORPORATIONS OF THE COMPANY

NAME OF DIRECTOR	NAME OF THE ASSOCIATED CORPORATION	NUMBER OF SHARES AND UNDERLYING SHARES	NATURE OF INTEREST	APPROXIMATE PERCENTAGE
Xiaolong Huang	Yankuang Energy Group Company Limited	412,000	Beneficial owner	0.004103%

Save as disclosed above, as at 31 December 2024, none of the Directors or the Chief Executive of the Company have an interest and/or short position (as applicable) in the Shares or debentures of the Company or any interests and/or short positions (as applicable) in the shares or debentures of the Company's associated corporations (within the meaning of Part XV of the SFO) which (i) have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (ii) are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (iii) are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the HK Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange.

INTERESTS OF PERSONS OTHER THAN DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY

As at 31 December 2024 the following entities (other than a Director or Chief Executive of the Company) had an interest or short position (as applicable) in the Shares or underlying Shares which were recorded in the register required to be kept under section 336 of the SFO:

NAME OF SHAREHOLDER	CAPACITY	NUMBER OF SHARES HELD OR INTERESTED	APPROXIMATE PERCENTAGE (%)
Yankuang Energy Group Company Limited	Beneficial interest	822,157,715	62.26
Shandong Energy Group Co. Ltd[16]	Interest in controlled entity	822,157,715	62.26
Cinda International HGB Investment (UK) Limited[17]	Beneficial interest	101,601,082	7.69
China Agriculture Investment Limited	Interest in controlled entity	101,601,082	7.69
International High Grade Fund B, L.P.	Interest in controlled entity	101,601,082	7.69
Cinda International GP Management Limited	Interest in controlled entity	101,601,082	7.69
China Cinda (HK) Asset Management Co., Ltd	Interest in controlled entity	101,601,082	7.69
Cinda International Holdings Limited	Interest in controlled entity	101,601,082	7.69
Cinda Securities Co., Ltd	Interest in controlled entity	101,601,082	7.69
China Cinda (HK) Holdings Company Limited	Interest in controlled entity	101,601,082	7.69
China Cinda Asset Management Co., Ltd	Interest in controlled entity	101,601,082	7.69
Cinda Securities (H.K.) Holdings Limited	Interest in controlled entity	101,601,082	7.69

Save as disclosed above, as at 31 December 2024, none of the substantial shareholders or other persons, (other than the Directors and Chief Executive of the Company) had any interest or short position in the shares and/or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

[16] Shandong Energy is deemed to be interested in the 822,157,715 Shares which Yankuang Energy is interested in as beneficial owner as it is entitled to exercise or control the exercise of more than one-third of the voting power at general meetings of Yankuang Energy.

[17] Cinda International HGB Investment (UK) Limited, an indirect wholly owned subsidiary of China Cinda Asset Management Co., Ltd, is interested in 157,864,967 Shares which are held via various accounts and nominees. China Cinda Asset Management Co., Ltd., China Cinda (HK) Holdings Company Limited, Cinda International Holdings Limited, Cinda Securities Co., Ltd, China Cinda (HK) Asset Management Co., Ltd, Cinda International GP Management Limited, International High Grade Fund B, L.P., China Agriculture Investment Limited and Cinda Securities (H.K.) Holdings Limited are each deemed to be interested in the 157,864,967 Shares which Cinda International HGB Investment (UK) Limited is interested in as beneficial owner. The Cinda International HGB Investment (UK) Limited holding is sourced from 'disclosure of interests' observable on the 'HKEX news' website dated 15-Dec-2023.

REMUNERATION REPORT - AUDITED

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Dear Shareholder,

On behalf of the Board, we are pleased to present Yancoal's 2024 Remuneration Report.

2024 REFLECTIONS AND PERFORMANCE

The year 2024 marked a continued period of strategic focus and operational excellence for Yancoal. Building on the recovery efforts initiated in 2023, our mines maintained their emphasis on pre-strip and overburden removal to sustain optimal mine profiles and ensure long-term productivity. These efforts contributed to improved operational efficiency and enhanced saleable coal volumes across the year.

Yancoal remains dedicated to enhancing long-term shareholder value by driving profitability while mitigating financial, operational, environmental, and social risks. Our commitment to safety and transparency supports our goal of zero harm across all operations. The Board, alongside the Health, Safety, Environment and Community Committee, continues to prioritise reducing our Total Recordable Injury Frequency Rate (TRIFR). As of 31 December 2024, our 12-month rolling TRIFR stood at 6.7 (5.1 in 2023). While our safety performance showed improvement late in the year, it remains below the level we strive for. Safe mines are productive mines, and we remain committed to improving this trend through targeted safety intervention activities. Keeping our workforce safe is always our first consideration. Although our TRIFR remains below the industry average, we recognise there is still work to be done.

We also deeply regret the tragic passing of Craig Hugo, a contractor at our Austar site, following an incident during a care and maintenance operation in September. We extend our heartfelt condolences to Craig's family, friends, and colleagues, and remain committed to providing them with full support as they navigate this difficult time.

In line with Yancoal's commitment to operational resilience and sustainable growth, the Group delivered on its production targets for 2024, producing 36.9 million tonnes of saleable coal at a cash operating cost of $93 per tonne. These results underscore the dedication and capability of our workforce, as well as the effectiveness of our strategic priorities.

Yancoal's financial performance in 2024 has been exceptional, further strengthening its financial position with a cash balance of $2.46 billion. This positions the Group with the financial capacity to pursue corporate initiatives.

As Yancoal entered the S&P/ASX 300 Index in 2024, we now have an opportunity to enhance our corporate governance practices further. In 2025, we will develop a plan aimed at achieving a gender-balanced board within a specified timeframe, reflecting our commitment to diversity and strong governance principles.

We also progressed work on the potential renewable energy hub at Stratford. This concept provides an excellent opportunity for the beneficial re-use of land post-mining and could provide economic and social benefits to the Gloucester region, subject to both internal and external approval processes. The Company intends to develop a decarbonisation plan that incorporates abatement activities and includes the purchase of credits to meet our emission requirements.

The dedication and resilience of our employees have been central to Yancoal's success in 2024. Their contributions have enabled us to navigate the challenges of the year and achieve outstanding outcomes for all stakeholders.

Key operational highlights include:



Strong Safety Culture: 12-month rolling TRIFR of 6.7, below the comparable industry average of 9.0.



Saleable Production: Achieved attributable saleable coal production of **36.9Mt** after addressing the operational challenges



Realised Coal Price: Average realised coal price of **A$176/t**

2024 EXECUTIVE REMUNERATION OUTCOMES

The 2024 performance has resulted in Executive Short-Term Incentive Plan ("STIP") awarded at 126.3% of target. In assessing executive performance, we utilise our balanced scorecard approach which reinforces the need for our Executive team to deliver both financial and non-financial priorities where performance is measured against production and cash costs. The Executive STIP Outcomes section of this report provides more detail on this year's scorecard performance.

The LTIP offered in May 2021 has vested at 87.33% of the total grant. Earnings per share ("EPS") since 1 January 2021 has increased by 130% placing Yancoal between the 50th and the 75th percentile of our comparators. The Cost Target component beat the top 20th percentile of our comparators. The LTIP vesting reflects the efforts of the executive team in driving value for shareholders.

This report sets out remuneration information for the Group's Key Management Personnel ("KMP") for the 12 months ended 31 December 2024.

Yours sincerely,



Debra Bakker

Chair of the Nomination and Remuneration Committee

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KEY MANAGEMENT PERSONNEL

The Board has delegated the responsibility for the day-to-day management of the Company's operations and the implementation of strategic and policy initiatives to the Chairman of the Executive Committee (CEC) and the Chief Executive Officer (CEO). The Executive Committee, which oversees these initiatives is compromised of the CEC, the CEO, the Chief Financial Officer (CFO), and any other officers as determined by the Board.

In accordance with the Company's Constitution, Yankuang Energy the majority shareholder, has the right to nominate a director for the position of the Chairman of the Executive Committee. Additionally, the Chairman of the Board has the authority to recommend a candidate for the position of CFO.

The Key Management Personnel (KMP) includes the Company Directors and selected members of the Executive Committee ("Executive KMPs"). Throughout this report, the term "Executives" refers collectively to the Executive Director and Executive KMPs. Details of the KMPs are provided in the table below.

NAME	POSITION	TIME IN ROLE
NON-EXECUTIVE DIRECTORS[18]		
Gang Ru	Non-Executive Director Chairman of the Board Chair of the Strategy and Development Committee Member of the Audit and Risk Management Committee Member of the Nomination and Remuneration Committee	Full Year
Yaomeng Xiao[19]	Non-Executive Director Member of the Nomination and Remuneration Committee	To 18 September 2024
Gregory James Fletcher	Independent Non-Executive Director Co-Vice Chairman of the Board Chair of the Audit and Risk Management Committee Member of the Nomination and Remuneration Committee	Full Year
Geoffrey William Raby[20]	Independent Non-Executive Director Chair of the Health, Safety, Environment and Community Committee Member of the Strategy and Development Committee Member of the Nomination and Remuneration Committee	To 17 December 2024
Helen Jane Gillies[21]	Independent Non-Executive Director Chair of the Nomination and Remuneration Committee Member of the Audit and Risk Management Committee	To 9 February 2024
Changyi Zhang	Non-Executive Director Member of the Strategy and Development Committee	Full Year
Xiaolong Huang	Non-Executive Director Member of Health, Safety, Environment and Community Committee Member of the Strategy and Development Committee	Full Year
Debra Anne Bakker	Independent Non-Executive Director Chair of the Nomination and Remuneration Committee Member of the Audit and Risk Management Committee	From 1 March 2024
Peter Andrew Smith	Independent Non-Executive Director Chair of the Health, Safety, Environment and Community Committee Member of the Nomination and Remuneration Committee	From 17 December 2024
EXECUTIVE DIRECTORS		
Ning Yue[22]	Executive Director Co-Vice Chairman of the Board Chair of the Executive Committee Member of Health, Safety, Environment and Community Committee	Full Year
EXECUTIVE KMP		
David James Moult[23]	Chief Executive Officer	Full Year
Ning (Kevin) Su	Chief Financial Officer	Full Year

[18] Jiuhong Wang, Zhiguo Zhao and Ang Li were appointed as Non-Executive Directors after the reporting period on 20 February 2025 and Changyi Zhang resigned on the same date
[19] Yaomeng Xiao resigned from all roles effective 18 September 2024
[20] Geoffrey William Raby resigned from all roles effective 17 December 2024
[21] Helen Jane Gillies resigned from all roles effective 9 February 2024
[22] Ning Yue was appointed Acting CEO of the Company effective 14 January 2025
[23] David James Moult resigned as CEO of the Company effective 14 July 2025 and active duties ceasing from 14 January 2025

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REMUNERATION FRAMEWORK OBJECTIVES

The executive remuneration framework is structured to be market competitive and to reflect the Group reward strategy.

Through this framework, the Group seeks to align executive remuneration with:

- Shareholder outcomes by:
  - making economic performance a core component of the overall remuneration plan design;
  - focusing on the key value drivers of the business including employee safety, operational performance and cost control; and
  - attracting and retaining high calibre executives.
- Executive outcomes by:
  - rewarding capability and experience;
  - reflecting competitive reward for contribution to growth in Group performance; and
  - providing a clear structure for earning rewards.

Details of remuneration for all Executives are set out in the 'Executive Statutory Remuneration' section of this Remuneration Report.

REMUNERATION STRUCTURE

The executive remuneration framework is structured as a combination of fixed and variable remuneration, as follows:

	VARIABLE REMUNERATION (AT RISK)	
FIXED ANNUAL REMUNERATION ("FAR")	SHORT-TERM INCENTIVE PLAN ("STIP")	LONG-TERM INCENTIVE PLAN ("LTIP")
The FAR package provides market competitive remuneration to attract and retain high quality talent while reflecting role scope and accountabilities. The FAR package incorporates cash salary, superannuation benefits and may include a provision for a car benefit, together with various other benefits. Executive FAR is reviewed annually against equivalent roles among companies of similar size in the mining/ resources industry. No Executives are guaranteed an annual increase in FAR.	The STIP rewards Executives for the achievement of Group and individual goals that are aligned to the Group's financial, operational and strategic priorities. • 50% is paid as cash • 25% is deferred into rights (Deferred Share Rights) for one year • 25% is deferred into rights for two years Performance is assessed annually against profitability, health & safety, strategic objectives and environment key performance indicators ("KPIs"). For further information see the 'Short Term Incentive Plan' section in this Remuneration Report.	The LTIP rewards and supports retention of participants who are in positions to influence the Group's long- term performance. Performance rights to shares with no dividend equivalent payments vest after a three-year period subject to performance assessed against a comparator group: • 60% Earnings Per Share Vesting Condition ("EPS Awards") • 40% Costs Target Vesting Condition ("Costs Target Awards"). For further information see the 'Long Term Incentive Plan' section in this Remuneration Report.

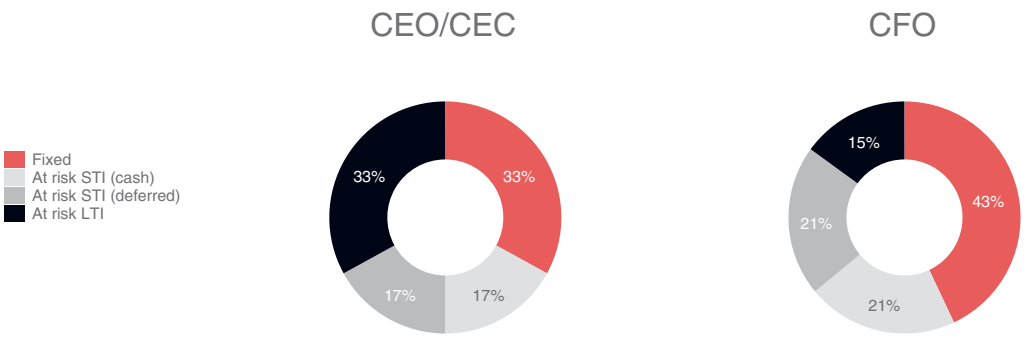
The executive remuneration framework is designed to align participants with the long-term interests of both the Company and shareholders. This involves integrating equity components, such as deferred share rights in the Short-Term Incentive Plan ("STIP") and performance share rights in the Long-Term Incentive Plan ("LTIP"). Compliance with the HK Listing Rules entails restrictions on equity issuance and transfers to maintain the required free float of shares. For more information, please see the 'Public Float' section of the Directors' Report.

The Board has the discretion to settle STIP and LTIP components in cash, with the equivalent value determined by market share value at vesting. The Board exercised its discretion and approved a 50/50 split settlement for vested deferred STIP share rights to be delivered in cash and fully paid ordinary shares equally. This approach provides executives with flexibility to manage their tax affairs, and in doing so improve the competitiveness of executive remuneration packages. Additionally, vested LTIP performance rights were settled entirely in fully paid ordinary shares, underscoring our dedication to a streamlined and shareholder-friendly remuneration framework.

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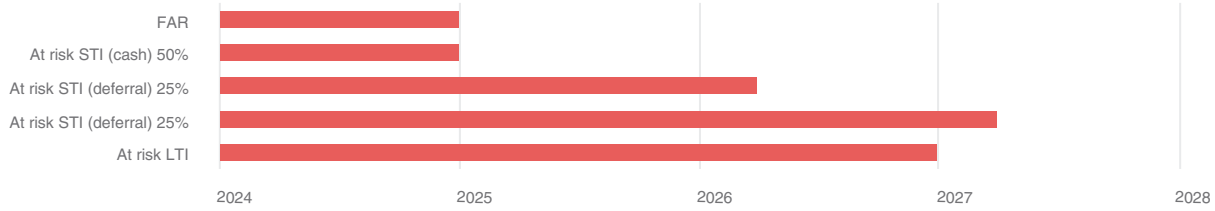
TARGET REMUNERATION MIX

The chart below illustrates the relative proportion of 2024 at target remuneration for Executive KMPs, between fixed and at-risk components. STIP and LTIP form a significant part of the executive remuneration, which are structured to award most of the at-risk remuneration as share rights.



REMUNERATION TIMING

The chart below provides an indicative timing illustration of how the 2024 financial year remuneration will be delivered to Executive KMPs.



Fixed Annual Remuneration

The Fixed Annual Remuneration (FAR) package is designed to provide market-competitive remuneration that attracts and retains top-tier talent while appropriately reflecting the scope and responsibilities of each executive role. Yancoal recognises the challenges of a competitive executive talent market, particularly for leaders capable operating within an environment of significant stakeholder and regulatory scrutiny. To address this, Yancoal ensures that its FAR offerings are a competitively positioned, supporting the recruitment and retention of key executives who are critical to achieving the company's strategic objectives.

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SHORT TERM INCENTIVE PLAN

The Short-Term Incentive Plan (STIP) is designed to enhance alignment with stakeholders by incorporating a broad range of Company and Group performance measures. The Board retains discretion to modify STIP components as outlined below if the outcomes diverge from intended objectives, ensuring alignment with the interest of all stakeholders, including shareholders, employees and communities.

FEATURE	DESCRIPTION
Eligibility	Executives as well as other management and employees of the Group are eligible to participate in the STIP.
Opportunity	This is expressed as a percentage of each Executive's FAR. The STIP opportunity is reviewed annually. The Chief Executive Officer (CEO), Chair of the Executive Committee (CEC) and Chief Financial Officer (CFO) have a Target STIP Opportunity of 100% of FAR, with a maximum opportunity of 200% of FAR for the CEO and CFO and 160% of FAR for the CEC. The Board believes this level of STIP opportunity is reasonable and competitive for the current environment.
Scorecard Performance Conditions	The STIP Scorecard consists of several KPIs. At the start of each year, the Board reviews and selects KPIs considered to be the most appropriate to the business to drive performance for the financial year in question. Assessment against these measures is determined following the end of each year. For Executives, all KPIs are measured at Group level. The STIP scorecard measures the Group's performance in respect of the following categories:

KPI	MEASURE	WEIGHTING
Profitability	Profit Before Tax ("PBT")	20%
	Free On Board ("FOB") Cash Costs (excluding royalties) [24]	20%
	Product tonnes	20%
Health & Safety	Total Recordable Injuries and Disease Injuries ("TRI & DI")	7%
	Critical Controls Compliance	4%
	Higher Level Control Action Applied	2%
	NIL Control Actions Applied	2%
Strategic Objectives	Return sites to "steady state", Develop and enhance the Group's sustainability capabilities, Non-Organic Growth in Coal or Other Minerals Diversification	15%
Environment	Environmental incidents and complaints	10%

Individual Performance Condition	Individual Performance will be assessed against objectives set at the beginning of the financial year as part of Yancoal's Performance Review and Development ("PRD") framework, with further consideration of behaviours against Yancoal's values and Leadership competencies. The Board will oversee the objectives and assessment of the Chief Executive Officer and Chair of the Executive Committee, while objectives for other executives including the Chief Financial Officer will be set and assessed in collaboration with the Chief Executive Officer and Chair of the Executive Committee.
Outcome Formula	The STIP Scorecard outcome and individual PRD outcome are weighted (Chief Executive Officer and Chair of the Executive Committee 90% and 10%; Chief Financial Officer 80% and 20% respectively) to determine the overall STIP Performance Outcome. Performance against the STIP scorecard is converted to a payout multiplier, calculated referencing the relevant maximum level of opportunity and minimum acceptable or threshold level of performance. Likewise, the PRD outcome is converted to a payout multiplier. These payout multipliers (0% to 200%) are weighted as described above and applied to the Target STIP opportunity to determine the actual STIP award. Accordingly, each Executive's STIP award is heavily influenced by the achievement of Group KPIs. The Board can exercise discretion should the formula outcome generate an unintended outcome.[25]
Timing	Executive STIP awards are paid as follows: • 50% of the award is delivered as a cash payment around March each year. • 50% of the award will be deferred in share rights and vest in equal parts over a two- year period (25% deferred for one year, 25% deferred for two years) subject to continued employment at the respective vesting dates (1 March 2025 and 1 March 2026). The value of the deferred portion of STIP is converted to Deferred Share Rights (to Yancoal shares) at the time of award using a volume weighted average price ("VWAP"). Deferred share rights will be granted for nil consideration following audited 2024 financial statements being released.
Settlement	Following vesting, the Company will issue participants with a vesting notice confirming the number of deferred share rights that have vested and become exercisable. Deferred STIP rights for 2022 and 2023 will be settled 50% in shares and 50% in cash. The cash equivalent value is determined with reference to the number of rights and the market value of shares on vesting, less applicable taxes and other amounts such as any applicable statutory superannuation contributions.

[24] FOB cash costs are calculated on a management reporting basis
[25] The payout multiplier for the CEC is capped at a maximum percentage of 160%

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LONG TERM INCENTIVE PLAN

LTIP grants are delivered in performance share rights with vesting subject to performance conditions measured over a 3-year period. The Board maintains discretion to reduce or waive the conditions outlined below if the results generate any unintended outcomes. The 2024 LTIP structure outlined below was retained from 2023.

FEATURE	DESCRIPTION
Eligibility	Executives and certain senior management are eligible to participate in the LTIP.
Frequency	Each year, eligible Executives and certain senior management are considered for an annual LTIP grant.
LTIP opportunity	The Chair of the Executive Committee and the Chief Executive Officer have an annual LTIP opportunity of up to 200% of FAR. The Chief Financial Officer has an annual LTIP opportunity of up to 50% of FAR.
Allocation Methodology	The number of performance rights granted is calculated by dividing the dollar value of the annual LTIP opportunity by the VWAP of the Company's ordinary shares traded on the ASX across a 20-day trading period spread 10 days prior to, and 10 days after, 31 December 2023.
LTIP instrument	The LTIP is issued via a grant of performance share rights for nil consideration.
LTIP performance conditions	The LTIP will vest subject to both service and performance measures: • EPS Awards: 60% of the award will vest subject to EPS growth performance of the Group relative to performance of a comparator group of international companies of a comparable size with a coal mining focus over the relevant performance period; and • Costs Target Awards: 40% of the award will vest subject to cost per tonne performance of the Group relative to performance of a comparator group of Australian export mines at the end of the performance period.
LTIP performance conditions – why were they chosen?	An EPS vesting condition was chosen because it allows for an objective, well understood, external assessment of the shareholder value created by the Group relative to a group of peers over a sustained period in view of the low liquidity and limited float of Yancoal shares. The Costs Target condition was chosen because it provides a structural incentive to LTIP participants to ensure that the Group remains positioned in the best cost quartile of Australian coal producers. The best quartile costs protect and preserve shareholder value in difficult times and supports enhanced returns when the commodity cycle recovers.
How will the performance condition be calculated for the EPS Awards?	For the EPS Awards, the EPS growth of the Group (based on the Group's Annual Report, adjusted for any share consolidations or splits) is measured as a percentile ranking compared to the EPS growth for the same period of the comparator group of companies. Vesting is based on the ranking in accordance with the following schedule:  The 2024 comparator group consists of the following companies: Whitehaven Coal; New Hope Corp; Coronado Global Resources; Teck Resources; Alliance Resources; Arch Resources; Peabody; CONSOL Energy; Adaro Energy; PT Bumi Resources TBK; Evolution Mining; Sandfire Resources; South32; and Glencore
How will the performance condition be calculated for the Costs Target Awards?	For the Costs Target Awards, the Group's weighted average FOB cost per tonne is measured as a percentile ranking compared to the coal industry cost curve, as provided by an independent expert, for Australian export mines at the end of the performance period. Vesting is based on the ranking in accordance with the following schedule. Yancoal must rank ahead of 70% of the comparator companies before vesting commences. 
Performance Period	Subject to achieving vesting conditions, EPS awards become exercisable after a three-year performance period, commencing on 1 January 2024. The Costs Target Awards is based on the FOB cost per saleable tonne achieved by the Group and the assets managed on behalf of Yancoal International Holdings for the year ending 31 December 2026 with Costs Target Awards being tested at, or shortly after, the time of publication of Wood Mackenzie's independent expert report. Performance testing will occur within four months of the end of the performance period. All awards that do not vest following testing will lapse immediately. There is no re-testing.
Settlement	Exercisable rights will be share settled unless the Board exercises discretion to settle in cash, with consideration to the Company being required to maintain a minimum free float. The cash equivalent value is determined with reference to the number of rights and the market value of shares on vesting, less applicable taxes and other amounts such as any applicable statutory superannuation contributions. The Company has introduced the option of 'manual exercise' to enable for executives to choose when they would like to exercise the rights. The ability to choose the time of exercise provides executives with flexibility to manage their tax affairs. The intent is this approach will improve the attractiveness of the executive remuneration package and support the Company's desire to be an employer of choice.

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Malus and Clawback of awards

The Board has discretion to clawback or adjust an award in certain circumstances to ensure no unfair benefit is derived by a participant.

The circumstances in which the Board may exercise this discretion include, but are not limited to, where, in the opinion of the Board, a participant has acted fraudulently or dishonestly, engaged in negligence or gross misconduct, there is a material misstatement or omission in the Company's financial statements, or the Company is required by, or entitled under, law or Company policy to reclaim remuneration from a participant or restrict the vesting or exercise of a participant's awards.

Duration of the Equity Incentive Plan

The incentive plan sets no limit on its duration and will remain in force until it is terminated by the Board.

LTIP awards granted to Executives in 2024

A summary of the LTIP awards granted in 2024 is set out in the table below.

NAME	FAIR VALUE AT DATE OF GRANT $	NUMBER OF PERFORMANCE RIGHTS GRANTED[26]
Ning Yue	—	—
David James Moult	2,803,908	741,966
Ning (Kevin) Su	232,157	61,433
Total	**3,036,065**	**803,399**

The maximum total value of the performance rights is the grant price multiplied by the maximum number of performance rights which can be granted. The grant price is determined at grant date and will not change during the vesting period. The maximum possible value, under the accounting standards, will not change from the determined value at the grant date. The minimum possible value of performance rights is zero, if they do not meet the relevant performance conditions.

The Chair of the Executive Committee, Mr Ning Yue, was entitled to participate in the LTIP. During 2024, Mr Ning Yue elected not to participate in the 2024 LTIP.

[26] The performance share rights noted above have been allocated and were issued on 11 June 2024 for David James Moult and Ning (Kevin) Su. The number of performance rights granted is calculated as the maximum LTIP award opportunity divided by the VWAP across a 20-day trading period spread 10 days prior to, and 10 days after, 31 December 2023 as $5.03.

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REMUNERATION GOVERNANCE FRAMEWORK

BOARD

Consistent with its Board Charter, the Board oversees the appointment, remuneration and performance of senior management; including but not limited to:

- Approving the remuneration arrangements for all members of the Executive Committee (except for any Director) and senior executive officers; and
- Ensuring that the Group's remuneration policies are aligned with its purpose, values, strategic objectives and risk appetite.

On these and other issues as outlined in the Board Charter, the Board receives recommendations from the NRC.

NOMINATION AND REMUNERATION COMMITTEE

The Board has established an NRC to make recommendations to the Board on matters such as:

- Board composition and succession planning for the Board and the Chief Executive Officer and oversight of succession planning for the Executive Committee;
- Director remuneration (subject to shareholder approval that is required in accordance with the ASX and HKEx Listing Rules, and the Constitution) and remuneration arrangements for the Company's Executive Committee and any other person nominated as such by the Committee from time to time;
- the public reporting of remuneration for Directors and key management personnel and other members of the Executive Committee;
- oversight of the performance assessment of the Executive Committee;
- designing Company policy and regulations with regard to corporate governance; and
- diversity and inclusion.

EXTERNAL ADVICE

From time to time, the NRC seeks and considers advice from external advisors who are engaged by and report directly to the NRC. Such advice will typically cover remuneration levels, independent benchmarking data and information regarding best practice, trends and regulatory developments. Following the last holistic review of the framework completed in 2018, the Nomination and Remuneration Committee reviewed the Group's remuneration framework in 2022 to ensure remuneration arrangements continue to align management with shareholder interests. The NRC has reviewed the advice provided and determined that the existing remuneration arrangements continue to align management with shareholder interests, hence no material changes to the framework are required. No remuneration recommendations were obtained during 2024 as defined under the *Corporations Act 2001* (Cth).

EXECUTIVE REMUNERATION

PRINCIPLES AND FRAMEWORK



Equitable and aligned with the long- term interests of the Company and its shareholders



Compliant with relevant Group policies, including the Diversity Policy



Market competitive remuneration to attract and retain skilled and motivated employees



Linked with achievement of Group strategy and challenging business objectives, and the delivery of sustainable returns over the long-term



Rewards the contribution of outstanding performers and recognises conduct aligned to Yancoal's values

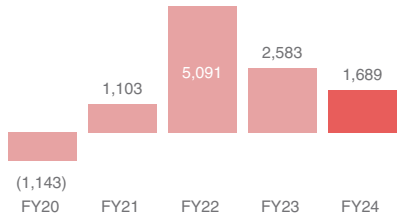
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LINKING EXECUTIVE REMUNERATION TO GROUP PERFORMANCE

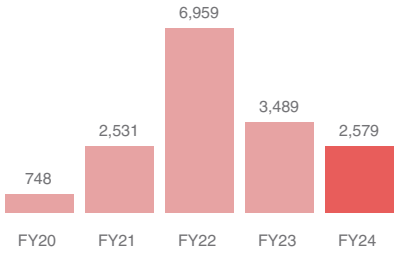
The Group's remuneration principles include rewarding based on performance and this is primarily achieved through the Group's STIP and LTIP. Cash and equity awards under these plans are impacted by the overall performance of the Group in order to maintain a link between performance and shareholder value. The Group's earnings and delivery of shareholder wealth for the past five years is outlined in charts below. These charts also highlight the fact Yancoal's Executive remuneration reflects the outcomes across a number of financial and operational outcomes at Group and Company level.

OVERVIEW OF YANCOAL'S HISTORICAL PERFORMANCE AND EXECUTIVE STIP OUTCOMES

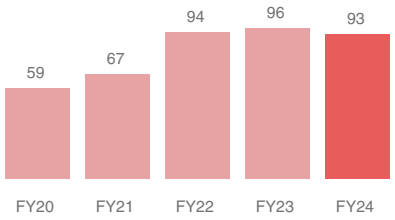
PBT
($'M)



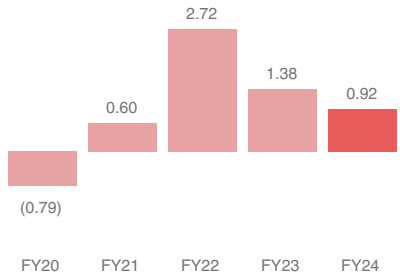
OPERATING EBITDA
($'M)



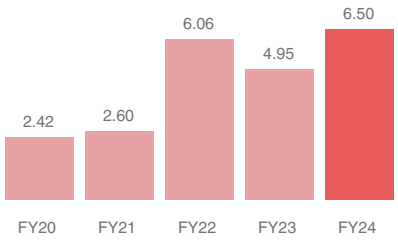
CASH OPERATING COSTS
($/t)



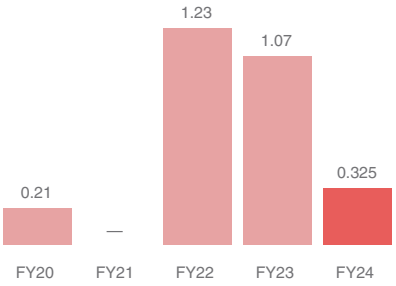
BASIC EPS
($)



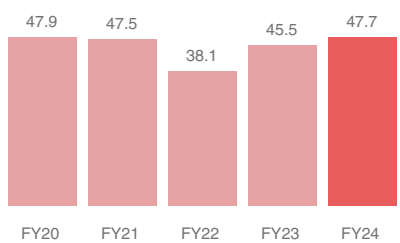
CLOSING SHARE PRICE
($)



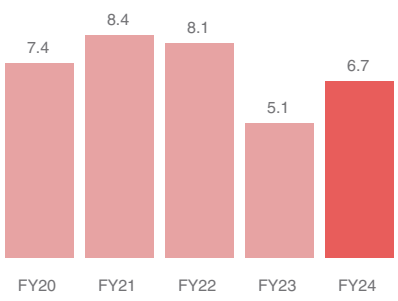
DIVIDEND PER SHARE (PAID)
($)



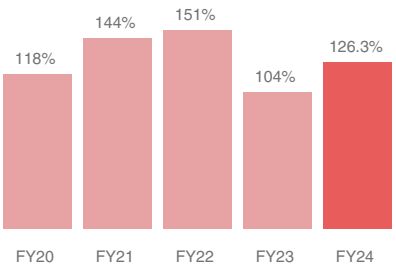
ATTRIBUTABLE ROM TONNES
(Mt)



TRIFR
(Number of recordable injuries per million hours worked)



EXECUTIVE STIP SCORECARD
(% of Target)



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2024 EXECUTIVE STIP OUTCOMES

The table below outlines STIP scorecard achievement for Yancoal Australia Limited and Yancoal International (Holding) Co. Ltd in 2024.

			STIP OUTCOME			
KPI	MEASURE	ACTUAL KPI RESULT	THRESHOLD	STIP OUTCOME TARGET	STRETCH	COMMENTS
Profitability[27]	PBT ($Am)	1,815				Yancoal optimised production and market strategy to mitigate negative impact on PBT.
	FOB Cash Costs (excluding royalties) ($ per tonne)	98.30				Uncontrollable factors elevated cash costs including diesel prices, labour shortages, safeguard mechanism, and inflation pressure.
	Product tonnes (Mt)	43.02				product tonnes were constrained by factors such as equipment outages, geological difficulties. Drier weather supported to provide some improvement.
Health & Safety	TRI & DI	73				TRI & DI increased year on year and although under industry average, continued efforts are applied to improve on safety performance.
	Critical Controls Compliance	Various				Critical Controls Compliance performance continue to be a focus and reflects positive outcomes
Strategic Objectives	Strategic measures such as diversification and optimisation initiatives	Various				Results reflect the progress made across key strategic objectives which position Yancoal to improve both financial outcomes including capital management and operational outcomes to be well positioned for future growth.
Environment	Environmental incidents and complaints (excluding serial complainants)	Various				Stretch reflects incidents and complaints remaining low, but continuous improvements in compliance systems are ongoing.
OVERALL				**126.3%**		

[27]FOB cash costs are calculated on a management reporting basis

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The table below outlines 2024 Individual Objectives achievement:

EXECUTIVE	OUTCOME	COMMENTS
CEC	The majority of goals have been achieved in full in 2024	• Excelled with 32 out of 42 key tasks completed with positive progress reported in 2024. • Health and safety lead indicators exceeded the 2024 target, with higher-order control actions effectively allocated to incidents with potential or actual harm. • Targeted interventions addressed key risks, and Core Hazard Control Monitoring achieved a 100% completion rate. • A strong focus on productivity and reliability led to operational records and improved mining and CHPP performance.
CEO	The majority of goals have been achieved in full in 2024	• Strengthened strategic communication, transparency, and workplace culture through enhanced leadership updates, sustainability initiatives, employee engagement, and workplace behaviour training. • Production was 3.4Mt higher than previous year driven by higher productivity at MTW and favourable yield at Ashton, while other sites faced setbacks from safety-related Geotechnical issues, weather impacts, and equipment reliability concerns.
CFO	The majority of goals have been achieved in full in 2024	• Maintained accuracy and productivity in financial and management reporting while successfully completing internal and external audit tasks, • Achieved strong market cap management results, • Executed effective stakeholder management across Australia and China, and fostered enhanced collaborations between functions to drive productivity.

The STIP outcomes are a reflection of the balanced scorecard approach that considers not only the business results but also progress across a series of strategic priorities that are crucial to Yancoal's long term shareholder returns and individual objectives for each Executive KMP.

Details of the resulting STIP outcomes for Executives are outlined in the table below. Executive STIP outcomes are subject to discussion and approval by the Board.

NAME	STIP CASH $[28]	STIP DEFERRED $[29]	STIP TOTAL $[30]	% OF STIP OPPORTUNITY AWARDED	% OF STIP OPPORTUNITY NOT AWARDED
Ning Yue	370,550	370,550	741,100	82 %	18 %
David James Moult	1,223,800	—	1,223,800	33 %	67 %
Ning (Kevin) Su	435,800	435,800	871,600	71 %	29 %
Total	**2,030,150**	**806,350**	**2,836,500**	**62 %**	**38 %**

The STIP Deferred value shown in the table above is converted to Deferred Rights at the time of award, using the VWAP established by the Board. The STIP Deferred Rights will vest in equal parts over a two-year period (25% of total STIP award deferred for one year, 25% of total STIP award deferred for two years). Since the introduction of the current executive remuneration framework in 2018, deferred STIP has generally been settled in cash. Following an increase in the Company's public float, Yancoal instructed CPU Share Plans Pty Ltd as trustee of the Yancoal Australia Limited Employee Share Trust to acquire and hold fully paid ordinary shares in the Company in on-market share transactions in late 2024. In 2024, The Board approved the settlement of 2021 and 2022 deferred STIP rights in a ratio of 50% awarded in shares and 50% awarded in cash. This approach has been taken partially to provide flexibility for executives to address taxation liability incurred at settlement. It is expected that this flexibility to support talent attraction and retention by simplifying the process for executives as they no longer have to sell the settled shares to fund the tax liability. See section 'Short Term Incentive Plan' for Settlement details.

Details of the remuneration of Executives prepared in accordance with statutory obligations and accounting standards are contained in the Executive Statutory Remuneration section of this Remuneration Report. The deferred STIP expense has been accounted for as being expected to be settled in cash in accordance with Australian Accounting Standards.

2024 EXECUTIVE LTIP OUTCOMES

2022 LTIP

The close of 2024 signals the testing of the 2022 LTIP performance conditions. Because the condition for the EPS Awards is relative for the performance period from 1 January 2022 to 31 December 2024, and the condition for the Costs Target Awards is tested at (or shortly after) the time of publication of the independent expert's report; testing and any subsequent vesting of the 2022 LTIP will not take place until the relevant performance results have been released, which is anticipated to be April 2025.

[28] The 2024 STIP cash figures are to be paid around March 2025.
[29] The "STIP Deferred" is the value of the deferred portion of the STIP awarded for the year.
[30] The maximum Total STIP amount for the CEO is equal to 200% of the annual FAR and for the CEC it is equal to 160% of the annual FAR

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SERVICE AGREEMENTS

For Non-Executive Directors, the terms and conditions of their appointment are outlined in a letter of appointment. For Executives, the terms and conditions of their employment are outlined in their Executive Service Agreement ("ESA") with the Company.

The following table outlines key ESA terms for each of the Executives.

EXECUTIVE	POSITION	TERM OF ESA	NOTICE PERIOD	TERMINATION BENEFIT
Ning Yue	Executive Director, Co-Vice Chairman of the Board, Chair of the Executive Committee	Unlimited	In accordance with statutory minimum, 1 to 5 weeks depending on length of service	• Nil for cause or resignation. • If ceasing employment for any other reason i.e. as a 'Good Leaver', a pro-rata payment in accordance with STIP or LTIP plan rules is at the Board discretion.
David James Moult	Chief Executive Officer	Unlimited	6 months* / 12 months**	
Ning (Kevin) Su	Chief Financial Officer	Unlimited	3 months* / 6 months**	

* Notice period applicable if the Executive resigns.
** Notice period applicable if the Company terminates the Executive.

EXECUTIVE STATUTORY REMUNERATION

EXECUTIVE REMUNERATION

The following table sets out the details of remuneration earned by Executives in 2024 and 2023, calculated in accordance with Australian Accounting Standards.

		SHORT TERM BENEFITS $			POST-EMPLOYMENT BENEFITS $	LONG-TERM BENEFITS $		SHARE-BASED PAYMENTS $		
NAME	YEAR	CASH SALARY	STI	NON-MONETARY BENEFITS	SUPERANNUATION BENEFITS	LONG SERVICE LEAVE	STI DEFERRED	LTI	TOTAL $	% PERFORMANCE RELATED
Ning Yue[31]	**2024**	**536,334**	**370,550**	**39,511**	**28,666**	**1,180**	**370,550**	**—**	**1,346,791**	**55 %**
	2023	28,278	83,200	—	6,850	310	83,200	—	201,838	82 %
David James Moult[32]	**2024**	**1,837,332**	**1,223,800**	**21,514**	**28,666**	**45,777**	**—**	**1,931,556**	**5,088,645**	**62 %**
	2023	1,839,651	1,055,700	23,478	26,346	39,233	1,055,700	1,868,669	5,908,777	67 %
Ning (Kevin) Su	**2024**	**589,335**	**435,800**	**8,789**	**28,666**	**13,119**	**435,800**	**152,077**	**1,663,586**	**62 %**
	2023	573,654	368,400	7,985	26,346	22,073	368,400	140,926	1,507,784	58 %
Total	**2024**	**2,963,001**	**2,030,150**	**69,814**	**85,998**	**60,076**	**806,350**	**2,083,633**	**8,099,022**	**61 %**
	2023	3,344,084	1,715,499	53,786	79,038	68,927	1,507,300	2,009,595	8,778,229	60 %

Particulars regarding the Directors', senior management's and Executive KMPs' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix D2 of the HK Listing Rules are set out in note B4 to the financial statements.

During the financial year ended 31 December 2024, no emoluments were paid by the Group to any of the Directors or the five highest paid employees as an inducement to join or upon joining the Group, or as compensation for loss of office as a director of any member of the Group or of any other office in connection with the management of the affairs of any member of the Group.

[31] As Mr Ning Yue commenced on 27 September 2023, only pro-rata remuneration is provided for 2023. As announced on 14 January 2025, Ning Yue was appointed Acting CEO of the Company effective 14 January 2025. There has been no amendment to Mr Ning Yue's existing executive agreement as CEC of the Company. There is no separate letter of appointment or executive agreement in respect of his role as Acting CEO. In connection with his appointment as Acting CEO, on 20 February 2025, the Board approved a higher duty allowance of $50,000 per month to be paid whilst Mr Yue is acting as CEO, effective from 14 January 2025.
[32] Following the notice of retirement from Yancoal, David Moult will receive only the cash portion of his 2024 Short-Term Incentive Plan (STIP) award. No portion of the 2024 STIP will be subject to deferral.

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NON-EXECUTIVE DIRECTOR FEES

OBJECTIVE

The Board seeks to set remuneration for Non-Executive Directors at a level which:

- provides the Company with the ability to attract and retain directors of the highest calibre;
- reflects the responsibilities and demands made on Non-Executive Directors; and
- is reasonable and acceptable to the Company's shareholders.

STRUCTURE

In line with sound corporate governance, the remuneration structure for the Non-Executive Directors is distinct from the remuneration structure for Executives.

The Company sets an aggregate remuneration cap of $3,500,000 per annum for all Non-Executive Directors, consistent with the constitution. Remuneration payable to each Non-Executive Director has been approved by the Company's majority shareholder, Yankuang Energy. The total Board and Committee fees paid by the Company to Non-Executive Directors in 2024 was $884,128.

During 2024, Non-Executive Directors were remunerated by way of fixed fees in the form of cash and superannuation (to the maximum superannuation guarantee cap). No element of the Non-Executive Director fees is linked to performance.

No Board or Board Committee fees were paid to:

- Executive Director Ning Yue as the responsibilities of Board Committee membership are considered in determining the remuneration provided as part of their normal employment conditions.
- Nominee Directors of Yankuang Energy and Cinda, as the responsibilities of Board or Board Committee membership were considered part of their role and remuneration arrangements with Yankuang Energy and Cinda. The nominee Directors of Yankuang Energy and Cinda were as follows:
  - Gang Ru
  - Yaomeng Xiao (resigned 18 September 2024)
  - Changyi Zhang
  - Xiaolong Huang

The table below outlines Board and Board Committee fees for 2024 and 2023.

BOARD FEES PER ANNUM (INCLUDING AND SUPERANNUATION)	2024 $	2023 $
Chairman of the Board	Not applicable	Not applicable
Independent Co-Vice Chairman of the Board (inclusive of Committee fees)	389,340	389,340
Director	178,448	178,448

COMMITTEE FEES PER ANNUM (INCLUDING ANY SUPERANNUATION)	2024 CHAIR	2024 MEMBER	2023 CHAIR	2023 MEMBER
Audit and Risk Management Committee	Not applicable	21,630	Not applicable	21,630
Health, Safety, Environment and Community Committee	43,260	21,630	43,260	21,630
Nomination and Remuneration Committee	43,260	21,630	43,260	21,630
Strategy and Development Committee	Not applicable	21,630	Not applicable	21,630

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The following table sets out the details of remuneration (in the form of Board and Committee fees and other benefits) earned by eligible Non-Executive Directors in 2024 and 2023 calculated in accordance with Australian Accounting Standards.

		SHORT TERM BENEFITS $			POST-EMPLOYMENT BENEFITS $		
NAME	YEAR	FEES	STI OR BONUS	NON-MONETARY BENEFITS	SUPERANNUATION	LONG SERVICE LEAVE	TOTAL $
Gregory James Fletcher[33]	**2024**	**360,674**	**—**	**—**	**28,666**	**—**	**389,340**
	2023	388,884	—	—	26,346	—	415,230
Helen Jane Gillies[34]	**2024**	**24,358**	**—**	**—**	**2,680**	**—**	**27,038**
	2023	226,695	—	—	23,619	—	250,314
Geoffrey William Raby[35]	**2024**	**238,175**	**—**	**—**	**26,793**	**—**	**264,968**
	2023	246,497	—	—	25,447	—	271,944
Debra Bakker[36]	**2024**	**182,195**	**—**	**—**	**20,587**	**—**	**202,782**
Peter Andrew Smith[37]	**2024**	**—**	**—**	**—**	**—**	**—**	**—**
Total	**2024**	**805,402**	**—**	**—**	**78,726**	**—**	**884,128**
	2023	862,077	—	—	75,411	—	937,488

SHARE TRADING POLICY

The Company's Share Trading Policy prohibits dealing in Company securities or Yankuang Energy securities by Directors of the Group, all officers of the Company and other relevant employees and contractors of the Group, as well as their closely related persons, during specified blackout periods each year and when they are in possession of 'inside information'. Directors of the Group, all officers of the Company, and their closely related persons are also prohibited from dealing in securities of the listed company where he or she is in possession of inside information in relation to those securities. Subject to compliance with the Company's Share Trading Policy, employees are permitted to deal in Company securities or Yankuang Energy securities outside these blackout periods where they are not in possession of inside information, however additional approval requirements apply.

The Share Trading Policy precludes relevant employees from entering into any hedge or derivative transactions relating to unvested options or share rights granted to them under incentive plans and securities that are subject to holding locks or restrictions from dealing under such plans. There are also restrictions regarding margin lending arrangements, hedging and short-term trading of the Company's securities. Each Director of the Company is required to provide a declaration at the end of each financial year certifying that they (and their closely related persons) have complied with the Share Trading Policy for the duration of that financial year.

[33] Includes the following transaction-specific remuneration paid in 2023: $25,890.
[34] Includes the following transaction-specific remuneration paid in 2023: $6,976. Helen Jane Gillies resigned as director on 9 February 2024
[35] Includes the following transaction-specific remuneration paid in 2023: $6,976. Geoff Raby resigned as director on 17 December 2024
[36] Debra Anne Bakker was appointed as a director on 1 March 2021
[37] Peter Andrew Smith was appointed as a director on 17 December 2024

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EQUITY INSTRUMENT DISCLOSURES

The numbers of shares in the Company held during the financial year by each director of the Company and other Executive KMPs of the Group, including their personally related parties, are set out in the table below. No other KMP held any shares in respect of Yancoal or its related entities at or during the year ended 31 December 2024.

NAME	HELD AT 1 JANUARY 2024	GRANTED AS COMPENSATION	PURCHASE / (DISPOSED)	HELD AT DATE OF EMPLOYMENT CEASE	HELD AT 31 DECEMBER 2024
Gregory James Fletcher	2,100	—	—	—	2,100
Geoffrey William Raby	22,858	—	142	23,000	—
Debra Bakker	—	—	9,000	—	9,000
David James Moult	198,623	169,509	—	—	368,132
Ning (Kevin) Su[38]	45,573	139,238	—	—	184,811

The number of performance rights held by Executives under LTIP in 2024 is outlined in the table below.

NAME	HELD AT 1 JANUARY 2024	GRANTED AS COMPENSATION[39]	VESTED DURING THE YEAR	EXERCISED DURING YEAR	LAPSED / CANCELLED DURING YEAR	HELD AT 31 DECEMBER 2024	OF WHICH EXERCISABLE	OF WHICH NOT VESTED & NOT EXERCISABLE
David James Moult	**4,427,781**	741,966	1,211,056	—	(175,703)	**4,994,044**	**2,382,296**	**2,611,748**
Ning (Kevin) Su	**241,524**	61,433	88,152	88,152	(12,790)	**202,015**	**—**	**202,015**

As at 31 December 2024, there are 5,234,278 LTIP performance rights and 1,568,019 unvested deferred STIP rights in aggregate over unissued Group shares representing approximately 0.52% of the issued share capital of the Company as at the date of this Report.

Refer to Note D3 for further details.

OTHER TRANSACTIONS WITH AND LOANS TO DIRECTORS AND EXECUTIVES

A number of Directors and Executives hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. Some of these entities transacted with the Company or its subsidiaries in the reporting period. The terms and conditions of any transactions with management, Directors or parties related to Executives or Directors were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-management or Director related persons or entities on an arm's length basis (see Note E3). There were no loans provided to Directors and Executives during the year.

This report is made in accordance with a resolution of the Directors.



Gregory James Fletcher

Director

Sydney

20 February 2025

[38] In 2024, tranche 1 of the 2022 STIP Deferred Rights and tranche 2 of the 2021 STIP Deferred rights vested and the Board exercised its discretion to settle these awards by way of a 50% cash equivalent payment and 50% fully paid ordinary shares, rather than by way of fully paid ordinary shares in the Company. As a result, David Moult and Ning (Kevin) Su received cash payments in consideration for vested 2021 and vested 2022 STIP Deferred Rights respectively.

[39] 2024 LTIP: The number of performance rights granted is calculated as the value of the maximum LTIP award divided by the VWAP across a 20-day trading period spread 10 days prior to, and 10 days after, 31 December 2023.

Accountants & Advisors

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001* TO THE DIRECTORS OF YANCOAL AUSTRALIA LTD

As lead auditor, I declare that, to the best of my knowledge and belief, during the year ended 31 December 2024 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

SW Audit
Chartered Accountants

Yang (Bessie) Zhang
Partner
Sydney, 20 February 2025

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BUSINESS OVERVIEW

Yancoal owns and operates a diversified portfolio of world class assets consisting of both large-scale open-cut and underground mines comprising five coal mine complexes in Australia[40].

In total, Yancoal owns, operates or has joint-venture interests in eight coal mine complexes in New South Wales ("NSW"), Queensland and Western Australia. These eight mines have the capacity to produce more than 70 million tonnes of ROM coal and about 55 million tonnes of saleable coal per annum.

As a leading low-cost coal producer in the global seaborne market, Yancoal's coal mining operations produce a mix of premium thermal, semi-soft coking, and pulverised coal injection ("PCI") coals, together with mid-to-high ash thermal coals. The Group's financial results are influenced by the interaction between the supply and demand for thermal and metallurgical coal. This, in turn depends on macroeconomic trends, including regional and global economic activity, the price and availability of alternative forms of energy production as well as more localised supply impacts.

Our customers are located throughout the Asia-Pacific region with China, Japan, Taiwan and South Korea accounting for approximately 86% of our revenue from coal sales in the year ended 31 December 2024.

Thermal coal is primarily used in electricity generation and its end users are typically power and utilities companies. Metallurgical coal is primarily used to produce coke for blast furnace steel production and its end users are typically steel plants. We also sell coal to customers in the commodities trading business, who purchase the Group's coal for trading purposes or to on-sell to their end customers. Commodity traders are exposed to similar regional and global demand trends in the coal market.

The Group's export thermal coal is generally priced on either an index price or a fixed price. Generally, lower ash products are priced relative to the GlobalCOAL Newcastle ("GCNewc") index and higher ash products are priced relative to the Argus/McCloskey All Published Index 5 ("API5") index. Annual fixed price contracts are generally priced against the Japanese Power Utility Reference Price, which is the contract price agreed between major Australian suppliers and Japanese power utilities. The balance of our sales are spot sales priced relative to the market at their transaction date and mostly at fixed prices.

The Group's export metallurgical coal is either priced on a benchmark or spot price basis. Term contracts are generally priced against a benchmark pricing mechanism which is negotiated on a quarterly price basis between major Australian suppliers and Japanese steel mills. Spot sales are typically priced relative to the Platts Low Vol FOB Australia and Platts Semi-Soft FOB Australia indices or at fixed prices relative to the market at their transaction date.

During the period, coal price indices were relatively stable reflecting balanced supply and demand conditions. Periods of short-term volatility occurred as the market adapted to changes such as additional sanctions on Russia, the threat of a fuel crisis due to the escalating conflict in the Middle East and weather conditions, however the market rebalanced relatively quickly.

The high-ash thermal coal market depreciated slightly towards the very end of the period due to a mild start to the Chinese winter compounded by power utility coal stocks reaching peak levels on the back of slow burn rates alleviating the need for additional imports. Indian demand continues to rise on residential and industrial power requirements.

The low-ash, high-calorific, GCNewc index price depreciated early in the period on the back of the mild winter temperatures in the Northern Hemisphere and tempered demand following an earthquake and major maintenance shutdowns at Japanese power plants. However, during the second quarter the GCNewc index price appreciated with stable demand leading into the Northern Hemisphere summer and concerns in relation to further sanctions on Russia. At the start of the fourth quarter, prices again peaked on the threat of a fuel crisis in the Middle East, that ultimately did not eventuate before strong supply conditions and the start of a warm Northern Hemisphere winter saw prices depreciate in December.

In the metallurgical market, prices in all product categories saw a decline over the period due to reduced demand. The fall in demand was predominantly on the back of the decline in the Chinese property sector resulting in a substantial reduction in demand for steel thereby reducing the demand for metallurgical coal. India's demand has also been tempered during the election cycle and monsoon season.

Yancoal actively responds to prevailing market conditions. To counter the anticipated short-term volatility in thermal coal price indices, we continue to optimise the product quality and volume we place into the market and actively seek to expand our customer base and sales to new markets.

It is currently expected that Australia's share of the world seaborne thermal coal supply market, of 19.1% in 2024, will increase to approximately 33% by 2050[41], and it will continue to play a critical role as a primary source of premium grade coals.

The Group's coal sales revenue is typically recognised on a Free on Board ("FOB") basis when coal is loaded at the load port in Australia.

The Group's overall average ex-mine selling price of coal decreased by 24% from A$232 per tonne in 2023 to A$176 per tonne in 2024 mainly as a result of a decrease in global USD coal prices with the weekly average GCNewc index price decreasing by US$36 per tonne (21%) during the same period; the weekly API5 index price decreasing by US$14 per tonne (13%) during the same period; and the weekly average Platts semi-soft coking coal index price decreasing by US$74 per tonne (26%) during the same period; partially offset by the Australian dollar weakening against the US dollar by 1% from an average of 0.6644 in 2023 to 0.6603 in 2024.

Drier conditions in 2023 enabled our sites to progress their wet weather recovery plans, focussing on pre-strip and overburden removal and the rebuilding of overburden blasted inventory, exposed in-pit coal and ROM coal inventories, delivering quarter on quarter increases in coal production. Continued progress in 2024 resulted in a 10% increase in attributable saleable production as our sites approached "steady state" conditions.

[40] Includes Moolarben, MTW, HVO (jointly owned), Yarrabee and Ashton with Donaldson currently on care and maintenance and Austar and Stratford Duralie on mine closure. Yancoal also jointly owns the Middlemount mine and operates the Cameby Downs and Premier Coal mines for its majority shareholder.
[41] Wood Mackenzie Coal Market Service Data November 2024

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Internally, management actions were directed by the Group's "Key Tasks" initiative that focused on 42 workstreams across the Group, overseen by the Board of Directors ("Board"). Operationally, the workstreams focus on sustainable improvements in key productivity drivers to deliver improved production rates across the year and to reduce operating costs, particularly those costs incurred as part of the site recovery plans.

The Group's overall average cash operating cost per product tonne, excluding government royalties, decreased from A$96 per tonne in 2023 to A$93 per tonne in 2024. The decrease is primarily due to the increase in saleable production volumes, being partially offset by continued inflationary cost pressures.

The table below sets out the ROM and saleable production for each Yancoal owned mine on a 100% basis during the period.

	YEAR ENDED 31 DECEMBER		
	2024 MT	2023 MT	CHANGE (%)
ROM PRODUCTION			
Moolarben	21.2	20.4	4%
MTW	17.2	17.2	—%
HVO	14.8	15.3	(3%)
Yarrabee	2.9	2.4	21%
Ashton	2.5	0.7	257%
Stratford Duralie	0.1	0.9	(89%)
Middlemount	4.0	3.3	21%
Total - 100% basis	**62.7**	**60.2**	**4%**
SALEABLE PRODUCTION			
Moolarben	19.0	16.7	14%
MTW	11.2	11.3	(1%)
HVO	11.7	10.5	11%
Yarrabee	2.2	1.9	16%
Ashton	1.3	0.4	225%
Stratford Duralie	0.1	0.6	(83%)
Middlemount	2.3	2.2	5%
Total - 100% basis	**47.8**	**43.6**	**10%**

On a 100% basis, ROM coal production was up 4% from 60.2Mt in 2023 to 62.7Mt in 2024. This included a 1% increase in the three tier-one assets (being Moolarben, MTW and HVO) from 52.9Mt in 2023 to 53.2Mt in 2024.

Saleable coal production was up 10% from 43.6Mt in 2023 to 47.8Mt in 2024. This included a 9% increase in the three tier-one assets from 38.5Mt in 2023 to 41.9Mt in 2024.

Moolarben's ROM production increased by 0.8Mt (4%) and its saleable production increased by 2.3Mt (14%). The increase in ROM production was primarily due to improved open-cut operating conditions with the prior year impacted by wet and difficult mining conditions and high water storage levels, whilst the underground operation underperformed due to experiencing some difficult strata conditions in development negatively impacting longwall continuity. The larger increase in saleable production was primarily attributable to the ability to bypass ROM stocks during periods of longwall downtime, whilst the prior period was negatively impacted by the wash plant occasionally facing lower open-cut feed rates due to the timing of ROM coal presentation, particularly during the first half of the year and variability of the open-cut coal quality, that resulted in an increase in ROM stocks.

MTW's ROM production was flat at 17.2Mt and its saleable production decreased by 0.1Mt (1%). ROM coal finished the year above target and as expected delivered increased ROM volumes in the second half of the year. The small decrease in saleable production was primarily attributable to a decrease in CHPP feed tonnes, increasing ROM stocks, partially offset by an increase in yield due to better than planned ROM coal characteristics.

HVO's ROM production decreased by 0.5Mt (3%) and its saleable production increased by 1.2Mt (11%). The decrease in ROM volumes was primarily due to outages of major loading units and delays in key coal mining areas. The increase in saleable production was primarily due to the restart of the second Howick CHPP and availability of ROM coal from stockpiles. Additional bypass volumes also increased saleable production.

The table below sets out the Group's ongoing equity interest in the saleable production for each Yancoal-owned mine that contributes to the financial results of the Group [42].

		YEAR ENDED 31 DECEMBER		
	OWNERSHIP %	2024 MT	2023 MT	CHANGE (%)
SALEABLE PRODUCTION				
Moolarben	95	18.0	15.9	13%
MTW	83.6	9.3	9.2	1%
HVO	51	6.0	5.4	11%
Yarrabee	100	2.2	1.9	16%
Ashton	100	1.3	0.4	225%
Stratford Duralie	100	0.1	0.6	(83%)
Attributable		**36.9**	**33.4**	**10%**
Middlemount (equity-accounted)	~50	1.1	1.1	—%
Total - equity basis		**38.0**	**34.5**	**10%**
Thermal		31.8	28.8	10%
Metallurgical		6.2	5.7	9%
		38.0	**34.5**	**10%**

The Group's attributable saleable coal production, excluding Middlemount, was up 10% from 33.4Mt in 2023 to 36.9Mt in 2024 and including Middlemount was up 10% from 34.5Mt in 2023 to 38.0Mt in 2024.

The attributable saleable production contribution of the Group's tier-one assets remained consistent at 88% across both periods.

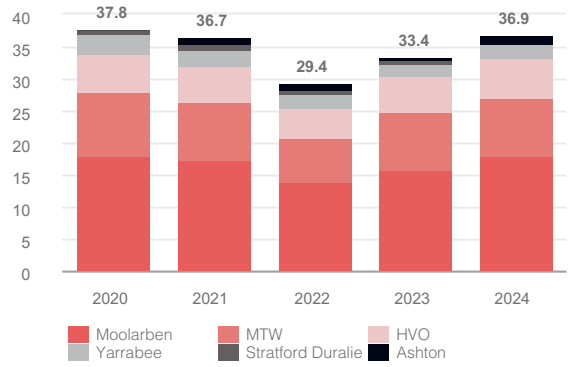
Thermal coal saleable production increased by 10% from 28.8Mt in 2023 to 31.8Mt in 2024 and metallurgical coal saleable production decreased by 9% from 5.7Mt in 2023 to 6.2Mt in 2024. Thermal coal represented 84% of total saleable coal production in 2024, an increase from 83% in 2023.

[42] The effective ownership interest of the combined unincorporated Mount Thorley and Warkworth joint ventures at 31 December 2024 was 83.6% (31 December 2023: 82.9%). The increase resulted from a change in the effective weighting of the two joint ventures.

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The chart below shows the longer-term trend in the Group's attributable saleable production[43].

ATTRIBUTABLE SALEABLE PRODUCTION (MT)



In 2021, saleable production decreased to 36.7Mt primarily due to the hard rock intrusion encountered in the Moolarben underground, severe and persistent wet weather and the impact of COVID-19 on site shutdowns and labour availability.

In 2022, saleable production decreased further to 29.4Mt primarily due to the continued severe and persistent wet weather encountered in NSW and Queensland and further impacts from labour availability including the escalation of COVID-19 throughout the first half of the year.

In 2023, saleable production increased to 33.4Mt with quarter on quarter increases in coal production primarily due to improved weather and drier conditions together with the progressive delivery of the site recovery plans.

In 2024, the Group's attributable saleable production increased to 36.9Mt with the recovery plans largely completed and our sites returning to "steady state" conditions.

The key risks affecting the Group's operations, and where applicable, the strategies and measures taken to manage these risks, are detailed in the Corporate Governance Statement included in this report.

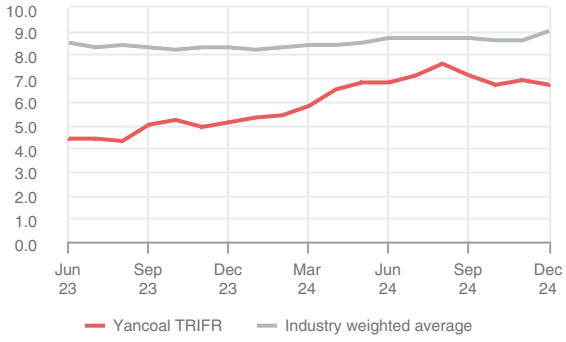
HEALTH AND SAFETY

Yancoal remains committed to operating safely and transparently to achieve its objective of zero harm to our employees and contractors. Yancoal operates its mines to meet legislative and safety standards and be an industry leader in this aspect of its business.

During September, an incident occurred during closure operations at the Austar Coal Mine which resulted in a fatality. The contractor involved was a long-standing employee, who was working for a contracting company as part of a team conducting the mine closure activities. Our thoughts continue to be with the family, friends and colleagues. The NSW Resources Regulator investigation into the incident is ongoing.

Under the direction of the Board and the Health, Safety, Environment and Community ("HSEC") Committee, Yancoal utilises Core Hazard and Critical Controls across all operations, identifying critical hazards within the workplace and instituting adequate controls. These controls are regularly verified to ensure that they are operating as intended for our people's safety.

12-MONTH ROLLING TRIFR



Our 12-month rolling TRIFR[44] at 31 December 2024 was 6.7, representing an increase from 5.1 at 31 December 2023. Whilst still below the comparable industry weighted average of 8.7, we are committed to reversing the recent upward trend through re-invigoration of the programs that delivered the improvement in 2023 including the "Yancoal Safe Way Every Day" programme and Mental Health Programme.

During the period, stage three of the four-year, four stage Mental Health Programme has progressed and stage four commenced.

The Yancoal Mental Health Programme was nominated as a finalist for Health Excellence in the NSW Mining HSEC Awards for 2024.

[43] The Group's quarterly report issued on 19 January 2021 included Attributable Saleable Coal Production for the year ended 31 December 2020 of 38.3Mt with this amount including an additional 0.5Mt attributable to the additional 10% interest acquired in Moolarben in the first quarter of 2020. The difference arises as the economic effective date of the acquisition was 1 January 2020 but for accounting purposes the transaction completion date was 31 March 2020.

[44] TRIFR includes Moolarben, MTW, Stratford Duralie, Yarrabee, Ashton, Donaldson, Austar and the Corporate offices; it excludes HVO and Middlemount (not operated by Yancoal). The weighted average industry TRIFR combines proportional components from the relevant New South Wales and Queensland Industry references.

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SUSTAINABILITY

Under the Board's direction, Yancoal's HSEC Committee has oversight of Yancoal's Sustainability Strategy. The Sustainability Strategy takes a holistic approach to the consideration of decarbonisation opportunities, renewable energy projects and the pursuit of diversification into minerals and commodities beyond coal as potential elements which could underpin the ongoing sustainability of Yancoal's business into the future.

In April 2024, the Group published its first Sustainability Report, for the 2023 calendar year, which integrated "Environment, Social & Governance" information with sustainability disclosures that are being implemented globally.

On 1 January 2025, Australia's mandatory climate disclosure regime took effect following the passage of the *Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024*. The regime mandates disclosure of material climate-related financial risks and opportunities, metrics and targets, and information on governance, strategy and risk-management in accordance with Australian Sustainability Reporting Standards ("ASRS") made by the Australian Accounting Standards Board ("AASB"):

- AASB S2 Climate-related Disclosures – a mandatory Standard; and
- AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information – a voluntary Standard.

For Group 1 companies, including Yancoal, mandatory reporting of climate-related disclosures commences for financial years beginning on or after 1 January 2025.

AASB S1 and AASB S2 are aligned, as far as possible, to the International Sustainability Standards Board ("ISSB") International Financial Reporting Standard ("IFRS") S1 and IFRS S2. The main difference, when compared to the ISSB Standards, is that AASB S2 does not require the disclosure of industry-based metrics or the application of Sustainability Accounting Standards Board ("SASB") disclosure topics.

Yancoal continues to undertake preparatory measures to ready the company for these mandatory disclosure requirements which will be reflected in its first sustainability report comprising of a climate statement and directors' declaration for the 2025 financial year, prepared in accordance with the requirements of the *Corporations Act 2001* (Cth) and AASB S2, and submitted to ASIC by 30 April 2026.

Yancoal's 2024 Sustainability Report will continue the Company's transition towards meeting AASB S2 Climate-related Disclosures with the structure aligning to the approved Yancoal P4 Sustainability Framework, addressing the pillars of "people", "planet", "portfolio" and "profit". As with previous years, Yancoal will continue to report against relevant disclosure standards, and where information is available, the report will incorporate relevant climate-related disclosures.

SAFEGUARD MECHANISM

In 2016, the Government established a framework to establish safeguard facility "baselines" under the Safeguard Mechanism. This framework was later reformed in 2023 to progressively reduce safeguard facility baselines in line with Australia's emission reduction targets. These changes will require that the Company's safeguard facilities purchase and retire "Australian Carbon Credit Units" ("ACCUs") or "Safeguard Mechanism Credits" ("SMCs") for emissions in excess of their declining baselines. This will impact the Company's financial returns. The Company will continue to investigate abatement technologies to reduce emissions and thus the quantum of ACCUs which would otherwise be required.

EMISSIONS

The Company acknowledges that it has a role to play in minimising the emissions generated by its operations and supporting research into low-emission technology to assist the reduction of downstream emissions from the consumption of coal products.

The transition to a lower carbon economy remains a critical element of mitigating the impacts of climate change.

Several state jurisdictions in Australia have also passed climate change legislation with more ambitious greenhouse gas ("GHG") reduction targets than those contemplated under the federal legislation.

The establishment of jurisdiction specific GHG emission reduction targets can increase transition risks for the Company, as such jurisdiction specific targets may impact the relevant government's approach to regulation of GHG emissions from mining facilities.

Yancoal also recognises that the federal government is due to submit an updated, and more ambitious, Nationally Determined Contribution for 2035 commitments under the Paris Agreement to the United Nations Framework Convention on Climate Change Secretariat this year.

Yancoal is investigating a possible pumped hydro power and solar facility at its Stratford mine. With coal production at the Stratford mine having been completed in the period, this renewable energy hub provides an excellent opportunity for the beneficial re-use of part of the site after cessation of mining, subject to both internal and external approval processes.

Yancoal continues to study the potential for nature-based ACCU Scheme projects across its property portfolio.

Equipment suppliers to the mining sector are constantly innovating to improve the fuel efficiency of haul trucks and other machinery. Fuel efficiency is an important assessment metric Yancoal considers when acquiring equipment for its operations.

Yancoal also understands the elevated interest from stakeholders regarding the potential risks and opportunities posed to its business and the broader sector due to the ongoing global shift towards a lower-carbon economy.

REPORTING

Yancoal reports its operational direct ("Scope 1") and indirect ("Scope 2") emissions annually in line with the *National Greenhouse and Energy Reporting Act 2007* (Cth).

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The Group has implemented systems and processes to collect and calculate the data required and has submitted its 2023/2024 ("FY2024") Section 19 Energy and Emissions Report to the Federal Clean Energy Regulator.[45]

	EMISSIONS REPORTING PERIOD		
	2023/2024	2022/2023	CHANGE %
SCOPE EMISSIONS			
Scope 1 Emissions (tCO2-e)	1,819,649	1,708,856	6%
Scope 2 Emissions (tCO2-e)	266,753	260,260	2%
Total Scope 1 and Scope 2 Emissions (tCO2-e)	**2,086,402**	**1,969,116**	**6%**
ROM Coal Production (t)	43,928,044	36,440,860	21%
Emissions Intensity (tCO2-e/t ROM)	0.0475	0.0540	(12%)

The increase in Scope 1 and Scope 2 emissions was primarily driven by the 21% increase in ROM coal production from 2022/2023 ("FY2023") to FY2024.

FY2024 was the first year Yancoal's assets were subject to the Australian Government's 2023 amendments to the Safeguard Mechanism. Yancoal has an economic interest in six facilities with annual emissions above the 100,000 tonnes CO2-e Safeguard threshold - Ashton, Moolarben, Hunter Valley Operations, Middlemount, Warkworth and Yarrabee.

Following the completion of the FY2024 Section 19 NGER report, five facilities were confirmed to have exceeded their FY2024 scope 1 baselines. These facilities are Ashton, Hunter Valley Operations, Middlemount, Warkworth and Yarrabee. As Moolarben's scope 1 emissions were below its Safeguard baseline, this resulted in the site generating SMCs.

SMCs can be used to offset carbon emissions in future or traded with other Safeguard facilities.

ENVIRONMENT

Yancoal's operations are subject to stringent environmental approvals and licences. To enhance compliance with these regulatory obligations, and to meet the requirements of Yancoal's management directives, Yancoal has developed and implemented comprehensive and robust environmental compliance systems, processes and practices. These systems, processes and practices are subject to continuous improvement initiatives and are periodically audited by third parties to provide "third line" assurance to the Board and the HSEC Committee regarding both systems and performance. In addition, Yancoal continuously monitors legislative and policy changes to allow sufficient time to implement environmental licensing and management changes in response to policy reform.

The following practices continue to be deployed as an additional review for matters of Aboriginal Cultural Heritage ("ACH") and environmental risk management respectively:

- Yancoal continues to implement its corporate Aboriginal Cultural Heritage Management Standard. This Standard sets out minimum requirements for managing ACH to ensure that all sites are consistently implementing control measures to minimise the impacts of mining on ACH.
- Yancoal's Independent Environmental Assurance Audit ("IEAA") program is designed to assess the risks associated with key environmental aspects at each operation. During 2024, audits were completed at Ashton, Austar and MTW. The level of environmental management demonstrated by these sites has been found to be effective, with some "opportunities for improvement" identified to improve environmental performance further.

SOCIAL

Yancoal is committed to making a genuine positive difference in the communities in which it operates. Yancoal operates a Community Support Program ("CSP") which proactively engages with stakeholders at each site to support local and regional initiatives.

In 2024, Yancoal contributed $2.1 million via the CSP to environmental, education, arts, culture and community initiatives, $0.9 million of which was managed by sites and directed into local communities.

Yancoal also works with its community stakeholders, utilising community consultative committees, local newsletters, local media, community days and site-specific websites to ensure communities are engaged and informed of relevant matters related to nearby operations.

Yancoal's Code of Conduct, Anti-Corruption and Sanctions Policy set out the Group's requirements and expectations for all employees and suppliers, including the requirement to act ethically at all times. Further details including related policies are set out in the Corporate Governance Statement.

Yancoal is required to submit an annual modern slavery statement under the *Modern Slavery Act 2018 (Cth)* and has developed procedures to ensure its suppliers are not engaging in modern slavery. The annual statements are available on the Company's website.

GOVERNANCE

Yancoal has developed governance processes to drive its Sustainability performance across the business. The Enterprise Risk Management framework is a key platform and includes the assessment and mitigation of material business risks, including social and environmental risks and the risks associated with climate change and the progressive transition to a lower carbon economy. The HSEC Committee Charter includes oversight of compliance with modern slavery regulations as a responsibility of the HSEC Committee. This will further increase the governance and supervision of Yancoal's modern slavery risk.

The Board has ultimate responsibility for the oversight and approval of risk management and financial investment decisions, including those relating to climate change.

[45] Emissions data is reported on 100% basis, but Yancoal does not own 100% of all assets. The operating assets included are: Moolarben, Mount Thorley, Warkworth, Yarrabee and Ashton, as well as several non-operational assets. Reporting on a 100% basis is consistent with the National Greenhouse and Energy Reporting ("NGER") data submitted to the Clean Energy Regulator ("CER").

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WATER MANAGEMENT

Diligent management of wet weather impacts and site-wide water management controls are an essential element in the performance of open cut coal mines. While large quantities of clean water are required for the processing of ROM coal in the wash plant, too much water, through sudden or prolonged rainfall events, can result in flooding, suspension of operations or unlicensed discharges into local rivers, potentially causing environmental harm. Sites construct and maintain water management infrastructure including sedimentation and storage dams for holding and segregating clean and mine affected water.

With expectations that weather patterns could continue to be more extreme in the future, site management have undertaken numerous improvements in recent years with regard to water management facilities and infrastructure to reduce the risk from both significant wet weather periods and drought conditions.

During 2024, the mitigation measures developed and implemented have made a positive impact in reducing losses and maintaining production volumes. Additional pumping and water storage capacity along with improved operational wet weather preparedness have greatly assisted sites to mitigate the impacts of weather events during the year.

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FINANCIAL RESULTS REVIEW

RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

For the management discussion and analysis, the Group's operating results for the year ended 31 December 2024 are compared with the operating results for the year ended 31 December 2023.

All financial numbers included below, and in the commentary to follow, are stated in Australian dollars (A$ or $) unless otherwise stated.

	YEAR ENDED 31 DECEMBER						
	2024			2023			
	IFRS REPORTED $M	NON-OPERATING $M	OPERATING $M	IFRS REPORTED $M	NON-OPERATING $M	OPERATING $M	CHANGE %
Revenue	**6,860**	**36**	**6,896**	**7,778**	**(81)**	**7,697**	**(10%)**
Other income	159	—	159	26	(21)	5	3080%
Changes in inventories of finished goods and work in progress	(44)	—	(44)	42	—	42	(205%)
Raw materials and consumables	(1,161)	—	(1,161)	(1,104)	—	(1,104)	5%
Employee benefits	(796)	—	(796)	(730)	—	(730)	9%
Transportation	(826)	—	(826)	(783)	—	(783)	5%
Contractual services and plant hire	(607)	—	(607)	(539)	—	(539)	13%
Government royalties	(639)	—	(639)	(685)	—	(685)	(7%)
Coal purchases	(195)	—	(195)	(183)	—	(183)	7%
Impairment charge	—	—	—	—	—	—	—%
Other operating expenses	(302)	65	(237)	(334)	74	(260)	(9%)
Share of profit of equity-accounted investees, net of tax	29	—	29	29	—	29	—%
EBITDA	**2,478**	**101**	**2,579**	**3,517**	**(28)**	**3,489**	**(26%)**
EBITDA %	***36%***	**—**	***37%***	***45%***	**—**	***45%***	
Depreciation and amortisation	(750)	—	(750)	(881)	—	(881)	(15%)
EBIT	**1,728**	**101**	**1,829**	**2,636**	**(28)**	**2,608**	**(30%)**
EBIT %	***25%***	**—**	***27%***	***34%***	**—**	***34%***	
Net finance (cost) / income [46]	(39)	68	29	(53)	58	5	480%
Non-operating items	—	(169)	(169)	—	(30)	(30)	
Profit before income tax	**1,689**	**—**	**1,689**	**2,583**	**—**	**2,583**	**(35%)**
Profit before income tax %	***25%***	**—**	***24%***	***33%***	**—**	***34%***	
Income tax expense	(473)	—	(473)	(764)	—	(764)	(38%)
Profit after income tax	**1,216**	**—**	**1,216**	**1,819**	**—**	**1,819**	**(33%)**
Profit after income tax %	***18%***	**—**	***18%***	***23%***	**—**	***24%***	
Attributable to:							
- Owners of Yancoal	1,216	—	1,216	1,819	—	1,819	(33%)
- Non-controlling interests	—	—	—	—	—	—	—%
Profit per share attributable to the ordinary equity holders of the Company							
Basic profit per share (cents)	92.3	—	92.3	137.8	—	137.8	(33%)
Diluted profit per share (cents)	92.1	—	91.9	137.1	—	137.1	(33%)

[46] Includes the reclassification of interest income of $89 million (2023: $82 million) from revenue to net finance costs and bank fees and other charges of $21 million (2023: $24 million) from other operating expenses to net finance costs as these amounts are excluded from Operating EBITDA.

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To supplement the Group's consolidated financial statements, which are presented in accordance with International Financial Reporting Standards ("IFRSs"), the Group also uses adjusted Operating EBITDA and Operating EBIT as additional financial measures, as set out in the table above, which are unaudited and not required by or presented in accordance with, IFRSs. These financial measures are presented because they are used by management to evaluate the Group's financial performance. These non-IFRS measures provide additional information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as they help management compare the financial results across accounting periods with those of our peer companies, by removing one-off or non-operating items.

As presented by the management, Operating EBITDA represents profit before income tax for the period as adjusted for net finance (cost) / income, depreciation and amortisation and any significant non-operating items, while Operating EBIT represents profit before income tax as adjusted for net finance (cost) / income and any significant non-operating items.

PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

Profit after income tax decreased by 33% from $1,819 million in 2023 to $1,216 million in 2024 and was fully attributable to the owners of Yancoal with no non-controlling interests.

Profit attributable to the owners of Yancoal of $1,216 million was impacted by a number of non-operating items in 2024. These totalled a net loss before tax impact of $169 million comprising a $125 million fair value loss recycled from the hedge reserve, $39 million of contingent royalty payments together with a $4 million contingent royalty remeasurement loss and a $1 million royalty receivable remeasurement loss. These are discussed in more detail separately in the section "Overview of non-operating items" below and have been excluded from the operating commentary.

OVERVIEW OF OPERATING RESULTS

The analysis in this section includes ex-mine sales tonnes, saleable production and ex-mine revenue comprising (i) 95% of the Moolarben unincorporated joint venture; (ii) 83.6% of the combined unincorporated Mount Thorley and Warkworth joint ventures (MTW); (iii) 51% of the unincorporated HVO joint venture; and (iv) 100% of Yarrabee, Ashton and Stratford Duralie.

The results of Middlemount are excluded from the line-by-line commentary below as its result, as an incorporated equity accounted investment, is included in share of profits of equity accounted investees, net of tax in the statement of profit and loss and is discussed separately below.

REVENUE

	YEAR ENDED 31 DECEMBER		
	2024 $M	2023 $M	CHANGE (%)
Ex-mine coal sales[47]	6,647	7,670	(13%)
Sale of purchased coal	113	(119)	(195%)
Other	6	7	(14%)
Sale of coal	**6,766**	**7,558**	**(10%)**
Sea freight	74	79	(6%)
Royalty revenue	26	27	(4%)
Other	30	33	(9%)
Revenue	**6,896**	**7,697**	**(10%)**

Operating revenue decreased by 10% from $7,697 million in 2023 to $6,896 million in 2024 primarily due to a 10% decrease in coal sales revenue from $7,558 million in 2023 to $6,766 million in 2024. With respect to coal sales revenue, the key factors were:

	YEAR ENDED 31 DECEMBER		
	2024	2023	CHANGE (%)
THERMAL COAL			
Average selling price (A$ per tonne)	160	211	(24%)
Sales volume (Mt)	32.5	28.4	14%
% of total ex-mine sales volume	86	86	—%
Total ex-mine thermal coal revenue (A$ million)	**5,214**	**5,986**	**(13%)**
METALLURGICAL COAL			
Average selling price (A$ per tonne)	276	356	(22%)
Sales volume (Mt)	5.2	4.7	11%
% of total ex-mine sales volume	14	14	—%
Total ex-mine metallurgical coal revenue (A$ million)	**1,433**	**1,684**	**(15%)**
TOTAL COAL			
Average selling price (A$ per tonne)	176	232	(24%)
Total ex-mine sales volume (Mt)	37.7	33.1	14%
Total ex-mine coal revenue (A$ million)	**6,647**	**7,670**	**(13%)**

[47] Ex-mine coal sales include only coal that has been produced at one of the Group's mines. They exclude the sale of coal that has been purchased from third parties.

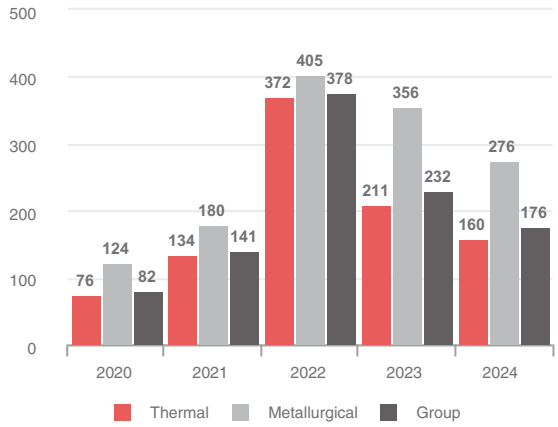
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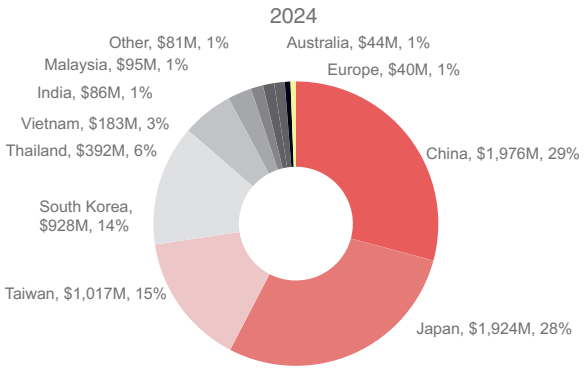
- The Group's overall average ex-mine selling price of coal decreased by 24% from A$232 per tonne in 2023 to A$176 per tonne in 2024 mainly as a result of a decrease in USD coal prices with the weekly average GCNewc index price decreasing by US$36 per tonne (21%) during the same period; the weekly Argus/McCloskey API5 index price decreasing by US$14 per tonne (13%) during the same period; and the weekly average Platts semi-soft coking coal index price decreasing by US$74 per tonne (26%) during the same period; partially offset by the Australian dollar weakening against the US dollar by 1% from an average of 0.6644 in 2023 to 0.6603 in 2024.
- The Group's average selling price of thermal coal decreased from A$211 per tonne to A$160 per tonne. The Group's average selling price of metallurgical coal decreased from A$356 per tonne to A$276 per tonne.
- The Group's ex-mine sales volume increased by 14% from 33.1Mt in 2023 to 37.7Mt in 2024, primarily due to the 10% increase in attributable saleable production and movements in coal inventories.
- A 195% increase in the net revenue impact from the sale of purchased coal from a negative $119 million in 2023 to a positive $113 million in 2024. This comprises (i) revenue from the sale of externally purchased coal not included in ex-mine sales; and (ii) the net revenue impact of corporate sales made under a long-term fixed price contract acquired as part of the Coal & Allied acquisition, where the fixed contract price was below the market prices incurred on coal purchases during the period, effectively reducing Group revenue. Weaker market prices in 2024 reduced the negative impact of the fixed price contract.

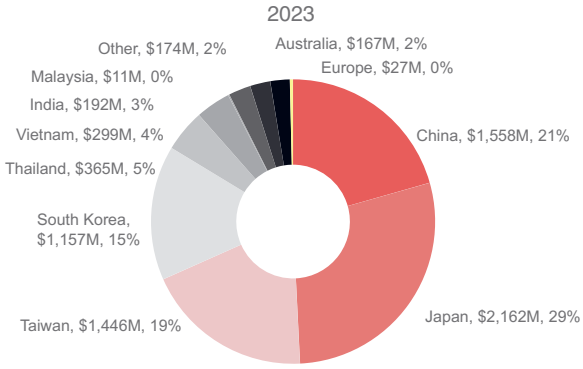
A 4% decrease in royalty revenue from $27 million in 2023 to $26 million in 2024 recognised on the Group's Middlemount royalty where it receives a royalty of 4% of Free on Board Trimmed Sales on 100% of the Middlemount mine coal sales, with the decrease in the period primarily attributable to the lower coal price partially offset by increased sales volumes.

The charts below show the longer-term trend in the Group's average realised A$ selling price and the split of coal sales revenue by end user destination.

AVERAGE SELLING PRICE (A$)







Other includes Chile, Indonesia, Bangladesh, Cambodia and Israel (2023: Chile, Indonesia, Bangladesh and Cambodia)

Sales revenue to China, as a percentage of total coal sales revenue, increased from 21% in 2023 to 29% in 2024 following the resumption of sales to China in Q1 2023 and a significantly higher proportion of high-ash thermal sales in the period, typically directed to this market as it provides improved returns.

Sales revenue to Japan, Taiwan and South Korea decreased from 63% in 2023 to 57% in 2024 primarily due to the decrease in the proportion of metallurgical and low-ash thermal coal sales in the period.

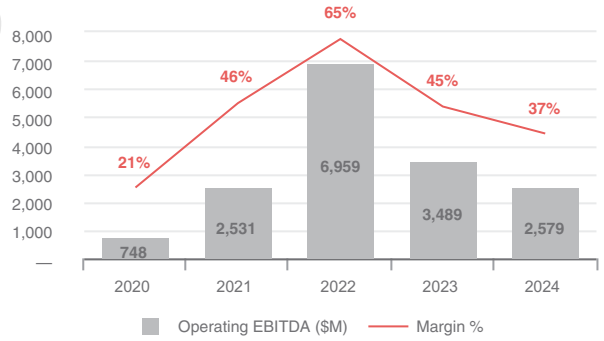
Sales revenue to Thailand increased to $392 million (2023: $365 million) and with these sales delivered under a long-term fixed price contract, the relative percentage of group sales increased from 5% to 6%.

OPERATING EBITDA AND OPERATING EBITDA MARGIN

Operating EBITDA decreased by 26% from $3,489 million in 2023 to $2,579 million in 2024. The $910 million decrease was primarily due to the $801 million (10%) decrease in revenue, noted above. Other factors included (i) a $154 million increase in other income; and (ii) a $263 million increase in costs, including changes in inventory. Operating EBITDA margin as a percentage of operating revenue decreased from 45% in 2023 to 37% in 2024.

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OPERATING EBITDA



OTHER INCOME

	YEAR ENDED 31 DECEMBER		
	2024 $M	2023 $M	CHANGE (%)
Net gain on foreign exchange	149	—	—%
Sundry income	10	5	100%
Other income	**159**	**5**	**3080%**

Other income increased from $5 million in 2023 to $159 million in 2024. In 2024, this included a net gain on foreign exchange of $149 million primarily recognised on holding USD cash balances as the Australian dollar weakened during the period. In 2023, a net loss on foreign exchange of $8 million was recognised due to lower exchange rate volatility and a higher year end AUD:USD exchange rate, and was included in Other operating expenses.

CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Changes in inventories of finished goods and work in progress moved from an increase of $42 million in 2023 to a decrease of $44 million in 2024 as period end inventory levels were run down, particularly at Moolarben, with ex-mine sales exceeding attributable production by 0.8Mt.

PRODUCTION COSTS

All-in total production costs include cash and non-cash operating costs, representing costs directly attributable to the production, transportation and selling of coal by our operating mines, but excludes care and maintenance costs, closure costs, including redundancy provisions, and non-cash changes in rehabilitation provisions. It also includes indirect corporate costs, in particular, corporate employee costs, but excludes corporate transaction costs. Cash operating costs comprise the cost of raw materials and consumables used, employee benefits, contractual services and plant hire, transportation and other operating expenses. Non-cash operating costs include depreciation and amortisation.

PER EX-MINE SALES TONNE

	YEAR ENDED 31 DECEMBER	
	2024 $/T	2023 $/T
CASH OPERATING COSTS		
Raw materials and consumables used	31	33
Employee benefits	21	22
Transportation	20	21
Contractual services and plant hire	16	16
Other operating expenses	5	4
Cash operating costs (excluding royalties)	**93**	**96**
Royalties	17	21
Cash operating costs	**110**	**117**
NON-CASH OPERATING COSTS		
Depreciation and amortisation	20	26
Total production costs	**130**	**143**
Total production costs (excluding royalties)	**113**	**122**

The table above is prepared on a cost per sales tonne basis. Over a financial year ex-mine sales tonnes and saleable production are not necessarily aligned due to changes in coal inventories. The table below has been restated on a per saleable production tonne basis to remove the impact of inventory movements and more accurately represent the cost of production. Royalties have been removed as these are based on sales revenue and are driven by ex-mine sale tonnes.

PER SALEABLE PRODUCTION TONNE

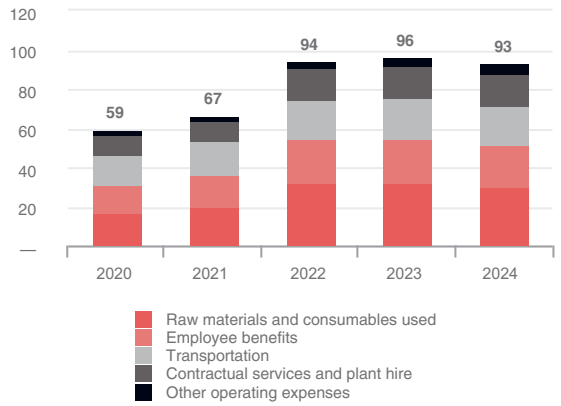
	YEAR ENDED 31 DECEMBER	
	2024 $/T	2023 $/T
CASH OPERATING COSTS		
Raw materials and consumables used	31	33
Employee benefits	21	22
Transportation	20	21
Contractual services and plant hire	16	16
Other operating expenses	5	4
Cash operating costs (excluding royalties)	**93**	**96**
NON-CASH OPERATING COSTS		
Depreciation and amortisation	20	26
Total production costs (excluding royalties)	**113**	**122**

The Group's cash operating cost, after capitalised development, per saleable production tonne decreased by $3/t from $96/t in 2023 to $93/t in 2024. It is also noted that whilst the full year 2024 cash operating costs were $93/t, this comprised first half costs of $101/t and second half costs of $86/t. The key driver of the 3% decrease in full year costs, and the 15% decrease in second half costs was the 10% increase in the full year attributable saleable production and the 17% increase in the second half attributable saleable production, respectively, partially offset by ongoing inflationary cost impacts.

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The chart below shows the longer-term trend in the Group's full year cash operating cost per product tonne.

CASH OPERATING COSTS PER PRODUCT TONNE (A$)



In 2021, cash operating costs increased to $67/t as the short-term cash saving measures introduced in 2020, as a response to the initial wave of COVID-19, unwound compounded by a decrease in production volumes due to the severe wet weather and COVID-19 impacts.

In 2022, cash operating costs increased significantly to $94/t due to (i) a 20% decrease in production volumes primarily impacted by the severe and ongoing wet weather and labour shortages including COVID-19; (ii) incurring additional preventative and remediation costs with respect to water management, including pumping and pit design; (iii) inflationary cost increases including labour, diesel, explosives, equipment parts and electricity; and (iv) increases in NCIG port costs following the introduction of an additional coal price linked toll charge from 1 July 2022.

In 2023, cash operating costs increased to $96/t, comprising first half costs of $109/t, as the site recovery plans sought to arrest the headwinds carried over from 2021 and 2022, before those plans began to deliver improved production volumes in the second half, driving costs down to $86/t in the second half.

In 2024, the Group's cash operating costs, after capitalised development, decreased to $93/t for the full year for the reasons noted above.

RAW MATERIALS AND CONSUMABLES USED

Raw materials and consumables used increased by 5% from $1,104 million in 2023 to $1,161 million in 2024, primarily due to the 10% increase in attributable saleable production volumes with increased volume driving improved productivities, and a $21 million decrease in diesel expense benefiting from lower prices. This contributed to a decrease in per saleable product tonne raw materials and consumables used from $33 to $31 over the same period.

EMPLOYEE BENEFITS

Employee benefits expense increased by 9% from $730 million in 2023 to $796 million in 2024, primarily due to an increase in headcount and operating hours resulting from the 10% increase in attributable saleable production, wage and salary inflation and a $9 million increase in redundancy provisions recognised against mine closure sites, partially offset by a $12 million decrease in bonus payments. This contributed to a decrease in per saleable product tonne employee benefits from $22 to $21 over the same period.

TRANSPORTATION

Transportation costs increased by 5% from $783 million in 2023 to $826 million in 2024. With long-term take or pay arrangements for rail and port, transportation costs did not increase in line with the 10% increase in attributable saleable production or the 14% increase in attributable ex-mine sales tonnes. The increase was primarily due to inflationary cost impacts on rail and port costs. This contributed to a decrease in per saleable product tonne transportation costs from $21 to $20 over the same period.

CONTRACTUAL SERVICES AND PLANT HIRE

Contractual services and plant hire expenses increased by 13% from $539 million in 2023 to $607 million in 2024. primarily due to the 10% increase in attributable saleable production, contractor rate increases and an increase in corporate due diligence costs. This contributed to a consistent per saleable product tonne contractual service and plant hire costs of $16 over the same period.

GOVERNMENT ROYALTIES

Government royalty expenses decreased by 7% from $685 million in 2023 to $639 million in 2024, primarily due to the 13% decrease in ex-mine coal sales revenue, partially offset by a 2.6% increase in coal royalty rates for coal exports introduced by the NSW Government effective from 1 July 2024. Royalties are determined on an ad valorem basis by reference to the value of coal sold, the type of mine and the State the mine is located in and are payable to the appropriate State government. This contributed to a decrease in per ex-mine sales tonne government royalties from $21 to $17 over the same period.

COAL PURCHASES

Coal purchases increased by 7% from $183 million in 2023 to $195 million in 2024 due to the need to purchase coal to meet contractual commitments and optimise blending opportunities, adding value through market arbitrage opportunities in the process.

OTHER OPERATING EXPENSES

Other operating expenses decreased by 9% from $260 million in 2023 to $237 million in 2024 and included a net $55 million increase in the Austar, Stratford Duralie and Donaldson rehabilitation provisions (2023: $105 million), recognised in the profit and loss, with amounts based on the preliminary mine closure work completed to date. Excluding these provision increases, other operating expenses increased by $27 million, including a $14 million increase in rates and levies and a $11 million increase in insurance. This contributed to an increase in per saleable product tonne other operating expenses from $4 to $5 over the same period.

SHARE OF PROFIT OF EQUITY-ACCOUNTED INVESTEES, NET OF TAX

Share of profit of equity-accounted investees, net of tax was consistent at $29 million comprising $16 million (2023: $13 million) from the profit after tax performance of the incorporated Middlemount joint venture and $13 million (2023: $16 million) from the Group's ownership interest in Port Waratah Coal Services.

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DEPRECIATION AND AMORTISATION

Depreciation and amortisation expenses decreased by 15% from $881 million in 2023 to $750 million in 2024 primarily due to the cessation of mining at Stratford mid-year, with its assets fully depreciated, and an increase in Life of Mine tonnes. Per saleable production tonne depreciation and amortisation costs decreased from $26 to $20 over the same period.

OPERATING EBIT AND OPERATING EBIT MARGIN

Operating EBIT decreased by 30% from $2,608 million in 2023 to $1,829 million in 2024 primarily due to a 26% decrease in Operating EBITDA and a 15% decrease in depreciation and amortisation charge as noted above. Operating EBIT margin as a percentage of operating revenue decreased from 34% in 2023 to 27% in 2024.

NET FINANCE (COST) / INCOME

Net finance income increased by 480% from $5 million in 2023 to $29 million in 2024.

Interest expenses and bank fees and charges decreased by $17 million (22%) from $77 million in 2023 to $60 million in 2024 primarily due to the Group's loans being fully repaid on 31 March 2023. The Group continues to incur finance costs on its contingent guarantee facilities, leasing arrangements and the accounting unwind of discounts on provisions.

Interest income increased by $7 million (9%) from $82 million in 2023 to $89 million in 2024 primarily due to the higher cash balance.

OPERATING PROFIT BEFORE INCOME TAX AND PROFIT BEFORE INCOME TAX MARGIN

As a result of the aforementioned reasons, operating profit before income tax, after adding back non-operating items, decreased by 29% from $2,613 million in 2023 to $1,858 million in 2024. Operating profit before income tax margin as a percentage of operating revenue decreased from 34% to 27% over the same period.

PROFIT BEFORE INCOME TAX AND PROFIT BEFORE INCOME TAX MARGIN

As a result of the aforementioned reasons, and the non-operating items discussed below, profit before income tax decreased by 35% from $2,583 million in 2023 to $1,689 million in 2024. Profit before income tax margin as a percentage of operating revenue decreased from 34% to 24% over the same period.

INCOME TAX EXPENSE

Income tax expense decreased from $764 million in 2023 to $473 million in 2024. The effective tax rate was 29.6% and 28.0% in the same periods respectively, compared to the Australian corporate income tax rate of 30%. The lower effective tax rate primarily resulted from non-temporary differences and the non-assessable equity accounted profit of $29 million (2023: $29 million).

PROFIT AFTER INCOME TAX AND PROFIT AFTER INCOME TAX MARGIN

As a result of the aforementioned reasons, profit after income tax decreased by 33% from $1,819 million in 2023 to $1,216 million in 2024. Profit after income tax margin as a percentage of operating revenue decreased from 24% to 18% over the same period.

PROFIT PER SHARE ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY

Basic earnings per share decreased by 33% from 137.8 cents per share in 2023 to 92.3 cents per share in 2024 and diluted earnings per share decreased by 33% from 137.1 cents per share in 2023 to 92.1 cents per share in 2024 primarily due to the aforementioned profit after income tax with no change in the number of ordinary shares on issue. The diluted earnings per share is adjusted for rights on issue to senior management.

OVERVIEW OF NON-OPERATING ITEMS

Non-operating items in the years ended 31 December 2024 and 31 December 2023 included the following:

	YEAR ENDED 31 DECEMBER	
	2024 $M	2023 $M
NON-OPERATING ITEMS		
Fair value losses recycled from hedge reserve	(125)	(1)
Contingent royalty expense	(39)	(35)
Re-measurement of contingent royalty	(4)	21
Re-measurement of royalty receivable	(1)	(15)
Loss before tax impact	**(169)**	**(30)**

Fair value losses recycled from the hedge reserve of $125 million (2023: $1 million) represent retranslation losses on the Group's US dollar-denominated loans which are attributable to changes in USD:AUD foreign exchange rates. Under the Group's natural hedge policy, such losses are recycled to the statement of profit and loss based on the scheduled loan maturity dates. The amount of any fair value loss or gain recycled from the hedge reserve in a period is a function of the amount of the hedged US dollar loan scheduled to mature in that period and the respective USD:AUD exchange rates at the time the hedge was put in place and at the time the loan matured.

Contingent royalty expense of $39 million (2023: $35 million) relates to the contingent coal price-linked royalty payable to Rio Tinto for the year ended 31 December 2024, as part of the contingent consideration on the Coal & Allied acquisition, due to the GCNewc quarterly index price being above the 2024 threshold price for all four quarters.

Re-measurement of the contingent royalty up by $4 million (2023: down $21 million) represents an increase in the provision recognised on the Coal & Allied acquisition with respect to the contingent coal price-linked royalty potentially payable to Rio Tinto for the remaining period from 1 January 2024 to 31 August 2030.

Re-measurement of the royalty receivable down by $1 million (2023: $15 million) relates to the change in the estimated fair value of the Group's Middlemount royalty receivable recognised on its right to receive a royalty of 4% of Free on Board Trimmed Sales on 100% of the Middlemount mine coal sales.

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CASH FLOW ANALYSIS

	YEAR ENDED 31 DECEMBER		
	2024	2023	CHANGE
	$M	$M	$M
Net operating cash flows	2,133	1,261	872
Net investing cash flows	(687)	(596)	(91)
Net financing cash flows	(498)	(1,981)	1,483
Net increase in cash	**948**	**(1,316)**	**2,264**

NET OPERATING CASH FLOWS

Net operating cash inflows increased by $872 million (69%) to $2,133 million primarily due to (i) a $1,463 million decrease in tax payments in 2023 including a payment of $1,412 million in June 2023 relating to the Group's taxable profits for the year ended 31 December 2022; (ii) a $23 million increase in net finance income due to the Group's increasing cash balance and the repayment of all the Group's loans in early 2023; and (iii) a $12 million decrease in the purchase of Australian Carbon Credit Units ("ACCUs") against the Group's Safeguard Mechanism obligations; partially offset by a $626 million decrease in net receipts from customers over payments to suppliers.

NET INVESTING CASH FLOWS

Net investing cash outflows increased by $91 million (15%) to $687 million primarily due to an $81 million increase in payments for property, plant and equipment from $621 million in 2023 to $702 million in 2024.

NET FINANCING CASH FLOWS

Net financing cash outflows decreased by $1,483 million (75%) to $498 million, as set out in the table below.

	YEAR ENDED 31 DECEMBER		
	2024	2023	CHANGE
	$M	$M	$M
Dividends paid	(429)	(1,413)	984
Voluntary loan repayments	—	(496)	496
Lease payments	(53)	(55)	2
Purchase of treasury shares[48]	(16)	(17)	1
Net financing cash flows	**(498)**	**(1,981)**	**1,483**

In 2024, the net financing cash outflow included (i) $429 million of dividend payments being the settlement of the 2023 final declared dividend; (ii) $53 million of lease repayments; and (iii) $16 million for the purchase of Company shares for settlement of Executive STIP and LTIP obligations.

In 2023, the net financing cash outflow included (i) $1,413 million of dividend payments being the settlement of the 2022 declared dividend of $924 million and the 2023 interim dividend of $489 million; (ii) A$496 million (US$333 million) of voluntary debt repayments on the syndicated facility; (iii) $55 million of lease repayments; and (iv) $17 million for the purchase of Company shares for settlement of Executive STIP and LTIP obligations.

FINANCIAL RESOURCES AND LIQUIDITY

	YEAR ENDED 31 DECEMBER		
	2024	2023	CHANGE
	$M	$M	$M
Current assets	3,540	2,533	1,007
Current liabilities	(1,234)	(1,048)	(186)
Net current assets	**2,306**	**1,485**	**821**
Total assets	12,356	11,254	1,102
Total liabilities	(3,039)	(2,812)	(227)
Total equity	**9,317**	**8,442**	**875**

Current assets increased by $1,007 million to $3,540 million at 31 December 2024 mainly reflecting an increase in cash on hand of $1,064 million.

Current liabilities increased by $186 million to $1,234 million at 31 December 2024 mainly reflecting a $241 million increase in trade and other payables and an $83 million increase in current provisions primarily due to an increase in expected mine closure spend in 2025, partially offset by a $131 million decrease in income tax payable reflecting the lower income tax expense.

Total assets increased by $1,102 million to $12,356 million at 31 December 2024 mainly reflecting the increase in current assets of $1,007 million noted above and a $327 million increase in property, plant and equipment, partially offset by a $256 million decrease in mining tenements.

Total liabilities increased by $227 million to $3,039 million at 31 December 2024 mainly reflecting the increase in current liabilities of $186 million noted above and an $86 million increase in non-current provisions primarily due to an increase in rehabilitation cost estimates, partially offset by a $27 million decrease in non-current interest-bearing liabilities and a $19 million decrease in deferred tax liabilities.

Total equity increased by $875 million to $9,317 million at 31 December 2024 reflecting the $1,216 million profit after tax partially offset by dividend payments of $429 million.

The Group's primary sources of liquidity was its opening cash position of $1,397 million and operating cash flows that contributed $2,133 million in the year ended 31 December 2024. The Group's sources of liquidity enabled the payment for investing activities of $687 million and financing activities of $498 million.

For the year ending 31 December 2025, the primary sources of liquidity is expected to continue to be operating cash flows for ongoing business and potentially additional interest-bearing liabilities or new equity for any possible transactions. Historically, the Group's primary sources of liquidity have consisted of operating cash flows, interest-bearing liabilities, including shareholder loans, and new equity.

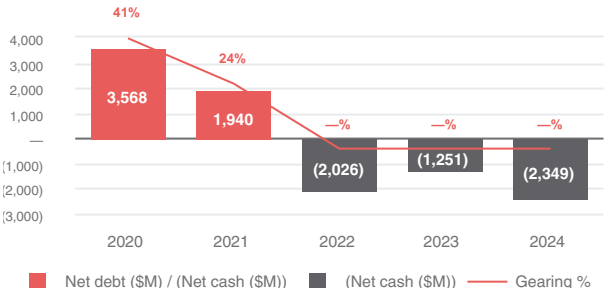
[48] The purchase of shares by a trustee for settlement of awards under Yancoal's equity incentive plan are referred to as "treasury shares" in the Company's financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares under the HK Listing Rules.

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The Group's capital structure is set out in the table below.

	YEAR ENDED 31 DECEMBER		
	2024	2023	CHANGE
	$M	$M	$M
Interest-bearing liabilities	112	146	(34)
Less: cash and cash equivalents	(2,461)	(1,397)	(1,064)
Net (cash) / debt	**(2,349)**	**(1,251)**	**(1,098)**
Total equity	9,317	8,442	875
Net debt + total equity	**6,968**	**7,191**	**(223)**

NET DEBT AND GEARING



The Group's objective when managing its capital structure is to provide capital towards sustaining capital expenditure, pay down interest-bearing liabilities to a supportable level whilst providing dividends to equity holders and pursuing organic and inorganic expansion opportunities when appropriate.

The Group's net cash position at 31 December 2024 was $2,349 million, an increase from $1,251 million at 31 December 2023. With the Group in a net cash position its gearing ratio, which is defined as net debt (being interest-bearing liabilities less cash and cash equivalents) divided by the sum of net debt and total equity, is effectively nil.

The Group's interest-bearing liabilities includes lease liabilities of A$112 million (2023: A$146 million) denominated in Australian and US dollars.

The Group's cash and cash equivalents includes A$1,866 million (31 December 2023: A$568 million) and US$370 million (31 December 2023: US$567 million).

While the Group operates entirely in Australia[49] and its costs are primarily denominated in its functional currency, the Australian dollar, foreign currency exposure arises particularly in relation to coal supply contracts, which generally are priced and payable in US dollars, procurement of diesel and imported plant and equipment, which can be priced in US dollars or other foreign currencies, and any debt denominated in US dollars.

The impact of exchange rate movements will vary depending on factors such as the nature, magnitude and duration of the movements, the extent to which currency risk is hedged under forward exchange contracts or other hedging instruments and the terms of these contracts.

The hedging policy of the Group aims to protect against the volatility of cash expenditures or reduced collection in the above mentioned transactions as well as to reduce the volatility of profit or loss for retranslation of any US dollar denominated loans at each period end.

Operating foreign exchange risk that arises from firm commitments or highly probable transactions is managed through the use of bank issued forward foreign currency contracts. The Company hedges a portion of contracted US dollar sales and asset purchases settled in foreign currencies in each currency to mitigate the adverse impact on cash flow due to the future rise or fall in the Australian dollar against the relevant currencies.

More details on interest-bearing liabilities, cash and cash equivalents and equity including types of instrument used, security provided, maturity profile of interest-bearing liabilities, interest rates and hedging strategies are included in Notes D1, D2 and D7 of the Group's financial statements.

AVAILABLE DEBT FACILITIES

As at 31 December 2024, the Group had $162 million of undrawn bank guarantees under its A$1,200 million Contingent Liability Facilities that are provided for operational purposes in favour of port, rail, government departments and other operational functions in the normal course of business with a maturity date in February 2026.

Yankuang Energy (formerly Yanzhou Coal) have provided a letter of support whereby unless revoked by giving not less than 24 months' notice, for so long as Yankuang Energy owns at least 51% of the shares of the Company, Yankuang Energy will ensure that the Group continues to operate so that it remains solvent.

CAPITAL EXPENDITURE AND COMMITMENTS

During the year ended 31 December 2024, capital expenditure cash flows of the Group amounted to $705 million (2023: $622 million) comprising $702 million (2023: $621 million) of property, plant and equipment and $3 million (2023: $1 million) of exploration.

Included in the capital expenditure of $705 million is capitalised operating expenses, net of any applicable revenue, incurred on open-cut and underground development activities of $94 million (2023: $122 million). Amortisation of such capitalised costs commences on either (i) the start of commercial production from the new mine or pit for open-cuts; and (ii) over the life of mine if development roads service the entire mine or over the life of the longwall panels accessible from the development roads, if shorter, for undergrounds.

As at 31 December 2024, commitments of the Group comprised capital commitments of $312 million (2023: $190 million).

SIGNIFICANT INVESTMENTS

The Group continues to look for high quality acquisition opportunities and will inform the market as required, if and when any material transaction occurs. The Group also focuses on organic growth opportunities and business as usual capital expenditure.

The Group continues to pursue its long-term strategy for organic growth, with a commitment to progressing its brownfield expansion and extension projects.

In the year ahead, the Group will continue to focus on exploration and potential expansion works across the tier one assets of Moolarben, MTW and HVO, to be funded from operating cash flows.

[49] The Group does have a captive insurance company located in Guernsey.

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The MTW underground mine project studies are subject to further value assessments including synergies with the open-cut, which could enable a feasibility study to commence in 2025. Should the development proceed, this project could significantly extend the future production profile of the mine.

At HVO, the Joint Venture is proposing a material extension to the mine's life and have carefully designed and refined the proposal based on ongoing consultation with Government agencies. An amended project report based on a refined mine plan is expected to be lodged with the NSW Department of Planning, Housing & Infrastructure ("DPHI") in 2025. The proposal is subject to NSW and Australian government approval. In the interim, an application for an 18-month extension of time to enable continuity of mining has been lodged with the DPHI and is currently under assessment.

At Stratford, Yancoal is investigating a possible pumped hydro and solar facility. With coal production at the Stratford mine having been completed in the period, this renewable energy hub provides an excellent opportunity for the beneficial re-use of land after the cessation of mining, subject to both internal and external approval processes. On 28 June 2024, the NSW government granted the project "Critical State Significant Infrastructure" status and the development application and accompanying environment impact statement for the project was lodged in Q3 2024 and is currently under assessment.

Yancoal continually examines opportunities to grow the business. The Company is open to expanding or extending the operational profile of its existing assets with organic projects. It would also consider acquiring additional coal assets or diversifying into other minerals, energy or renewable energy projects should suitable opportunities arise. Any new initiative would be subject to careful evaluation and require Yancoal Board consideration and approval before commencement.

Organic growth opportunities are expected to be funded through operating cashflows as part of the group's overall capital expenditure program.

Funding of any inorganic opportunities will be assessed on a case-by-case basis and could include funding from operating cashflows and potentially interest-bearing liabilities depending on the debt market availability at the time, and issuing new shares subject to compliance and listing requirements.

MATERIAL ACQUISITIONS AND DISPOSALS

No material acquisitions or disposals were undertaken during the period.

EMPLOYEES

As at 31 December 2024, the Group had approximately 3,689 (2023: 3,597) employees (including contract labour who are full time equivalents), all located in Australia, in addition to other contractors and service providers who support the Group's operations by delivering fixed scopes of work. For the period, the total employee costs (including director's emoluments, HVO employees who are not included in the employee number above and excluding contract labour, contractors and service providers whose costs are included in Contractual services and plant hire) amounted to $796 million (2023: $730 million).

Remuneration packages and benefits are determined in accordance with market terms, industry practice as well as the nature of duties, performance, qualifications and experience of employees and are reviewed an on annual basis.

Remuneration packages include base wages or salaries, short-term site production bonuses, short and long-term staff incentives, allowances, non-monetary benefits, superannuation and long service leave contributions and insurance.

The Group's remuneration policies ensure remuneration is equitable, aligns with the long-term interests of the Group and Shareholders, complies with the diversity policy, provides market competitive remuneration to attract and retain skilled and motivated employees and structures incentives to link rewards with performance.

Details of the Group's incentive plans are included in the Remuneration Report in the Group's Financial Report for the year ended 31 December 2024.

The Company believes that capable and competent employees contribute to the success of the Group. The Group invests in competence development and assurance programs to ensure statutory compliance and zero harm to its employees. The Group also contributes to the ongoing professional development of its employees as maintaining a skilled and engaged workforce is critical to success.

The Yancoal Learning Academy ("YLA") is a scheduled calendar of short course soft skills training offered to all salaried employees. A total of 225 employees attended 17 programs in the YLA introductory year 2023. In 2024, a further 134 employees attended 15 YLA programs. In 2025, the YLA will offer a targeted offering of 9 courses including new modules; Emotional Intelligence, Inspire Change & Innovation and Decision Making & Problem Solving.

The Yancoal "LEAD the Way" frontline leadership program was implemented in 2023 and has continued to build momentum and drive capability across the business in our supervisor and frontline leaders. The program consists of three 2-day modules focused on developing leadership strength, managing for high performance and building team engagement. The program is underpinned by Yancoal's Inclusive Leadership behaviours. A target for participation in the program is 33% of supervisors annually or approximately 110 per year. The rollout has been exceeding target year on year and has now been delivered at every Yancoal site to 388 employees.

The Company recognises that people are its most important asset and is committed to the maintenance and promotion of workplace diversity. The representation of women in our workforce remained steady at 15% in 2024, falling short of the 17% stretch target despite efforts to improve our proportion of female employees. Pleasingly, the number of new female hires into the business increased from 101 in 2023 to 161 in 2024, representing 18% of all new hires. This will continue to be an area of focus in 2025.

Yancoal is committed to promoting a supportive, inclusive workplace that prioritises psychosocial safety. In 2024, over 2,800 employees, including both new and existing staff, participated in Workplace Behaviours training conducted in person. This training covered critical topics such as bullying, harassment, and sexual harassment. To ensure transparency and address emerging trends, Yancoal reports all matters related to sexual harassment to the HSEC Committee.

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EVENTS OCCURRING AFTER THE REPORTING DATE

Other than as disclosed below, no matters or circumstances have occurred subsequent to the end of the period which has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state-of affairs of the Group.

On 20 February 2025, the Directors declared a fully franked final dividend of A$687 million, A$0.5200 per share, with a record date of 14 March 2025 and a payment date of 30 April 2025.

FINANCIAL AND OTHER RISK MANAGEMENT

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include currency risk, price risk, interest rate risk, credit risk and liquidity risk and are detailed in Note D7 to the financial statements in this report. The Board reviews and agrees policies and procedures for management of these risks.

Coal sales are predominately initially provisionally priced with price finalisation either referenced to the relevant index or for term contracts final agreement with the customer. Provisional pricing mechanisms embedded within these sales arrangements have the character of a commodity derivative and are carried at fair value through profit and loss as part of trade receivables or payables. The final sales price is determined normally 7 to 90 days after delivery to the customer. At 31 December 2024, there were $194 million of provisionally priced sales still to be finalised. If prices were to increase by 10%, provisionally priced sales would increase by $19 million.

CONTINGENT LIABILITIES

The contingent liabilities of the Group as at 31 December 2024 comprised (i) $1,038 million (31 December 2023: $914 million) of bank guarantees and surety bonds comprising $431 million (31 December 2023: $357 million) of performance guarantees provided to third parties and $607 million (31 December 2023: $557 million) of guarantees provided in respect of the cost of restoration of certain mining leases given to government departments as required by statute with respect to the Group's owned and managed mines; (ii) a letter of support provided to the Middlemount Coal Pty Limited joint venture; and (iii) a number of claims that have been made against the Group, including in respect of personal injuries, and in relation to contracts which Group members are party to as part of the Group's day to day operations.

See Note D6 to the financial statements in this report for further details on the Group's contingent liabilities.

CHARGES ON ASSETS

The Group has Syndicated Bank Guarantee and Surety Bond Facilities provided by a syndicate of nine Australian and international financial institutions totalling A$1,200 million. As at 31 December 2024 the facilities were drawn to A$1,038 million.

The Contingent Liability Facilities are secured by the assets of the consolidated group of Yancoal Resources Pty Ltd and Coal & Allied Industries Pty Ltd (both wholly owned subsidiaries of Yancoal) with a carrying value of $8,618 million as at 31 December 2024.

FUTURE PROSPECTS

With our mines back to steady state operations, Yancoal's 2025 attributable saleable production is expected to be between 35 million tonnes and 39 million tonnes, noting that due to the mine plans and timing of longwall moves, production volumes will vary quarter to quarter and are expected to be lower in the first quarter.

Similarly, Yancoal's 2025 cash operating costs are expected to be between $89/tonne and $97/tonne, with cash operating costs in the second half of the year expected to be lower than in the first half.

Capital expenditure in 2025 is expected to be between $750 million and $900 million, including rollover spend from 2024.

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

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	NOTES	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Revenue	B2	6,860	7,778
Other income	B3	159	26
Changes in inventories of finished goods and work in progress		(44)	42
Raw materials and consumables used		(1,161)	(1,104)
Employee benefits	B4	(796)	(730)
Depreciation and amortisation		(750)	(881)
Transportation		(826)	(783)
Contractual services and plant hire		(607)	(539)
Government royalties		(639)	(685)
Coal purchases		(195)	(183)
Other operating expenses	B5	(302)	(334)
Finance costs	B5	(39)	(53)
Share of profit of equity-accounted investees, net of tax	E1	29	29
Profit before income tax		**1,689**	**2,583**
Income tax expense	B6	(473)	(764)
Profit after income tax		**1,216**	**1,819**
PROFIT IS ATTRIBUTABLE TO:			
Owners of Yancoal Australia Ltd		1,216	1,819
Non-controlling interests		—	—
		1,216	**1,819**
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified subsequently to profit or loss			
Cash flow hedges:			
Fair value losses	D5	—	(5)
Fair value losses transferred to profit and loss	D5	125	1
Deferred income tax (expense)/benefit	D5	(37)	1
Other comprehensive income/(expense), net of tax		**88**	**(3)**
Total comprehensive income		**1,304**	**1,816**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR IS ATTRIBUTABLE TO:			
Owners of Yancoal Australia Ltd		1,304	1,816
Non-controlling interests		—	—
		1,304	**1,816**
EARNINGS PER SHARE ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY:			
Basic earnings per share (cents per share)	B7	92.3	137.8
Diluted earnings per share (cents per share)	B7	92.1	137.1

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEET
As at 31 December 2024

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	NOTES	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
ASSETS			
Current assets			
Cash and cash equivalents	C6	2,461	1,397
Trade and other receivables	C7	600	662
Inventories	C8	419	416
Royalty receivable	C9	19	22
Other current assets		41	36
Total current assets		**3,540**	**2,533**
NON-CURRENT ASSETS			
Trade and other receivables	C7	101	98
Property, plant and equipment	C1	3,909	3,582
Mining tenements	C2	3,784	4,040
Exploration and evaluation assets	C4	239	238
Intangible assets	C5	134	131
Royalty receivable	C9	198	196
Interest in other entities	E1	447	431
Other non-current assets		4	5
Total non-current assets		**8,816**	**8,721**
Total assets		**12,356**	**11,254**
LIABILITIES			
Current liabilities			
Trade and other payables	C10	975	734
Interest-bearing liabilities	D1	37	44
Current tax liabilities		91	222
Provisions	C11	131	48
Total current liabilities		**1,234**	**1,048**
NON-CURRENT LIABILITIES			
Trade and other payables		5	4
Interest-bearing liabilities	D1	75	102
Deferred tax liabilities	B6	325	344
Provisions	C11	1,400	1,314
Total non-current liabilities		**1,805**	**1,764**
Total liabilities		**3,039**	**2,812**
Net assets		**9,317**	**8,442**
EQUITY			
Contributed equity	D2	6,698	6,698
Reserves	D5	(170)	(258)
Retained earnings		2,787	2,000
Capital and reserves attributable to owners of Yancoal Australia Ltd		**9,315**	**8,440**
Non-controlling interests		2	2
Total equity		**9,317**	**8,442**

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2024

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	NOTES	ATTRIBUTABLE TO OWNERS OF YANCOAL AUSTRALIA LTD					
		CONTRIBUTED EQUITY	RESERVES	RETAINED EARNINGS	TOTAL	NON-CONTROLLING INTEREST	TOTAL EQUITY
		$M	$M	$M	$M	$M	$M
Balance at 1 January 2023		**6,698**	**(264)**	**1,594**	**8,028**	**2**	**8,030**
Profit after income tax		—	—	1,819	1,819	—	1,819
Other comprehensive expense		—	(3)	—	(3)	—	(3)
Total comprehensive income		**—**	**(3)**	**1,819**	**1,816**	**—**	**1,816**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:							
Dividends paid	D4	—	—	(1,413)	(1,413)	—	(1,413)
Movements in other reserves		—	9	—	9	—	9
Balance at 31 December 2023		**6,698**	**(258)**	**2,000**	**8,440**	**2**	**8,442**
Balance at 1 January 2024		**6,698**	**(258)**	**2,000**	**8,440**	**2**	**8,442**
Profit after income tax		—	—	1,216	1,216	—	1,216
Other comprehensive expense		—	88	—	88	—	88
Total comprehensive income		**—**	**88**	**1,216**	**1,304**	**—**	**1,304**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:							
Dividends paid	D4	—	—	(429)	(429)	—	(429)
Movements in other reserves		—	—	—	—	—	—
		—	—	(429)	(429)	—	(429)
Balance at 31 December 2024		**6,698**	**(170)**	**2,787**	**9,315**	**2**	**9,317**

These financial statements should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

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	NOTES	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		7,117	7,804
Payments to suppliers and employees		(4,388)	(4,449)
Interest paid		(7)	(23)
Interest received		89	82
Payment for ACCUs		(18)	(30)
Income tax paid		(660)	(2,123)
Net cash inflow from operating activities	F3	**2,133**	**1,261**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(702)	(621)
Payments for capitalised exploration and evaluation activities		(3)	(1)
Proceeds from sale of property, plant and equipment		4	10
Dividends received		14	16
Net cash outflow from investing activities		**(687)**	**(596)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of dividends	D4	(429)	(1,413)
Repayment of lease liabilities		(53)	(55)
Payment for treasury shares[50]		(16)	(17)
Repayment of interest-bearing liabilities	D1	—	(496)
Net cash outflow from financing activities		**(498)**	**(1,981)**
Net increase/(decrease) in cash and cash equivalents		**948**	**(1,316)**
Cash and cash equivalents at the beginning of the financial year		1,397	2,699
Effects of exchange rate changes on cash and cash equivalents		116	14
Cash and cash equivalents at the end of the year	C6	**2,461**	**1,397**

These financial statements should be read in conjunction with the accompanying notes.

[50]The purchase of shares by a trustee for settlement of awards under the Yancoal's equity incentive plan are referred to as "treasury shares" in the Company's financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares under the HK Listing Rules.

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A BASIS OF PREPARATION

These consolidated financial statements and notes are for the consolidated entity consisting of Yancoal Australia Ltd ("Company" or "parent entity") and its subsidiaries ("the Group").

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. Yancoal Australia Ltd is a for-profit entity for the purpose of preparing the financial statements.

The financial statements were authorised for issue in accordance with a resolution of the Directors on 20 February 2025.

The accounting policies adopted are consistent with those of the most recent Annual Financial Report except for as disclosed below under New and amended accounting standards adopted by the Group.

(i) Compliance with IFRS

The consolidated financial statements of the Group also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(ii) Subsidiaries

The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between the Group companies are eliminated.

Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries are aligned to ensure consistency with the policies adopted by the Group.

(iii) Material accounting policies

Material accounting policies have been included in the relevant notes to which the policies relate, and other material accounting policies are included in Note F6.

These policies have been consistently applied to all the years presented, unless otherwise stated.

(iv) Historical cost convention

These financial statements have been prepared on an accrual basis and under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative instruments) at fair value through profit or loss.

(v) Auditor sign-off - unqualified and unmodified

The independent auditor's report on these consolidated financial statements is unqualified and unmodified.

(vi) Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191. Amounts in the financial statements have been rounded off in accordance with that legislative instrument to the nearest million dollars, or in certain cases, the nearest dollar.

(vii) New and amended standards adopted by the Group

New and amended accounting standards and interpretations effective for the current reporting period include:

AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback

AASB 2023-2 Amendments to Australian Accounting Standards - International Tax Reform - Pillar Two Model Rules

Above mentioned amendments have not resulted in any changes to the Group's accounting policies and have no effect on the amounts reported for the current or prior periods.

(viii) Impact of standards issued but not yet applied by the Group

Australian Accounting Standards and Interpretations issued but not yet applicable for the year ended 31 December 2024 that have not been applied by the Group are disclosed in Note F8.

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(ix) Early adoption of standards

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and interpretations is set out in Note F8.

(x) Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates and judgements that involve a higher degree of judgement or complexity. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The Directors evaluate estimates and judgements incorporated into these financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

Details of critical accounting estimates and judgements can be found in the notes to which they relate and include:

Taxation	Note B6
Mining tenements	Note C2
Impairment of assets	Note C3
Exploration and evaluation assets	Note C4
Royalty receivable	Note C9
Provisions	Note C11
Interests in other entities	Note E1

B PERFORMANCE

This section of the financial statements focuses on disclosure that enhances a user's understanding of profit or loss after tax. Segment reporting provides a breakdown of profit, revenue and assets by geographic segment. The key line items of the profit or loss along with their components provide details behind the reported balances.

B1 SEGMENT INFORMATION

Accounting policy

Management has determined the operating segments based on the strategic direction and organisational structure of the Group together with reports reviewed by the Chief Operating Decision Makers ("CODM"),defined as the Executive Committee, that are used to make strategic decisions including resource allocation and assessment of segment performance.

The reportable segments are considered at a regional level being New South Wales ("NSW") and Queensland ("QLD"). NSW includes the Austar and Stratford Duralie mines that are undertaking closure activities and the Donaldson mine that is on care and maintenance.

Non-operating items of the Group are presented under the segment "Corporate" which includes administrative expenses, foreign exchange gains and losses recycled from hedge reserve, and the elimination of intersegment transactions and other consolidation adjustments.

(a) Segment information

The segment information for the reportable segments for the year ended 31 December 2024 is as follows:

	COAL MINING			
	NSW	QLD	CORPORATE	TOTAL
31 DECEMBER 2024	$M	$M	$M	$M
Total segment revenue (i)	6,182	584	(125)	6,641
Add: Fair value losses recycled from hedge reserve	—	—	125	125
Revenue from external customers	**6,182**	**584**	**—**	**6,766**
Operating EBIT	1,748	2	79	1,829
Operating EBITDA	2,457	39	83	2,579

(i) Total segment revenue consists of revenue from the sale of coal whereas revenue disclosed in the profit and loss also includes other revenue such as sea freight, rents and sub-lease rentals, interest income, dividend income and royalty income. Refer to Note B1(b) below.

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31 DECEMBER 2024	COAL MINING NSW $M	COAL MINING QLD $M	CORPORATE $M	TOTAL $M
MATERIAL INCOME OR EXPENSE ITEMS				
Non-cash items				
Depreciation and amortisation	(708)	(37)	(5)	(750)
Rehabilitation provision increase	(55)	—	—	(55)
Remeasurement of contingent royalty	—	—	(4)	(4)
Remeasurement of royalty receivable	—	—	(1)	(1)
	(763)	**(37)**	**(10)**	**(810)**
Total capital expenditure	**669**	**33**	**18**	**720**
Segment assets	8,590	748	2,571	11,909
Interests in other entities	180	—	267	447
Total assets	**8,770**	**748**	**2,838**	**12,356**

Interest revenue by segment for 31 December 2024 is as follows: NSW $nil (2023: $nil), QLD $nil (2023: $nil) and Corporate $89 million (2023: $82 million).

Finance costs by segment for 31 December 2024 is as follows: NSW $35 million (2023: $37 million), QLD $3 million (2023: $5 million) and Corporate $1 million (2023: $11 million).

Amounts with respect to capital expenditure are measured in a manner consistent with that of the financial statements. Reportable segment's capital expenditure is set out above

All segment assets are located in Australia.

The segment information for the reportable segments for the year ended 31 December 2023 is as follows:

31 DECEMBER 2023	COAL MINING NSW $M	COAL MINING QLD $M	CORPORATE $M	TOTAL $M
Total segment revenue (i)	6,797	761	(1)	7,557
Add: Fair value losses recycled from hedge reserve	—	—	1	1
Revenue from external customers	**6,797**	**761**	**—**	**7,558**
Operating EBIT	2,566	131	(89)	2,608
Operating EBITDA	3,407	167	(85)	3,489
MATERIAL INCOME OR EXPENSE ITEMS				
Non-cash items				
Depreciation and amortisation	(841)	(36)	(4)	(881)
Rehabilitation provision increase	(105)	—	—	(105)
Remeasurement of contingent royalty	—	—	21	21
Remeasurement of royalty receivable	—	—	(15)	(15)
	(946)	**(36)**	**2**	**(980)**
Total capital expenditure	**604**	**37**	**10**	**651**
Segment assets	8,567	714	1,542	10,823
Interests in other entities	180	—	251	431
Total assets	**8,747**	**714**	**1,793**	**11,254**

There were no other significant non-cash items recognised during the year ended 31 December 2024 and 31 December 2023 other than those disclosed above.

(i) Total segment revenue consists of revenue from the sale of coal whereas revenue disclosed in the profit and loss also includes other revenue such as sea freight, rents and sub-lease rentals, interest income, dividend income and royalty income. Refer to Note B1(b) below.

(b) Other segment information

(i) Segment revenue

Sales between segments are carried out at arm's length and are eliminated on consolidation. The revenue from external parties for the reportable segments are measured in a manner consistent with that in the Consolidated Statement of Profit and Loss and Other Comprehensive Income.

Revenue from external customers are derived from the sale of coal from operating mines and coal purchases. Segment revenues are allocated based on the geographical location of the mine sites. Refer to Note B2 for segment revenue from sale of coal disaggregated by primary geographical market based on the end-destination of coal sold.

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Revenues from the top five external customers were $2,356 million (2023: $2,931 million) which in aggregate represent approximately 35% (2023: 39%) of the Group's revenues from the sale of coal. These revenues were attributable to the NSW and Queensland coal mining segments.

Segment revenue reconciles to total revenue as follows:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Total segment revenue	**6,641**	**7,557**
Interest income	89	82
Sea freight	74	79
Royalty revenue	26	27
Other revenue	30	33
Total revenue (refer to Note B2)	**6,860**	**7,778**

(ii) Operating EBITDA

The Executive Committee assesses the performance of the operating segments based on a measure of Operating EBITDA. This measure excludes the effects of non-recurring expenditure or income from the operating segments such as restructuring costs, business combination related expenses and impairments of cash-generating units. Furthermore, the measure excludes the effects of fair value re-measurements and foreign exchange gains / (losses) on interest-bearing liabilities. Interest income and expense are not allocated to the NSW and QLD segments, as this type of activity is driven by the corporate function, which manages the cash position of the Group.

A reconciliation of Operating EBITDA to profit before income tax from continuing operations is provided as follows:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Operating EBITDA	**2,579**	**3,489**
Depreciation and amortisation	(750)	(881)
Operating EBIT	**1,829**	**2,608**
Interest income	89	82
Finance costs	(39)	(53)
Bank fees and other charges	(21)	(24)
Fair value losses recycled from hedge reserve	(125)	(1)
Contingent royalty payments	(39)	(35)
Remeasurement of contingent royalty	(4)	21
Remeasurement of royalty receivable	(1)	(15)
Profit before income tax	**1,689**	**2,583**

(iii) Segment liabilities

A measure of total liabilities for reportable segments are not provided to the Executive Committee. The Executive Committee reviews the liabilities of the Group at a consolidated level.

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B2 REVENUE

Accounting policies

(a) Sales revenue

(i) Sale of coal

The Group produces and sells a range of thermal and metallurgical coal products. Revenue from the sale of coal is recognised when control of the product has transferred to the customer usually when loaded onto the vessel, or Free On Board ("FOB"). Some contracts include sea freight services which is accounted for as a separate performance obligation. On occasion revenue is recognised as the vessel pulls into harbour on a Free Alongside Ship ("FAS") basis. A receivable is recognised when the products are delivered as this is the point in time that the consideration is unconditional and only the passage of time is required before the payment is due. Payment is usually due within 21 days of the date when control of the product is transferred to the customer.

Some of the Group's coal sales contracts are long-term supply agreements which stipulate the annual quantity and contain a price negotiation mechanism. The initial transaction price is the market price prevailing at the time of the future shipment. As the future market price for coal is highly susceptible to factors outside the Group's influence, the transaction price for a shipment is not readily determinable until the time of the shipment.

As a result, the Group has concluded that a contract with the customer does not exist for those contracts until the time of shipment.

The transaction price for a shipment is often linked to a market index for the respective delivery period, for example, by reference to the average GlobalCOAL Newcastle Index for the delivery period. At the end of each reporting period, the final average index price may not be available for certain shipments. In those situations, the Group uses "the expected value" method to estimate the amount of variable consideration with reference to index prices at the end of the reporting period for those shipments.

(b) Other revenue

(i) Interest

Interest income from a financial asset is accrued over time, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. Interest income from leases is recognised over the term of the lease based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

(ii) Sea freight services

When contracts for sale of coal include sea freight services the performance obligation associated with providing the shipping is separately measured and recognised as the service is provided.

(iii) Other

Other primarily consists of dividends, rent, and other management fees. Dividends are recognised as revenue when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and can be measured reliably. Rental income arising on land surrounding a mine site is accounted for on a straight-line basis over the lease term.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
FROM CONTINUING OPERATIONS		
Sales revenue		
Sale of coal	6,766	7,558
Fair value losses recycled from hedge reserve	(125)	(1)
	6,641	**7,557**
Other revenue		
Interest income	89	82
Sea freight	74	79
Royalty revenue	26	27
Other items	30	33
	219	**221**
	6,860	**7,778**

At 31 December 2024 there are $194 million (2023: $166 million) of provisionally priced sales, still to be finalised, of which nil is yet to be collected (2023: $63 million). These amounts are included in the revenue recognised above.

Disaggregation of revenue

In the following table, revenue from sale of coal is disaggregated by primary geographical market and major products/service lines, based on the end-destination of coal sold. The table also includes a reconciliation of the disaggregated revenue with the Group's three reportable segments (see Note B1) however Corporate is not presented in this table as this segment has no coal sales:

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31 DECEMBER 2024	NSW $M	QLD $M	TOTAL $M
PRIMARY GEOGRAPHICAL MARKETS			
China	1,976	—	1,976
Japan	1,715	209	1,924
Taiwan	1,017	—	1,017
South Korea	755	174	928
Thailand	392	—	392
Vietnam	90	92	183
Malaysia	95	—	95
India	—	86	86
Australia (Yancoal's country of domicile)	44	—	44
Europe	17	23	40
Israel	25	—	25
Chile	23	—	23
Indonesia	20	—	20
Cambodia	7	—	7
Bangladesh	6	—	6
Total	**6,182**	**584**	**6,766**
PRODUCT MIX			
Thermal coal	5,315	—	5,315
Metallurgical coal	867	584	1,451
Total	**6,182**	**584**	**6,766**

31 DECEMBER 2023	NSW $M	QLD $M	TOTAL $M
PRIMARY GEOGRAPHICAL MARKETS			
Japan	1,907	255	2,162
China	1,558	—	1,558
Taiwan	1,446	—	1,446
South Korea	916	241	1,157
Thailand	365	—	365
Vietnam	178	121	299
India	47	145	192
Australia (Yancoal's country of domicile)	167	—	167
Chile	82	—	82
Indonesia	69	—	69
Europe	27	—	27
Bangladesh	15	—	15
Malaysia	11	—	11
Cambodia	8	—	8
Total	**6,796**	**762**	**7,558**
PRODUCT MIX			
Thermal coal	5,916	—	5,916
Metallurgical coal	880	762	1,642
Total	**6,796**	**762**	**7,558**

In 2024, 8% of coal sales were attributable to the largest customer and 35% to the top five customers (2023: 12% and 39% respectively).

Contract balances

The Group has recognised the following revenue-related receivables, contract assets and liabilities:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Receivables from contracts with customers	477	529

There are no other contract assets, liabilities or costs as at 31 December 2024 or 31 December 2023.

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Transaction price allocated to the remaining performance obligation

For long term contracts the Group has concluded that contracts with customers do not exist for those shipments for which the actual delivery quantity and transaction price have not yet been negotiated or determined. For the remaining shipments where the delivery quantity and transaction price have been negotiated or determined but are subject to market price movements, the contract durations are within one year or less. As a result, the Group elects to apply the practical expedient in paragraph 121(a) of AASB 15 and does not disclose information about the remaining performance obligations in relation to the coal sales contracts. The Group also elects to apply the practical expedient in paragraph 121(b) of AASB 15 and does not disclose information about the remaining performance obligations in relation to the management and mining service contracts.

B3 OTHER INCOME

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Net gain on foreign exchange	149	—
Sundry income	10	5
Gain on remeasurement of contingent royalty	—	21
	159	**26**

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B4 EMPLOYEE BENEFITS

Accounting policies

(i) Employee benefits

Employee benefits are expensed as the service by the employee is provided and includes both equity and cash based payment transactions. Employee benefits recognised in the profit or loss are net of recoveries from third parties.

(ii) Superannuation

Contributions made by the Group under Australian legislation to contribute 11.5% (previously 11%) from 1 July 2024 of employees salaries and wages to the employee's defined contribution superannuation funds are recognised as an expense in the period in which they are incurred.

(iii) Equity-settled share-based payments

The grant date fair value of equity-settled share-based payment awards granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market based performance conditions at the vesting date.

(a) Employee benefits

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Employee benefits	727	667
Superannuation contributions	69	63
Total employee benefits	**796**	**730**

During 2024, $30 million of employee benefits were capitalised (2023: $35 million). The Group does not have a defined contribution scheme (as such term is defined under the Hong Kong Occupational Retirement Schemes Ordinance). Superannuation is paid to the Group's employees in accordance with Australian legislation, and the superannuation funds of the Group's employees are managed by various independent third parties.

(b) Key management personnel compensation

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel ("KMP") for the year ended 31 December 2024. The total remuneration paid or payable to KMP of the Company and Group during the year is as follows:

	31 DECEMBER 2024 $	31 DECEMBER 2023 $
Short-term employee benefits	5,868,366	5,975,447
Post-employment benefits	164,724	154,448
Share-based payments	2,083,633	2,009,595
Other long-term benefits	866,426	1,576,227
	8,983,149	**9,715,717**

(c) Top five employees

The five highest paid individuals in the Group include the Chief Executive for each of the years, details of whose remuneration are set out in the remuneration report. Details of remuneration of the remaining four (2023: four) highest paid individuals who are neither a Director or Chief Executive of the Company are as follows:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Salaries, allowance and other benefits in kind	3	3
Retirement benefit scheme contributions	—	—
Discretionary bonuses	4	4
	7	**7**

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Their emoluments were within the following bands:

	31 DECEMBER 2024 Number	31 DECEMBER 2023 Number
HK$7,500,000 to HK$8,000,000	—	2
HK$8,000,000 to HK$8,500,000	2	—
HK$8,500,000 to HK$9,000,000	1	1
HK$9,000,000 to HK$9,500,000	1	—
HK$9,500,000 to HK$10,000,000	—	—
HK$10,000,000 to HK$10,500,000	—	1

B5 EXPENSES

(a) Finance costs

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Lease charges	8	10
Unwinding of discount on provisions and deferred payables	31	33
Other interest expenses	—	10
Total finance costs	**39**	**53**

(b) Other operating expenses

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Rates and other levies	62	48
Rehabilitation provision increase	55	105
Contingent royalty payments	39	35
Insurance	36	25
Information technology	28	28
Other operating expenses	26	21
Travel and accommodation	25	20
Bank fees and other charges	21	24
Rental expense	5	5
Remeasurement of contingent royalty	4	—
Loss on remeasurement of royalty receivable	1	15
Net loss on foreign exchange	—	8
Total other operating expenses	**302**	**334**

(c) Largest suppliers

In 2024, 9% of total operating expenses relating to the largest supplier and 27% to the top five suppliers (2023: 9% and 27% respectively).

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B6 TAXATION

Accounting policy

The income tax expense or benefit for the period is the income tax payable or receivable on the current period's taxable income based on the applicable income tax rate and laws enacted or substantially enacted at the end of the reporting period for each jurisdiction, adjusted by movements in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax expense is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, deferred tax expense or benefit associated with these items is recognised in other comprehensive income or directly in equity, respectively.

Deferred tax balances are driven by temporary differences arising between the carrying value of assets and liabilities in financial statements and their respective tax bases. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying value of deferred tax assets are reviewed at each reporting period and adjusted to the extent that it is no longer probable that future taxable income will be available to allow all or part of the asset to be recovered.

Current tax assets and liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Tax consolidation

Yancoal Australia Ltd and its wholly-owned subsidiaries have formed a tax consolidated Group. The head entity, Yancoal Australia Ltd, and the members of the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand alone taxpayer in its own right. In addition to its own current and deferred tax amounts, Yancoal Australia Ltd also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from the members of the tax consolidated group.

The members of the tax consolidated group have entered into a tax funding agreement under which the members fully compensate Yancoal Australia Ltd for any current tax liabilities assumed and are compensated by Yancoal Australia Ltd for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to Yancoal Australia Ltd under the tax consolidation legislation as loans between entities. The amounts receivable/payable under the tax funding agreement are due upon receipt of funding advice from the head entity. The head entity may also require payment of interim funding amounts to assist with its income tax payment obligation.

International Tax Reform – Pillar Two Model Rules

The Organisation for Economic Co-operation and Development (OECD)/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS) published the Pillar Two Model Rules to address taxation challenges arising from the digitalisation of the global economy. The Pillar Two Model Rules operate to apply a minimum tax rate of 15 per cent to large corporate Groups in each jurisdiction where they operate. Due to uncertainty around the impact of these rules on the recognition and measurement of deferred taxes, the Australian Accounting Standards Board (AASB) issued AASB 2023-2 "Amendments to Australian Accounting Standards – International Tax Reform – Pillar Two Model Rules" to amend AASB 112 'Income taxes', introducing a mandatory temporary exception to the requirements of AASB 112, under which a company does not recognise or disclose information about deferred tax assets and liabilities related to the proposed OECD/ G20 BEPS Pillar Two Model Rules. The Group is in the scope of the Pillar Two Model Rules and adopted the temporary exception at 31 December 2024.

Critical accounting estimates and judgements

Deferred tax

Judgement is required to determine the amount of deferred tax assets that are recognised based on the likely timing and the level of future taxable profits. The Group assesses the recoverability of recognised and unrecognised deferred taxes, including historical losses incurred in Australia, using estimates and assumptions relating to projected taxable income as applied in the impairment process, refer to Note C3.

Uncertain tax matters

Judgements are applied in how income tax legislation interacts with tax effect accounting principles. These judgements are subject to risk and uncertainty, and there is the possibility that changes in circumstances will alter expectations, which may impact deferred tax assets and liabilities recognised. Where the final tax outcome is different from the amounts that are initially recognised these differences will impact the current and deferred tax balance in the period in which the determination is made.

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(a) Income tax expense

(i) Income tax expense

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Current tax expense	(530)	(803)
Deferred tax benefit	57	39
Income tax expense	**(473)**	**(764)**
Current tax expense included in income tax expense comprises:		
Net over provision in respect of prior years	4	44
Current year income tax liability	(534)	(847)
	(530)	**(803)**
Deferred tax benefit included in income tax expense comprises:		
Net over / (under) provision in respect of prior years	18	(30)
(Decrease) / increase in deferred tax assets (refer to Note B6(b)(ii))	(132)	5
Decrease in deferred tax liabilities (refer to Note B6(b)(iii))	171	64
	57	**39**

Income tax expense recognised in the consolidated statement of profit or loss in 2024 includes $nil (2023: not applicable) related to Pillar Two income taxes.

(ii) Reconciliation of income tax expense to prima facie tax payable

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Profit from continuing operations before tax	1,689	2,583
Tax expense at the Australian tax rate of 30% (2023- 30%)	(507)	(775)
Tax effect of amounts which are not deductible / taxable in calculating taxable income		
Share of profit of equity-accounted investees not assessable	9	9
Over provision in prior years	22	13
Other	3	(11)
Income tax expense	**(473)**	**(764)**

(iii) Amounts recognised directly in equity

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:		
Cash flow hedges	37	(1)
	37	**(1)**

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(b) Deferred tax assets and liabilities

(i) Deferred tax balances

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Deferred tax assets	389	556
Deferred tax liabilities	(714)	(900)
	(325)	**(344)**

(ii) Deferred tax assets

MOVEMENTS	PROVISIONS $M	TRADE AND OTHER PAYABLES $M	LEASE LIABILITIES $M	CASH FLOW HEDGES $M	UNREALISED FOREIGN EXCHANGE GAINS $M	OTHER $M	TOTAL $M
At 1 January 2023	**376**	**42**	**45**	**109**	**—**	**(2)**	**570**
Over / (under) provision in prior year	1	(2)	(19)	—	—	—	(20)
(Charged)/credited							
- to profit or loss	8	7	(6)	—	—	(4)	5
- directly to equity	—	—	—	1	—	—	1
At 31 December 2023	**385**	**47**	**20**	**110**	**—**	**(6)**	**556**
At 1 January 2024	385	47	20	110	—	(6)	556
Over / (under) provision in prior year	—	3	—	—	(1)	—	2
(Charged)/credited							
- to profit or loss	49	(8)	(5)	—	(90)	(78)	(132)
- directly to equity	—	—	—	(37)	—	—	(37)
At 31 December 2024	**434**	**42**	**15**	**73**	**(91)**	**(84)**	**389**

The Group has unrecognised capital tax losses (tax effected) of $8.4 million (2023: capital tax losses $8.5 million). There is no expiry date on these tax losses.

(iii) Deferred tax liabilities

MOVEMENTS	PROPERTY, PLANT AND EQUIPMENT $M	INTANGIBLE ASSETS $M	INVENTORIES $M	MINING TENEMENTS AND EXPLORATION AND EVALUATION ASSETS $M	UNREALISED FOREIGN EXCHANGE GAINS $M	OTHER $M	TOTAL $M
At 1 January 2023	**99**	**14**	**44**	**663**	**81**	**52**	**953**
Under provision in prior year	7	—	—	1	—	4	11
Charged/(credited)							
- to profit or loss	(13)	—	5	(59)	9	(6)	(64)
- directly to equity	—	—	—	—	—	—	—
At 31 December 2023	**93**	**14**	**49**	**605**	**90**	**50**	**900**
At 1 January 2024	93	14	49	605	90	50	901
Under / (over) provision in prior year	(13)	1	1	(6)	—	1	(16)
Charged/(credited)							
- to profit or loss	27	—	4	(25)	(90)	(87)	(171)
- directly to equity	—	—	—	—	—	—	—
At 31 December 2024	**107**	**15**	**54**	**574**	**—**	**(36)**	**714**

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B7 EARNINGS PER SHARE

Accounting policies

(a) Basic earnings per share

Calculated as net earnings attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference shares dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element, excluding any treasury shares held.

(b) Diluted earnings per share

Calculated as net earnings attributable to members of the parent, adjusted for costs of servicing equity (other than dividends); the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(a) Basic and diluted earnings per share

	31 DECEMBER 2024 CENTS	31 DECEMBER 2023 CENTS
Total basic earnings per share (cents)	92.3	137.8
Total diluted earnings per share (cents)	92.1	137.1

In 2024, the Company changed its basic earnings per share calculation methodology to include the weighted average number of treasury shares held. The basic and diluted earnings per share has not been restated above.

(b) Reconciliation of earnings used in calculating earnings per share

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Basic and diluted earnings per share		
Earnings used in calculating the basic and diluted earnings per share		
From continuing operations	1,216	1,819

(c) Weighted average number of shares used in calculating earnings per share

	31 DECEMBER 2024 NUMBER	31 DECEMBER 2023 NUMBER
Ordinary shares on issue at start of the period	1,320,439,437	1,320,439,437
Less: weighted average number of treasury shares held (i)	(3,348,486)	(2,890,335)
Weighted average number of ordinary shares used in basic earnings per share	1,317,090,951	1,317,549,102
Adjusted for rights and options on issue	3,536,602	4,957,716
Weighted average number of shares used in diluted earnings per share	**1,320,627,553**	**1,322,506,818**

(i) The purchase of shares by a trustee for settlement of awards under the Yancoal's equity incentive plan are referred to as "treasury shares" in the Company's financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares under the HK Listing Rules.

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C OPERATING ASSETS AND LIABILITIES

Investment in assets drives the current and future performance of the Group. This section includes disclosures for property, plant and equipment, mining tenements, exploration and evaluation assets, intangible assets, royalty receivable, cash and cash equivalents, trade and other receivables, trade and other payables, inventories and provisions contained within the Balance Sheet.

C1 PROPERTY, PLANT AND EQUIPMENT

Accounting policies

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost includes expenditure directly attributable to the acquisition of the items and the estimated restoration costs associated with the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

Mine development assets include all mining related development expenditure that is not included under land,buildings, and plant and equipment. The open pit operations capitalise mine development costs including both direct and indirect costs incurred to remove overburden and other waste materials to enable access to the coal seams during the development of a new open pit mining area before commercial production commences.

Amortisation of capitalised costs over the life of the operation commences at the time that commercial production begins for an open pit mining area. The open pit mining area costs are capitalised net of the coal sales revenue earned from coal extracted as part of the mains development process. Underground mine development costs include both direct and indirect mining costs relating to underground longwall panel development and mains development (primary access / egress roads for the mine). Mains development costs are capitalised net of the coal sales revenue earned from coal extracted as part of the mains development process. These capitalised costs are amortised over the life of the mine if the roads service the entire mine or over the life of the panels accessible from those mains if shorter than the mine life.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward mine development costs in relation to that area of interest. Accumulated costs in relation to an abandoned area are written off in full in the period in which the decision to abandon the area is made.

The Group has lease contracts for various items plant, machinery, vehicles, office buildings and other equipment used in its operations. At the inception of a contract, the Group assesses whether a contract is, or contains, a lease based on the right to use or control an identified asset for a period of time, in exchange for consideration. The Group's Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions.

At the commencement date of the lease, the Group recognise all lease liabilities and corresponding right-of-use assets on the balance sheet, with the exception of short-term (12 months or fewer) and low-value leases, where payments are expensed as incurred.

The lease liability is initially recognised for the present value of non-cancellable lease payments payments (including inflation-linked payments), and includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease. Variable lease payments not dependent on an index or rate are excluded from the calculation of lease liabilities at initial recognition

The lease liability is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Repayments of lease liabilities are separated into a principal portion (presented within financing activities) and an interest portion (which the Group presents in operating activities) in the cash flow statement

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset. Right-of-use assets are depreciated on a straight line basis over the useful life/lease term of the asset.

If applicable, the lease liability is remeasured when there is a change in future lease payments, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. The lease liability is then subsequently remeasured by increasing/decreasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing/increasing the carrying amount to reflect the lease payments made. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the Statement of Comprehensive Income if the carrying amount of the right-of-use asset has been reduced to zero.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Depreciation and amortisation

Fixed assets, excluding freehold land, is depreciated on a straight-line or Units of Production ("UOP") basis over the asset's useful life to the Group. UOP is based on either machine hours utilised, or production tonnes from life of mine plans and estimated reserves, commencing from the time the asset is ready for use. Right of use assets are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. The estimated useful lives are as follows:

- Buildings 10 - 40 years
- Mine development 10 - 40 years
- Plant and equipment 2.5 - 30 years
- Leased property, plant and equipment 2 - 10 years

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable value. Any gain or loss arising on the disposal of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value of the asset and is recognised in profit or loss.

See Note C3 for further details on impairment of assets and Note C2 for further details on the estimation of coal reserves used for UOP.

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	ASSETS UNDER CONSTRUCTION $M	FREEHOLD LAND AND BUILDINGS $M	MINE DEVELOPMENT $M	PLANT AND EQUIPMENT $M	RIGHT OF USE ASSETS $M	TOTAL $M
YEAR ENDED 31 DECEMBER 2023						
Opening net book amount	516	380	1,413	1,030	147	3,486
Transfers	(624)	5	136	456	—	(27)
Additions	499	—	—	136	16	651
Remeasurement	—	—	(22)	—	—	(22)
Disposals	—	—	—	(5)	—	(5)
Depreciation charge	—	(10)	(199)	(245)	(47)	(501)
Closing net book amount	**391**	**375**	**1,328**	**1,372**	**116**	**3,582**
AT 31 DECEMBER 2023						
Cost or fair value	391	489	2,549	4,052	255	7,736
Accumulated depreciation	—	(114)	(1,221)	(2,680)	(139)	(4,154)
Net book amount	**391**	**375**	**1,328**	**1,372**	**116**	**3,582**

	ASSETS UNDER CONSTRUCTION $M	FREEHOLD LAND AND BUILDINGS $M	MINE DEVELOPMENT $M	PLANT AND EQUIPMENT $M	RIGHT OF USE ASSETS $M	TOTAL $M
YEAR ENDED 31 DECEMBER 2024						
Opening net book amount	391	375	1,328	1,372	116	3,582
Transfers	(470)	34	130	309	—	3
Transfers - Intangibles	(6)	—	—	—	—	(6)
Additions	600	—	4	101	15	720
Remeasurement	—	—	108	—	—	108
Disposals	—	—	—	(2)	—	(2)
Depreciation charge	—	(8)	(185)	(260)	(43)	(496)
Closing net book amount	**515**	**401**	**1,385**	**1,520**	**88**	**3,909**
AT 31 DECEMBER 2024						
Cost or fair value	515	518	2,689	4,345	243	8,310
Accumulated depreciation	—	(117)	(1,304)	(2,825)	(155)	(4,401)
Net book amount	**515**	**401**	**1,385**	**1,520**	**88**	**3,909**

In the normal course of business, in addition to the delivery and commissioning of equipment, sites typically have numerous ongoing projects and studies that are carried in assets under construction until completed / brought into use.

Depreciation and amortisation of $4 million was capitalised during the year (2023: $14 million).

C2 MINING TENEMENTS

Accounting policy

Mining tenements have a finite useful life and are carried at cost less any accumulated amortisation and impairment losses. Mining tenements are amortised from the date when commercial production commences, or the date of acquisition. Amortisation is calculated over the life of the mine on a 'units of production' method based on the Joint Ore Reserves Committee ("JORC") estimated reserves.

Changes in the annual amortisation rate resulting from changes in the remaining estimated reserves, are applied on a prospective basis from the commencement of the next financial year. Every year the mining tenement's carrying amount is compared to its recoverable amount and assessed for impairment, or for possible reversals of prior year impairment.

See Note C3 for further details on the impairment of assets.

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Critical accounting judgements and estimates

Coal reserves are based on geological information and technical data relating to the size, depth, quality of coal, suitable production techniques and recovery rates. Such an analysis requires complex geological judgements to interpret the data. The estimation of recoverable reserves is based on factors such as estimates of foreign exchange rates, coal price, future capital requirements, rehabilitation obligations and production costs, along with geological assumptions and judgements made in estimating the size and quality of the reserves.

Management forms a view of forecast sales prices based on long term forecast coal price data from multiple external sources.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Opening net book amount	4,040	4,367
Transfers from exploration and evaluation	2	42
Transfers to mine development	(3)	—
Transfers from assets under construction	—	22
Amortisation	(255)	(391)
Closing net book amount	**3,784**	**4,040**

C3 IMPAIRMENT OF ASSETS

Accounting policies

Mining tenements and goodwill are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Intangible assets with indefinite useful life are assessed annually for impairment.

An impairment loss is recognised immediately in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Mining tenements and other non-financial assets (excluding goodwill) that have previously suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

For the purposes of assessing impairment, assets are grouped into Cash-Generating Units ("CGU"), being the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets. For the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to CGUs that are expected to benefit from the synergies of the combination.

Critical accounting estimates and judgements

The determination of fair value and value in use requires management to make estimates and assumptions about expected production and sales volumes, coal prices (considering current and historical prices, price trends and related factors), foreign exchange rates, coal resources and reserves (refer to Note C2), operating costs, closure and rehabilitation costs and future capital expenditure. These estimates and assumptions are subject to risk and uncertainty; hence there is a possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets with the impact recorded in profit or loss. Management must use judgement in determining the CGUs that should be used for impairment testing and allocating goodwill that arises from business combinations to these CGUs.

The Group estimates its coal resources and reserves based on information compiled by Competent Persons defined in accordance with the 2012 JORC code.

(a) CGU assessment

The Group operates on a regional basis within NSW and as such the NSW mines of Moolarben, Mount Thorley Warkworth, Hunter Valley Operations and Ashton are considered to be one Cash Generating Unit ("CGU"). Yarrabee and Middlemount are considered separate CGU's due to their location and ownership structure.

Stratford Duralie ceased mining in May 2024 and is now undertaking closure activities, as is Austar. Donaldson is currently on care and maintenance and its operating assets have been fully impaired. As such, these mines are not included in the Group of NSW CGU's. Life of Mine ("LOM") models are reassessed on a regular basis and any change in the LOM model may result in a change in the recoverable amount and possibly result in an impairment charge.

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(b) Assessment of fair value

Each CGU's fair value less costs of disposal has been determined using a discounted cash flow model over the expected life of mine (6 - 45 years). The fair value model adopted has been categorised as level 3 in the fair value hierarchy.

The key assumptions in the model include:

KEY ASSUMPTIONS	DESCRIPTION
Coal prices	The Group's cash flow forecasts are based on estimates of future coal prices, which assume benchmark prices will revert to the Group's assessment of the long term real coal prices of US$87– US$130 per tonne (2023: US$75 – US$140 per tonne) for thermal and US$143 – US$231 per tonne (2023: US$143 – US$222 per tonne) for metallurgical coal. The Group receives long term forecast coal price data from multiple external sources when determining its benchmark coal price forecasts and then makes adjustments for specific coal qualities. The external sources have determined their benchmark coal price forecasts having regard to countries various National Energy Policies including Nationally Determined Contributions submitted in accordance with the 2015 Paris Agreement, and other measures announced during the subsequent COP meetings, including phasing down of coal fired power generation. This contemplates the global seaborne demand for thermal coal will decline by up to 55% from 2024 levels by 2040, whilst the global seaborne demand for metallurgical coal will increase up to 2040. Key risks to the outlooks are increasing decarbonisation trends, trade disputes, protectionism, import control policies in end markets, shareholder activism to divest from coal, the pace of renewable technology advancement and investor behaviour to coal project financing. In addition, trade disputes, protectionism, import control policies in end markets may also impact demand. The Group has considered the impacts of a more rigorous international response to climate change under the Paris Agreement incorporating updated pledges for COP28 and notes that the average mine life required for the recoverable amount to continue to exceed the book value, holding all inputs constant, including coal prices, is 7, 5 and 7 years for the NSW, Yarrabee and Middlemount CGUs, respectively. The NSW CGU has a 91% exposure to thermal coal and 9% exposure to metallurgical coal whilst Yarrabee and Middlemount are both metallurgical coal mines. The Group concludes that whilst a more rigorous international response to climate change could reduce the future demand for coal the likely impact of any such actions are not expected to materially impact during the time periods noted above and hence would not result in the recoverable amount falling below book value. For both thermal and metallurgical coal the Group's forecast coal price is within the range of external price forecasts. These forecasts include the assumption that following the recent market disruptions which included the Russian-Ukraine conflict and weather events impacting supply, the market is returning to a more balanced position, noting that there is continued uncertainty in the trade balance and short-term price volatility will continue with seasonal or short-term disruptions. The forecast is based on a shifting global coal demand profile which still shows demand growing marginally until 2028 whilst limited supply will be brought online due to low investment in new coal production capacity over the last five to ten years. There is a risk that these assumptions are incorrect and that future coal prices are different from those forecast.
Foreign exchange rates	The long term AUD/USD forecast exchange rate of $0.75 (2023: $0.75) is based on external sources. The year-end AUD/USD exchange rate was 0.6217 per the Reserve Bank of Australia.
Production and capital costs	Production and capital costs are based on the Group's estimate of forecast geological conditions, stage of existing plant and equipment and future production levels. This information is obtained from internally maintained budgets, the five year business plan, life of mine models, life of mine plans, JORC reports, and project evaluations performed by the Group in its ordinary course of business. All of the Group's mines fall within the revised Safeguard Mechanism and the model includes an estimate of the life of mine impact.
Coal reserves and resources	The Group estimates its coal reserves and resources based on information compiled in accordance with the JORC 2012 Code and ASX Listing Rules 2014. See discussion at Note C2 Mining tenements for how the coal reserves and resources are determined.
Discount rate	The Group has applied a post-tax real discount rate of 8.25% (2023: 8.25%) to discount the forecast future attributable post-tax cash flows. The post-tax discount rate applied to the future cash flow forecasts represents an estimate of the rate the market would apply having regard to the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. External consultants were engaged to consider the Group's discount rate, in particular the effect of ESG concerns on coal asset risk premiums, with 8.25% assessed as the middle of the range. This rate is also consistent with the Group's five-year business plan, life of mine models and project evaluations performed in ordinary course of business.

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Based on the above assumptions at 31 December 2024 the recoverable amount is determined to be above book value for all CGU's resulting in no additional impairment.

In determining the value assigned to each key assumption, management has used: external sources of information; the expertise of external consultants; as well as the experience of experts within the Group to validate entity specific assumptions such as coal reserves and resources. Additionally various sensitivities have been determined and considered with respect to each of the key assumptions, further supporting the above fair value conclusions.

Key sensitivity

The most sensitive input in the fair value model is forecast revenue, which is primarily dependent on estimated future coal prices and the AUD/USD forecast exchange rate. The sensitivity for the NSW, Yarrabee and Middlemount CGUs are shown below:

	2024		
	NSW $M	YARRABEE $M	MIDDLEMOUNT $M
Book Value	5,287	362	283
Recoverable Amount	8,782	844	447
Head Room	3,495	482	164
USD COAL PRICE (i)			
+10%	2,690	326	156
-10%	(2,354)	(314)	(153)
EXCHANGE RATE (ii)			
+5 cents	(1,434)	(192)	(93)
-5 cents	2,014	245	118
DISCOUNT RATE (iii)			
+50 bps	(150)	(21)	(5)
-50 bps	531	59	24

(i) This represents the change in recoverable amount due to a +/- 10% change to our coal price assumption.

(ii) This represents the change in recoverable amount due to a +/- 5 cents change to the long-term US$:A$ foreign exchange rate adopted.

(iii) This represents the change in recoverable amount due to a +/- 50bps change in discount rate adopted.

If coal prices were -10% Life of mine ("LOM") the recoverable amounts for all three CGUs would exceed book value. If the AUD/USD over the life of mine long term forecast exchange rate was $0.80, the recoverable amount would exceed book value for all three CGU's. If the WACC was 8.75% or 0.5% higher, the recoverable amount would exceed book value for all three CGU's.

(c) Goodwill

The Yarrabee goodwill was not subject to an impairment charge as the recoverable amount is greater than the carrying value for this CGU.

(d) Exploration and evaluation

Details of the impairment of exploration and evaluation assets is included in Note C4.

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C4 EXPLORATION AND EVALUATION ASSETS

Accounting policy

Exploration and evaluation expenditure incurred is accumulated in respect of each separately identifiable area of interest which is at the individual exploration permit or licence level. These costs are only carried forward where the right of tenure for the area of interest is current and to the extent that they are expected to be recouped through successful development and commercial exploitation, or alternatively, sale of the area, or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets acquired in a business combination are recognised at their fair value at the acquisition date. The carrying amount of exploration and evaluation assets are assessed for impairment when facts or circumstances suggest the carrying amount of the assets may exceed their recoverable amount. A regular review is undertaken for each area of interest to determine the appropriateness of continuing to carry forward costs in relation to each area of interest. Accumulated costs in relation to an abandoned area are written off in full in the period in which the decision to abandon the area is made.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, the exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining tenements or mine development assets.

Critical accounting judgements and estimates

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If after expenditure is capitalised information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is recognised in the profit and loss in the period when the new information becomes available.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Opening net book amount	238	275
Other additions	3	1
Transfers from assets under construction	—	4
Transfers to mining tenements	(2)	(42)
Closing net book amount	**239**	**238**

C5 INTANGIBLE ASSETS

Accounting policies

(i) Goodwill

Goodwill acquired in a business combination is recognised at cost and subsequently measured at cost less any impairment losses. The cost represents the excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired.

See Note C3 for further details on impairment of assets.

(ii) Computer software

Computer software is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight-line basis over the period of expected benefit, which ranges from 2.5 to 10 years.

(iii) Water rights

Water rights have been recognised at cost and are assessed annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. The water rights have been determined to have an indefinite useful life as there is no expiry date on the licences.

(iv) Other

Other intangibles include access rights, other mining licenses and management rights associated with the Group's right to manage Port Waratah Coal Services.

These intangibles have a finite useful life and are carried at cost less any accumulated amortisation and impairment losses. Amortisation of these other intangibles is calculated as the shorter of the life of the mine or agreement and using a units of production basis in tonnes, or on a straight-line basis. The estimated useful lives vary from 10 to 25 years.

	GOODWILL $M	COMPUTER SOFTWARE $M	WATER RIGHTS $M	OTHER $M	TOTAL $M
YEAR ENDED 31 DECEMBER 2023					
Opening net book amount	60	7	56	10	133
Transfers - assets under construction	—	—	—	1	1
Amortisation charge	—	(2)	—	(1)	(3)
Closing net book amount	**60**	**5**	**56**	**10**	**131**
AT 31 DECEMBER 2023					
Cost	60	39	56	17	172
Accumulated amortisation	—	(34)	—	(7)	(41)
Net book amount	**60**	**5**	**56**	**10**	**131**

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	GOODWILL $M	COMPUTER SOFTWARE $M	WATER RIGHTS $M	OTHER $M	TOTAL $M
YEAR ENDED 31 DECEMBER 2024					
Opening net book amount	60	5	56	10	131
Transfers - assets under construction	—	6	—	—	6
Amortisation charge	—	(2)	—	(1)	(3)
Closing net book amount	**60**	**9**	**56**	**9**	**134**
AT 31 DECEMBER 2024					
Cost	60	45	56	17	178
Accumulated amortisation	—	(36)	—	(8)	(44)
Net book amount	**60**	**9**	**56**	**9**	**134**

The goodwill at 31 December 2024 relates to the acquisition of Yancoal Resources Limited (formally known as Felix Resources Limited) in a public offer to shareholders of the ASX listed company and was allocated to the Yarrabee mine. Refer to Note C3 for the details regarding the fair value less cost to sell calculation performed at 31 December 2024. The CGU for which goodwill was allocated was not subject to an impairment charge as the recoverable amount is greater than the carrying value for this CGU.

C6 CASH AND CASH EQUIVALENTS

Accounting policy

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents includes:

(i) cash on hand and at call deposits with banks or financial institutions, net of bank overdrafts; and

(ii) other short term, highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Cash at bank	216	221
Deposits at call	2,093	1,085
Share of cash held in joint operations	152	91
	2,461	**1,397**

(a) Risk exposure

The Group's exposure to interest rate risk and credit risk is discussed in Note D7. The maximum exposure to credit risk on the cash and cash equivalents balance at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

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C7 TRADE AND OTHER RECEIVABLES

Accounting policy

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. After initial recognition, trade and other receivables are carried at amortised cost using the effective interest method apart from Wiggins Island Preference Shares ("WIPS") which are classified as fair value through profit and loss. Refer to Note F6(b) for detailed policies in relation to recognition, measurement, impairment and derecognition of trade and other receivables.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
CURRENT		
Trade receivables from contracts with customers	477	529
Other trade receivables	123	133
	600	**662**
NON-CURRENT		
Receivables from other entities (i)	22	21
Long service leave receivables	79	77
	101	**98**

(i) Receivables from other entities includes the Group's investment in securities issued by Wiggins Island Coal Export Terminal Pty Ltd ('WICET"). These include E Class WIPS and Gladstone Island Long Term Securities ("GiLTS"). During 2018 the WIPS were revalued to nil from $29 million, the GiLTS were impaired by $17 million to a carrying value of $14 million. Receivables from other entities also included $8 million restricted cash paid to the Department of Regional NSW.

The Group does not have a standardised and universal credit period granted to its customers, and the credit period of individual customer is considered on a case-by-case basis, as appropriate. The following is an aged analysis of trade receivables from contracts with customers based on the invoice dates at the reporting dates:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
0-90 days	477	523
91-180 days	—	6
181-365 days	—	—
Over 1 year	—	—
Total	**477**	**529**

(a) Past due but not impaired

The ageing analysis of the Group's trade receivables based on the invoice dates, that were past due but not yet impaired as at 31 December 2024 and 2023, is as follows:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
0-90 days	—	19
91-180 days	—	—
181-365 days	—	—
Over 1 year	—	—
Total	**—**	**19**

The Group does not hold any collateral over these balances. Management closely monitors the credit quality of trade receivables and considers the balance that are neither past due or impaired to be of good quality.

(b) Foreign exchange and interest rate risk

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in Note D7.

(c) Fair value and credit risk

Due to the nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to Note D7 for more information on the risk management policy of the Group and the credit quality of the Group's trade receivables.

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C8 INVENTORIES

Accounting policy

Coal stocks are stated at the lower of cost and net realisable value. Costs are assigned on a weighted average basis and include direct materials, direct labour and an appropriate proportion of variable and fixed overheads on the basis of normal mining capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Carbon offset credits purchased or issued as part of the 2023 amended Safeguard Mechanism have been classified as inventory as they are assets consumed in the Company's production process. Purchased Australian Carbon Credit Units ("ACCUs") are stated at cost and selfgenerated Safeguard Mechanism Credits ("SMCs") are stated at the market value at the date of grant.

Inventories of auxiliary materials, spare parts, small tools, and fuel expected to be used in production are stated at weighted average cost after deducting rebates, discounts, less an allowance, if necessary, for obsolescence.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Coal - at lower of cost or net realisable value	191	221
Tyres and spares - at cost	173	159
Australian Carbon Credit Units ("ACCUs") (i)	48	30
Fuel - at cost	7	6
	419	**416**

(i) Under the revised Safeguard Mechanism, the Group has purchased ACCUs for consideration of $48 million (31 December 2023:$30 million).

(a) Inventory expense

Write downs of inventories to net realisable value recognised as a provision at 31 December 2024 amounted to Nil (2023: $6 million). A provision against slow moving stores inventory of $4.2 million is also recognised at 31 December 2024. The movement in the provision has been included in "Changes in inventories of finished goods and work in progress" in the profit or loss.

C9 ROYALTY RECEIVABLE

Accounting policy

The royalty receivable is revalued at each reporting period based on expected future cash flows that are dependent on sales volumes, price changes and fluctuations in foreign exchange rates. Gains or losses arising from changes in the re-measurement of the fair value of the royalty receivable are recognised in profit or loss. The cash and accrued receipts are recorded directly in other revenue in profit or loss.

Critical accounting estimates and judgements

The fair value of the royalty receivable is estimated based on expected future cash flows that are dependent on sales volumes, price changes and fluctuations in foreign exchange rates.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Opening balance	218	233
Remeasurement of royalty receivable	(1)	(15)
	217	218
Split between:		
Current	19	22
Non-current	198	196
Total	**217**	**218**

A right to receive a royalty of 4% of Free on Board Trimmed sales from the Middlemount mine was acquired as part of the merger with Gloucester Coal Ltd in 2012. This asset has been determined to have a finite life being the life of the Middlemount Mine and is measured on a fair value basis.

(a) Risk exposure and fair value measurements

Information about the Group's exposure to price risk, foreign exchange risk and methods and assumptions used in determining fair value of the royalty receivable is provided in Note D7.

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C10 TRADE AND OTHER PAYABLES

Accounting policy

Refer to Note F6(b)(ii) for detailed policies in relation to recognition, classification, measurement and derecognition of financial liabilities.

Liabilities for payroll costs payable include employee benefits for wages, salaries, annual leave and accumulating sick leave that are expected to be wholly settled within 12 months of the reporting date and based on the undiscounted present obligations resulting from employees' services provided to the reporting date including related on costs, such as superannuation, workers compensation, insurance and payroll tax. Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits using corporate bond rates with terms that match the expected timing of cash out flows. In determining the liability, consideration is given to employee salary and wage increases and the probability that the employee may satisfy any vesting requirements.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Trade payables	770	543
Payroll costs payable	154	152
Other payables	51	39
	975	**734**

The average credit period for trade payables is 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

C11 PROVISIONS

Accounting policies

Provisions are:

- recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that cash will be required to settle the obligation, and the amount can be reliably estimated.
- measured at the present value of management's best estimate at reporting date of the cash outflow required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability where the time value is material. Any increase in the provision due to the passage of the time is recognised as an interest expense.

2024	EMPLOYEE BENEFITS $M	REHABILITATION $M	TAKE OR PAY $M	SALES CONTRACT PROVISION $M	OTHER PROVISIONS $M	TOTAL $M
At 1 January	100	1,114	6	28	114	1,362
Charged / (credited) to profit or loss						
- Unwinding of discount	—	27	1	3	—	31
- Release of the provision	—	—	(5)	(9)	—	(14)
- Utilisation of provisions	—	(33)	—	—	—	(33)
- Rehabilitation provision increase	—	55	—	—	—	55
- Other provision increase	11	—	—	—	4	15
Increase of provisions	7	—	—	—	—	7
Re-measurement of provisions	—	108	—	—	—	108
At 31 December	**118**	**1,271**	**2**	**22**	**118**	**1,531**
Split between:						
Current	15	109	2	5	—	131
Non-current	103	1,162	—	17	118	1,400
Total	**118**	**1,271**	**2**	**22**	**118**	**1,531**

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PROVISION	DESCRIPTION
Employee benefits	The provision for employee benefits represents long service leave entitlements and other incentives accrued by employees. Long service leave payments are made monthly to the Coal Mining Industry (Long Service Leave Funding) Corporation based on the eligible monthly payroll of employees involved in the mining of black coal. Reimbursement is sought from the fund when long service leave is paid to employees involved in the mining of black coal. An asset for the amount recoverable from the Coal Mining Industry (Long Service Leave Funding) Corporation is recognised in trade and other receivables.
Rehabilitation costs	Mining lease agreements and exploration permits impose obligations on the Group to rehabilitate areas where mining activity has taken place. Rehabilitation of these areas is ongoing and in some cases will continue past the life of a mine. The provision for rehabilitation costs has been calculated based on the present value of the future costs expected to be incurred in restoring affected mining areas, assuming current technologies. **Key estimate and judgement:** The rehabilitation provision has been created based on managements' internal estimates and assumptions relating to the current economic environment, which management believes is a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions, however actual rehabilitation costs will ultimately depend upon the future market prices for the necessary decommissioning works (including technology changes which are inherently uncertain), the timing of when the rehabilitation costs are incurred. Timing is dependent upon when the mines cease to produce at economically viable rates, which in turn, will depend upon future coal prices, which are inherently uncertain.
Take or pay	In acquiring part of a business or operation, an assessment is made on the fair value of the assets and liabilities under AASB 3 Business Combinations. Take or pay is the assessment of forecast excess capacity for port and rail contracts. A provision is recognised for the discounted estimated excess capacity. The provision has a finite life and will be released to profit or loss over the period in which excess capacity is realised. **Key estimate and judgement:** The provision is recognised and estimated based on management's assessment of contracted port capacity versus forecast usage. This involves making assumptions about the probability, amount and timing of an outflow of resources embodying economic benefits.
Sales contract	In acquiring part of a business or operation, an assessment is made on the fair value of the assets and liabilities under AASB 3 Business Combinations. The sales contract provision is the assessment of a coal supply and transportation agreement to supply coal to BLCP Power Limited in Thailand at below market prices. A provision was recognised in 2017 for the discounted estimated variance between contract and market prices. The provision has a finite life and will be released to profit or loss over the contract term. **Key estimate and judgement:** The provision is recognised and estimated based on management's assessment of future market prices.
Other provisions	The provision includes marketing services fee payable to Noble Group Limited deemed above market norms in 2012 and contingent royalties payable to Rio Tinto assessed as part of the Coal & Allied Industries Ltd ("Coal & Allied") acquisition in 2017 which will be amortised over the contract terms ending on 31 August 2030, and make good provisions to cover the cost to 'make good' any hired equipment, in case any major overhaul costs are incurred at the end of the lease period. **Key estimate and judgement:** The provision is recognised and estimated based on management's assessment of future market prices of coal.

D CAPITAL STRUCTURE AND FINANCING

The ability of the Group to fund the investment in its ongoing activities, invest in new opportunities and meet current commitments is dependent on available cash and access to third party capital. This section contains disclosure on interest-bearing liabilities, contingencies, financial risk management, reserves, share-based payments and contributed equity that are required to finance the Group's activities.

D1 INTEREST-BEARING LIABILITIES

Accounting policies

(i) Interest-bearing liabilities

Interest-bearing liabilities (excluding financial guarantees) are initially recognised at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest rate method. US dollar interest-bearing loans are designated as a hedge instrument in a cash flow hedge (refer to Note D7). Refer to Note F6(b) for detailed policies in relation to recognition, classification, measurement and derecognition of interest-bearing liabilities.

(ii) Leases

Refer to note C1 for the details of the accounting policy for lease liabilities.

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	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
CURRENT		
Lease liabilities	37	44
	37	**44**
NON-CURRENT		
Lease liabilities	75	102
	75	**102**
Total interest-bearing liabilities	**112**	**146**

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	LEASE LIABILITIES $M
Opening balance at 1 January 2024	146
Additions	15
Repayments	(61)
Unwind of interest expenses and costs	7
Foreign exchange movements	5
Closing balance at 31 December 2024	**112**

(a) Guarantee facilities

Yancoal is a party to guarantee facilities that have been issued for operational purposes in favour of port, rail, government departments and other operational functions.

PROVIDER	FACILITY AU $M	UTILISED AU $M	SECURITY
Syndicate of nine Australian and international financial institutions	1,200	1,038	Secured by the assets of the consolidated groups of Yancoal Resources Ltd and Coal & Allied Industries Ltd with carrying value of $8,618 million. Facility expires on February 2026.
Total	**1,200**	**1,038**	

D2 CONTRIBUTED EQUITY

Accounting policy

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Costs directly attributable to the issue of new shares, options or other equity instrument are shown as a deduction from the equity proceeds, net of any income tax benefit. Costs directly attributable to the issue of new shares or options associated with the acquisition of a business are included as part of the purchase consideration. Refer to Note F6(b)(ii)for detailed policies in relation to recognition, classification and measurement of contributed equity.

(a) Contributed equity

	31 DECEMBER 2024 NUMBER	31 DECEMBER 2023 NUMBER	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
(i) Share capital				
Ordinary shares	1,320,439,437	1,320,439,437	6,219	6,219
(ii) Other contributed equity				
Contingent value right shares			263	263
Related party loan contribution			216	216
			479	**479**
Total contributed equity			**6,698**	**6,698**

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Related party loan contribution

On 31 March 2021 Shandong Energy, the Group's ultimate parent (formerly known as "Yankuang"), provided a US$775 million loan to the Group in order for the Group to redeem an equal amount of external bonds on issue. Using the effective interest method a revaluation to fair value the loan from Shandong Energy was performed at inception. The revaluation took into account the implicit discount between the determined arms length commercial interest rate of the loan if the loan was made by a financier that was not a related party, of 12%, and the actual interest rate. The difference was recognised as an increase to other contributed equity reflecting the contribution made to the Group through the implicit support provided by Shandong Energy. The revaluation of the loan is released through interest expense in the profit and loss using the effective interest method over the life of the loan. The loan was fully repaid by 31 December 2022.

Key accounting estimate and judgement:

In determining the expected commercial borrowing rate that is expected to be payable if the loan was made by a financier that was not a related party requires significant judgement in formulating the estimate as there are limited observable comparable transactions.

(b) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands, every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital. There were no changes in ordinary shares in the reporting periods.

(c) Contingent value right shares

The contingent value right ("CVR") shares were repurchased on 4 March 2014 for cash of $263 million representing the market value of $3.00 cash per CVR share.

(d) Capital risk management

Total capital comprises total equity as shown on the balance sheet plus total interest bearing liabilities less cash and cash equivalents. The Group's primary objectives when managing capital are to ensure the continued ability to provide a consistent return for equity stakeholders through a combination of capital growth and distributions and to maintain an optimal capital structure to reduce the cost of capital. In order to achieve these objectives, the Group seeks to maintain a debt to debt plus equity ratio (gearing ratio) that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or other equity instruments, repay debt or draw down additional debt.

The gearing ratios at the reporting dates were as follows:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Total interest-bearing liabilities	112	146
Less: cash and cash equivalents	(2,461)	(1,397)
Net cash position	**(2,349)**	**(1,251)**
Total equity	9,317	8,442
Total capital (Net debt + total equity)	6,968	7,191
Gearing ratio	**—**	**—**

Refer to Note D1 for the Group's compliance with the financial covenants of its borrowing facilities.

D3 SHARE-BASED PAYMENTS

Accounting policy

Refer to Note B4(iii) for the accounting policy on share-based payments.

Participation in the share-based payment program (Long Term Incentive Program, "LTIP") by the issuing of rights is limited to Senior Executives of the Group. All rights are redeemable on a one-for-one basis for the Group's shares, subject to the achievement of certain performance hurdles. Dividends are not payable on rights. For more information on the operation of the LTIP refer to the remuneration report.

Outlined below are the rights that were on issue as at 31 December 2023 and 31 December 2024.

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DETAILS	DATE OF MEASUREMENT / GRANT	NUMBER OF RIGHTS	DATE OF EXPIRY	CONVERSIONS PRICE ($)
MANAGEMENT PERFORMANCE RIGHTS				
2021 LTIP (i)	1 January 2021	2,736,963	1 January 2024	Nil
2022 LTIP (ii)	1 January 2022	2,483,667	1 January 2025	Nil
2023 LTIP	1 January 2023	1,216,705	1 January 2026	Nil
Balance at 31 December 2023		**6,437,335**		
2022 LTIP (ii)	1 January 2022	2,483,667	1 January 2025	Nil
2023 LTIP	1 January 2023	1,216,705	1 January 2026	Nil
2024 LTIP	1 January 2024	1,533,906	1 January 2027	Nil
Balance at 31 December 2024		**5,234,278**		

	2024 NO. OF RIGHTS	2023 NO. OF RIGHTS
Balance at beginning of the year	6,437,335	7,403,281
Granted during the year	1,533,906	1,216,705
LTIP settled in the year	(2,390,183)	(2,007,635)
LTIP rights lapsed	(346,780)	—
Forfeited during the Period	—	(175,016)
Balance at the end of year	**5,234,278**	**6,437,335**

(i) 2021 LTIP was still on issue and vested 1 January 2024
(ii) 2022 LTIP was still on issue and vested 1 January 2025

The weighted average closing price of the shares immediately before 20 August 2024 when the 2021 LTIP grant vested was $5.34.

Fair value of performance rights granted

The fair value of the LTIP performance rights has been determined using the following assumptions:

	2024 LTIP	2023 LTIP	2022 LTIP
Number of performance rights issued	1,533,906	1,216,705	2,542,567
Number of performance right on issue	1,533,906	1,216,705	2,483,667
Grant date	1 January 2024	1 January 2023	1 January 2022
Average share price at grant date ($)	5.03	6.16	2.80
Expected dividend yield	10%	10%	10%
Vesting conditions	(a)	(a)	(a)
Value per performance right ($)	**3.78**	**4.63**	**2.10**

(a) The LTIP performance rights will vest dependent upon the outcome of cost and earnings per share targets. The rights are split 40% and 60% respectively to these conditions.

There are a maximum of 5,234,278 shares available for issue, which, if issued as new shares, would represent 0.4% of the share capital on issue at 31 December 2024 (31 December 2023: 6,437,335 shares representing 0.5% of share capital).

The LTIP has been valued using the volume weighted average price of Yancoal's ordinary shares across a 20 day trading period around the grant date. The LTIP programs settle when the underlying rights vest, with transfer of treasury shares to the participants.

Refer to accounting policy for treasury shares in Note D5(ii).

The two tables below, including STIP and LTIP disclosures, are additional disclosure requirement pursuant to HK Listing Rule 17.12(1)(a). The information in the tables is disclosed only to satisfy HK Listing Rules requirements and has no relationship with the accounting treatment of the schemes under IFRS.

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STIP TABLE

No consideration or purchase price is given by the participant in exchange of any deferred STIP rights.

UNVESTED STIP DEFERRED RIGHTS AS AT 1 JANUARY 2024[vi]

	PLAN NAME	NUMBER DEFERRED RIGHTS	DATE OF GRANT[i]	VESTING PERIOD[ii]
David Moult	STIP 2021	227,081	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
	STIP 2022	223,872	31 Mar 2022	1 Mar 2023 to 1 Mar 2025
Ning Yue	STIP 2021	—	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
	STIP 2022	—	31 Mar 2022	1 Mar 2023 to 1 Mar 2025
Five highest paid individuals[iii]	STIP 2021	540,052	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
	STIP 2022	517,121	31 Mar 2022	1 Mar 2023 to 1 Mar 2025
Other grantees	STIP 2021	643,334	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
	STIP 2022	690,640	31 Mar 2022	1 Mar 2023 to 1 Mar 2025

STIP DEFERRED RIGHTS GRANTED DURING THE PERIOD[vi]

	PLAN NAME	NUMBER DEFERRED RIGHTS	DATE OF GRANT[i]	VESTING PERIOD [ii]	CLOSING PRICE OF THE SHARES IMMEDIATELY BEFORE THE GRANT OF AWARDS [iv]($)	FAIR VALUE OF AWARDS AT THE DATE OF GRANT[v] ($)
David Moult	STIP 2023	209,886	31 Mar 2024	1 Mar 2024 to 1 Mar 2026	5.240	1,055,700
Ning Yue	STIP 2023	16,541	31 Mar 2024	1 Mar 2024 to 1 Mar 2026	5.240	83,200
Five highest paid individuals[iii]	STIP 2023	501,175	31 Mar 2024	1 Mar 2024 to 1 Mar 2026	5.240	2,520,850
Other grantees	STIP 2023	664,300	31 Mar 2024	1 Mar 2024 to 1 Mar 2026	5.240	3,341,350

VESTED DURING THE REPORTING PERIOD[vi][ix]

	PLAN NAME	NUMBER DEFERRED RIGHTS [vii]	CANCELLED DURING THE REPORTING PERIOD	LAPSED DURING THE REPORTING PERIOD [viii]
David Moult	STIP 2021 - Tranche 2	227,081	—	—
	STIP 2022 - Tranche 1	111,936	—	—
Ning Yue[x]	STIP 2021 - Tranche 2	—	—	—
	STIP 2022 - Tranche 1	—	—	—
Five highest paid individuals[iii]	STIP 2021 - Tranche 2	540,052	—	—
	STIP 2022 - Tranche 1	258,559	—	—
Other grantees	STIP 2021 - Tranche 2	576,472	—	—
	STIP 2022 - Tranche 1	293,438	—	16,079
				68,914

UNVESTED AS AT 31 DECEMBER 2024[vi]

PLAN NAME	NUMBER PERFORMANCE RIGHTS	DATE OF GRANT	VESTING PERIOD [ii]
STIP 2021	—	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
STIP 2022 - Tranche 2	111,936	31 Mar 2023	1 Mar 2023 to 1 Mar 2025
STIP 2023	209,886	31 Mar 2024	1 Mar 2024 to 1 Mar 2026
STIP 2021	—	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
STIP 2022 - Tranche 2	—	31 Mar 2023	1 Mar 2023 to 1 Mar 2025
STIP 2023	16,541	31 Mar 2024	1 Mar 2024 to 1 Mar 2026
STIP 2021	—	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
STIP 2022 - Tranche 2	258,562	31 Mar 2023	1 Mar 2023 to 1 Mar 2025
STIP 2023	501,175	31 Mar 2024	1 Mar 2024 to 1 Mar 2026
STIP 2021	—	30 Mar 2022	1 Mar 2022 to 1 Mar 2024
STIP 2022 - Tranche 2	277,363	31 Mar 2023	1 Mar 2023 to 1 Mar 2025
STIP 2023	595,386	31 Mar 2024	1 Mar 2024 to 1 Mar 2026

(i) Date of Grant for the STIP deferred right is the date per the share certificate - in March the subsequent year.
(ii) Vesting period - the STIP deferred rights are vesting in two equal tranches over two years.
(iii) Five highest paid individuals includes the CEO, David Moult, also outlined separately in the table above as he is the Chief Executive Officer and is required per listing rules to be separately disclosed in his role as an executive.
(iv) For STIP deferred rights, the disclosed closing price of the shares immediately before date of grant, represents the Yancoal closing share price the day before date of grant (30 March 2024).
(v) Fair value represents the reference rate for determination of number of deferred rights to be awarded to the participants. The reference rate is Volume Weighted Average Price ("VWAP") of the Company's ordinary shares traded on the ASX across a 20-day trading period spread 10 days prior to, and 10 days after, 31 December 2023, $5.03.
(vi) No consideration is required from the participants at the time of vesting.
(vii) Deferred rights in table above represents 100% deferred rights that vested in 2024. In 2024, tranche 2 of the 2021 STIP Deferred Rights and tranche 2 of the 2021 STIP Deferred rights vested and the Board exercised its discretion to settle these awards by way of a 50% cash equivalent payment and 50% fully paid ordinary shares, rather than by way of fully paid ordinary shares in the Company. and were settled 50% shares and 50% cash equivalent.
(viii) All STIP deferred rights lapsed on departure of employees.
(ix) The closing share price, on the day prior to the commencement of the 2022 and 2021 deferred rights vesting period was $6.17 per share on 8 March 2024.
(x) Mr Ning Yue was an executive for period of the year and is required to be disclosed separately. He is not part of the five highest paid individuals.

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LTIP TABLE

	UNVESTED AS AT 1 JANUARY 2024[vi]		
	NUMBER PERFORMANCE RIGHTS	DATE OF GRANT	VESTING PERIOD
David Moult	1,386,759	1 Jan 2021	1 Jan 2021 to 31 Dec 2023
	1,264,113	1 Jan 2022	1 Jan 2022 to 31 Dec 2024
	605,669	1 Jan 2023	1 Jan 2023 to 31 Dec 2025
Five highest paid individuals[v]	1,862,740	1 Jan 2021	1 Jan 2021 to 31 Dec 2023
	1,693,269	1 Jan 2022	1 Jan 2022 to 31 Dec 2024
	812,906	1 Jan 2023	1 Jan 2023 to 31 Dec 2025
Other grantees	874,223	1 Jan 2021	1 Jan 2021 to 31 Dec 2023
	790,398	1 Jan 2022	1 Jan 2022 to 31 Dec 2024
	403,799	1 Jan 2023	1 Jan 2023 to 31 Dec 2025

	PERFORMANCE RIGHTS GRANTED DURING THE PERIOD[vi]				
	NUMBER PERFORMANCE RIGHTS GRANTED	DATE OF GRANT[i]	VESTING PERIOD[ii]	CLOSING PRICE OF THE SHARES IMMEDIATELY BEFORE THE GRANT OF AWARDS[iii] ($)	FAIR VALUE OF PERFORMANCE RIGHTS AT THE DATE OF GRANT[iv] ($)
David Moult	741,966	1 Jan 24	1 Jan 2024 to 31 Dec 2026	5.030	3,732,000
Five highest paid individuals[v]	997,986	1 Jan 24	1 Jan 2024 to 31 Dec 2026	5.030	5,019,752
Other grantees	535,920	1 Jan 24	1 Jan 2024 to 31 Dec 2026	5.030	2,695,614

	VESTED DURING THE REPORTING PERIOD[vi][vii]			UNVESTED AS AT 31 DECEMBER 2024[vi]		
	NUMBER PERFORMANCE RIGHTS VESTED	CANCELLED DURING THE REPORTING PERIOD	LAPSED DURING THE REPORTING PERIOD	NUMBER PERFORMANCE RIGHTS	DATE OF GRANT	VESTING PERIOD
David Moult	1,211,056	—	175,703	—	1 Jan 2021	1 Jan 2021 to 31 Dec 2023
				1,264,113	1 Jan 2022	1 Jan 2022 to 31 Dec 2024
				605,669	1 Jan 2023	1 Jan 2023 to 31 Dec 2025
				741,966	1 Jan 2024	1 Jan 2023 to 31 Dec 2026
Five highest paid individuals[v]	1,626,728	—	236,012	—	1 Jan 2021	1 Jan 2021 to 31 Dec 2023
				1,693,269	1 Jan 2022	1 Jan 2022 to 31 Dec 2024
				812,906	1 Jan 2023	1 Jan 2023 to 31 Dec 2025
				997,986	1 Jan 2024	1 Jan 2023 to 31 Dec 2026
Other grantees	763,455	—	110,768	—	1 Jan 2021	1 Jan 2021 to 31 Dec 2023
			22,010	768,388	1 Jan 2022	1 Jan 2022 to 31 Dec 2024
			31,727	372,072	1 Jan 2023	1 Jan 2023 to 31 Dec 2025
				535,920	1 Jan 2024	1 Jan 2023 to 31 Dec 2026

(i) 2024 LTIP were allocated to participants on 11 June 2024 however for accounting purposes, the grant date was deemed to be 1 January 2024.
(ii) 2024 LTIP vest subject to two performance conditions: 60% of the award will vest subject to EPS growth performance of the Group relative to performance of a comparator group of international companies of a comparable size with a coal mining focus over the relevant performance period ("EPS Awards"); and 40% of the award will vest subject to cost per tonne performance of the Group relative to performance of a comparator group of Australian export mines at the end of the performance period ("Costs Target Awards").
(iii) Disclosed as the 2023 LTIP *"closing price immediately before the grant of awards"*, this represents the VWAP of the Company's ordinary shares traded on the ASX across a 20-day trading period spread 10 days prior to, and 10 days after, 31 December 2023.
(iv) The fair value as determined under AASB2 is calculated as the number of performance rights granted multiplied by the VWAP of the Company's ordinary shares traded on the ASX across a 20-day trading period spread 10 days prior to, and 10 days after, 31 December 2024; less future estimated dividends during the vesting period.
(v) Five highest paid individuals includes the CEO, David Moult, outlined separately in the table above.
(vi) No consideration is required from the participants at the time of vesting.
(vii) The weighted average closing price of the shares immediately before the dates on which these awards vested is $5.342

LTIP performance share rights are granted for nil consideration. All vested LTIP awards are automatically exercised.

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D4 DIVIDENDS

(a) Dividends

	2024		2023	
	Cents Per Share	TOTAL $M	Cents Per Share	TOTAL $M
Final dividend for 2023 (paid on 30 April 2024)	32.50	429	—	—
Final dividend for 2022 (paid on 28 April 2023)	—	—	70.00	924
Interim dividend for 2023 (paid on 20 September 2023)	—	—	37.00	489
		429		**1,413**

On 23 February 2024, the Board declared a 2023 final dividend allocation of $429 million, representing A$0.3250 per share (fully franked) with a record date of 13 March 2024 and payment date of 30 April 2024.

On 27 February 2023, the Board declared a 2022 final dividend allocation of $924 million, representing A$0.7000 per share (fully franked), with a record date of 13 March 2023 and payment date of 28 April 2023.

On 16 August 2023, the Board declared a 2023 interim dividend allocation of $489 million, representing A$0.3700 per share (fully franked), with a record date of 6 September 2023 and payment date of 20 September 2023.

(b) Franking credits

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Franking credits available for subsequent reporting periods based on an income tax rate of (30%) (2023 -30%)	2,195	1,655

The above amounts are calculated from the balance of the franking account as at the end of the reporting year, adjusted for franking credits that will arise from the settlement of liabilities for income tax and dividends after the reporting year, including:

(a) franking credits that will arise from the settlement of the provision for income tax that are reflected in the current tax payable balance at the reporting date; and

(b) franking credits that will arise from the receipt of dividends recognised as receivable at the reporting date.

Dividends may be franked from the above balance and from franking credits arising from income tax payments during 2025.

D5 RESERVES

Accounting policies

(i) Hedging reserve

When a financial instrument is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the hedging instrument are recognised in other comprehensive income and accumulated in the hedging reserve until the anticipated underlying transaction occurs. Any ineffective portion of changes in the fair value of the hedging instrument is recognised immediately in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, or is sold, terminated or expires, any accumulated gain or loss remains in equity until the forecast transaction is ultimately recognised in profit or loss. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is immediately recognised in profit or loss.

(ii) Employee compensation reserve

Shares held by the Group sponsored Employee Share Plan Trust are recognised as treasury shares and deducted from equity.

The fair value of equity plans granted is recognised in the employee compensation reserve over the vesting period. This reserve will be reversed against treasury shares when the underlying shares vest and transfer to the employee at the fair value. The difference between the fair value at grant date and the amount received against treasury shares is recognised in retained earnings (net of tax).

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(a) Reserve balances

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Hedging reserve	(168)	(256)
Treasury shares reserve (i)	(18)	(21)
Employee compensation reserve	16	18
Other reserve	—	1
	(170)	**(258)**

(i) The purchase of shares by a trustee for settlement of awards under the Yancoal's equity incentive plan are referred to as "treasury shares" in the Company's financial statements and accounted as treasury shares under applicable accounting standards but do not constitute Treasury Shares under the HK Listing Rules.

(b) Hedging reserve

The hedging reserve is used to record gains or losses on cash flow hedges that are recognised directly in equity through other comprehensive income.

The closing balance relates to the effective portion of the cumulative net change in the fair value of the natural cash flow hedge using the US dollar denominated interest-bearing liabilities to hedge against future coal sales.

MOVEMENTS

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Hedging reserve - cash flow hedges		
Opening balance	(256)	(253)
Fair value losses recognised on USD interest bearing liabilities	—	(5)
Fair value losses recycled to profit or loss	125	1
Deferred income tax (expense)/benefit	(37)	1
Closing balance	**(168)**	**(256)**

If interest-bearing liabilities that are a natural hedge to future coal sales are repaid prior to the original designated date the hedge gain/loss incurred prior to repayment will be released to the profit or loss in line with the original sales to which they were designated. This has resulted in the following pre-tax release profile as at 31 December 2024:

	2025 $M	2026 $M	Total $M
Hedge loss to be recycled in future periods	51	189	240
Of which:			
Hedges related to loans repaid prior to designated repayment date	51	189	240
			240
Deferred income tax benefit			**(72)**
Closing balance			**168**

The hedge loss to be recycled in the six months to 30 June 2025 is $nil.

(c) Employee compensation reserve

The fair value of equity plans granted is recognised in the employee compensation reserve over the vesting period. This reserve will be reversed against treasury shares when the underlying shares vest and transfer to the employee at the fair value. The difference between the fair value at grant date and the amount received against treasury shares is recognised in retained earnings (net of tax).

During the period the movements related to any 2024 additional performance rights issued or forfeited as disclosed in Note D3.

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D6 CONTINGENCIES

Contingent liabilities

The Group had contingent liabilities at 31 December 2024 in respect of:

(i) Bank guarantees

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
PARENT ENTITY AND GROUP		
Performance guarantees provided to external parties	86	79
Guarantees provided to government departments as required by statute	146	120
	232	**199**
JOINT VENTURES (EQUITY SHARE)		
Performance guarantees provided to external parties	270	201
Guarantees provided to government departments as required by statute	458	433
	728	**634**
GUARANTEES HELD ON BEHALF OF RELATED PARTIES (REFER TO NOTE E2(F) FOR DETAILS OF BENEFICIARIES)		
Performance guarantees provided to external parties	74	77
Guarantees provided to government departments as required by statute	4	4
	78	**81**
	1,038	**914**

Refer to Note E1(c)(iii) for commitments and contingent liabilities of the Group's associates and joint ventures.

(ii) Letter of Support provided to Middlemount Coal Pty Ltd

The Company has issued a letter of support dated 4 March 2015 to Middlemount Coal Pty Ltd ("Middlemount"), a joint venture of the Group confirming:

- it will not demand the repayment of any loan due from Middlemount, except to the extent that Middlemount agrees otherwise or as otherwise provided in the loan agreement; and
- it will provide financial support to Middlemount to enable it to meet its debts as and when they become due and payable, by way of new shareholder loans in proportion to its share of the net assets of Middlemount.

This letter of support will remain in force whilst the Group is a shareholder of Middlemount or until notice of not less than 12 months is provided or such shorter period as agreed by Middlemount.

(iii) Other contingencies

A number of claims have been made against the Group as part of the Group's day to day operations. The Directors do not believe that the outcome of these claims will have a material impact on the Group's financial position.

D7 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes and not as speculative instruments. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of foreign exchange, interest rate risk and other price risks, and aging analysis for credit risk.

The Group holds the following financial instruments:

(i) Cash and cash equivalents;

(ii) Trade and other receivables (including WIPS);

(iii) Trade and other payables;

(iv) Interest-bearing liabilities, including bank loans and leases;

(v) Available-for-sale investments;

(vi) Royalty receivable; and

(vii) Derivative financial instruments.

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	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
FINANCIAL ASSETS		
Cash, loans and receivables - amortised cost		
Cash and cash equivalents	2,461	1,397
Trade and other receivables	701	760
Assets at fair value through profit and loss		
Royalty receivable	217	218
	3,379	**2,375**
FINANCIAL LIABILITIES		
Amortised cost		
Trade and other payables	980	738
Interest-bearing liabilities	112	146
	1,092	**884**

The Board of Directors has overall responsibility for determining risk management objectives and policies and risk management is carried out by the Group Audit and Risk Management department along with the Group Treasury department. The Board provides written principles for overall risk management, as well as policies covering specific areas such as the use of derivative financial instruments to mitigate foreign exchange risk. These derivative instruments create an obligation or right that effectively transfers one or more of the risks associated with an underlying financial instrument, asset or obligation.

The overall objective of the Board is to set policies that seek to reduce risk and volatility in financial performance without unduly affecting competitiveness and flexibility. Further details regarding these policies are set out below.

(a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, securities prices, and coal prices, will affect the Group's income or the value of its holdings of financial instruments.

(i) Foreign exchange risk

The Group operates entirely in Australia and its costs are primarily denominated in its functional currency, the Australian dollar. Export coal sales are denominated in US dollars and a strengthening of the Australian dollar against the US dollar has an adverse impact on earnings and cash flow settlement. Liabilities for some plant and equipment purchases and loans are denominated in currencies other than the Australian dollar and a weakening of the Australian dollar against other currencies has an adverse impact on earnings and cash flow settlement.

The hedging policy of the Group aims to protect against the volatility of cash expenditures or reduced collection in the above mentioned transactions as well as to reduce the volatility of profit or loss for retranslation of US dollar denominated loans at each period end.

Natural cash flow hedge

The Group currently does not use bank issued instruments to hedge foreign exchange risks in respect of US dollar denominated loans, however, the scheduled repayment of the principal on US dollar loans is designated to hedge the cash flow risks on the portion of forecast US dollar sales that are not hedged through bank issued instruments ("natural cash flow hedge"). US dollar loan repayments up to a six-month period are designated to hedge the forecast US dollar sales during the same period after the designation of the hedge relationship based on a dollar for dollar basis until the hedge ratio reaches one.

Hedging effectiveness is determined by comparing the changes in the hedging instruments and hedged sales. Hedge ineffectiveness will occur when cash flows generated by sales transactions are lower than the forecast sales transaction. In cases of hedge ineffectiveness, gains or losses in relation to the excess portion in the foreign exchange movement of the designated US dollar loan repayment will be recycled to profit or loss. The effective portion of changes in the hedging instruments will be recognised in the cash flow hedge reserve in Other Comprehensive Income. When the sales transactions occur, amounts accumulated in equity are recycled through the profit or loss as an increase or decrease to sales revenue.

Royalty receivable

The royalty receivable from the Middlemount Joint Venture is estimated based on expected future cash flows that are dependent on sales volumes, US dollar denominated coal prices and the US dollar foreign exchange rate (refer to Note C9).

The Group's exposure to US dollar currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

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	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Cash and cash equivalents	596	829
Trade and other receivables	473	516
Royalty receivable	217	218
Trade and other payables	(103)	(92)
Net Exposure	**1,183**	**1,471**

Sensitivity

The following table summarises the sensitivity of the Group's financial assets and liabilities to a reasonable possible change in the US dollar exchange rate. The Group's exposure to other foreign exchange movements is not material. The Group has used the observed range of actual historical rates for the preceding five year period, with a heavier weighting placed on recently observed market data, in determining reasonably possible exchange movements to be used for the current year's sensitivity analysis. Past movements are not necessarily indicative of future movements. A 10% depreciation/appreciation of the Australian dollar against the US dollar would have increased/(decreased) equity and profit or loss after tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	10% DEPRECIATION OF AUD/USD		10% APPRECIATION OF AUD/USD	
	PROFIT AFTER INCOME TAX $M	EQUITY $M	PROFIT AFTER INCOME TAX $M	EQUITY $M
2024				
Cash and cash equivalents	46	—	(38)	—
Trade and other receivables	37	—	(30)	—
Royalty receivable	17	—	(14)	—
Total increase / (decrease) in financial assets	**100**	**—**	**(82)**	**—**
Trade and other payables	(8)	—	7	—
Total (increase) / decrease in financial liabilities	**(8)**	**—**	**7**	**—**
Total increase / (decrease) in profit after tax and equity	**92**	**—**	**(75)**	**—**
2023				
Cash and cash equivalents	64	—	(53)	—
Trade and other receivables	40	—	(33)	—
Royalty receivable	17	—	(14)	—
Total increase / (decrease) in financial assets	**121**	**—**	**(100)**	**—**
Trade and other payables	(7)	—	6	—
Total (increase) / decrease in financial liabilities	**(7)**	**—**	**6**	**—**
Total increase / (decrease) in profit after tax and equity	**114**	**—**	**(94)**	**—**

Equity movements above reflect the impact of foreign exchange movements on designated USD interest bearing loans that are taken to the hedge reserve rather than the profit and loss. At 31 December 2024, with all USD interest bearing loans repaid in prior periods, there is no sensitivity to future foreign exchange movements and the future unwind of the hedge reserve is fixed (refer to Note D5(b)).

(ii) Price risk

The price risk of the Group include coal price risk.

The Group does not enter into commodity contracts other than to meet the Group's expected usage and sales requirements, such contracts are not settled net. The royalty receivables from Middlemount is exposed to fluctuations in coal price. The Group currently does not have any derivative hedges in place against the movement in the spot coal price. Refer to Note D8(iii) for the royalty receivable coal price sensitivity analysis.

Coal sales are predominately initially provisionally priced with price finalisation either referenced to the relevant index or for term contracts final agreement with the customer. Provisional pricing mechanisms embedded within these sales arrangements have the character of a commodity derivative and are carried at fair value through profit and loss as part of trade receivables or payables. The final sales price is determined normally 7 to 90 days after delivery to the customer. At 31 December 2024 there are $194 million of provisionally priced sales (31 December 2023: $166 million). If coal prices were to increase by 10% provisionally priced sales would increase by $19 million (31 December 2023: $17 million).

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(iii) Interest rate risk

The Group is subject to interest rate risk that arises from borrowings and cash and cash equivalents. Generally, no variable interest is receivable or payable on the Group's trade and other receivables or payables where applicable as they are fixed in nature and therefore they are not exposed to the interest rate risk.

The Group's cash flow interest rate risk for assets primarily arises from cash at bank and deposits subject to market bank rates. During the period , the US$ bank facility ("the Syndicated Term Loan") was subject to USD LIBOR-linked interest rates. In response to the interest rate benchmark reform, the Group has adopted screen rate replacement provisions with reference to the Asia Pacific Loan Market Association ("APLMA") loan agreement template. The US$ bank facility was fully repaid on 31 March 2023 before the the transition trigger event happened.

The Group's exposure to interest rate risk and the weighted average interest rate is set out as below:

	31 DECEMBER 2024		31 DECEMBER 2023	
	WEIGHTED AVERAGE INTEREST RATE %	BALANCE $M	WEIGHTED AVERAGE INTEREST RATE %	BALANCE $M
Cash and cash equivalents	4.8 %	2,461	4.3 %	1,397

Sensitivity

A 50 bps movement in interest rates would cause an immaterial impact on profit and loss of approximately $12 million.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As at 31 December 2024 the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the Consolidated Balance Sheet and the amount of contingent liabilities in relation to financial guarantees issued by the Group as disclosed in Note D6.

In order to minimise credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced. The Group maintains its cash and cash equivalents with reputable banks. Therefore, the Directors consider that the credit risk for such amounts are minimal.

In assessing the Expected Credit Losses ("ECL") of trade receivables management assesses historical write offs of trade receivables, ageing of debtors and whether sufficient credit enhancement is provided by customers (letters of credit and bank guarantees). If the ageing of trade receivables significantly increased then the recognition of ECL would need to be reassessed. Receivables will only be written off if there is demonstrable evidence that there is no reasonable expectation of recovery.

There was no provision recognised for trade receivables as at 31 December 2024 as there are minimal aged debts.

The credit risk on cash and cash equivalents is limited as the counterparties are banks with credit-ratings assigned by international credit-rating agencies that are at least investment grade. Credit risk in trade receivables is managed in the following ways:

(i) payment terms and credit limits are set for individual customers;

(ii) a risk assessment process is used for all customers; and

(iii) letters of credit are required for those customers assessed as posing a higher risk.

The maximum exposure to credit risk on financial assets which have been recognised in the balance sheet is their carrying amount less impairment provision, if any as set out below.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Cash and cash equivalents	2,461	1,397
Trade and other receivables	701	760
	3,162	**2,157**

The Group's exposure to credit risk on trade and other receivables mainly arises from current trade receivables from contracts with customers of $477 million (2023: $529 million) (refer to Note C7). Of these amounts the largest customer domicile exposures are Japan 24%, China 21%, Singapore 13% and Australia 13% (2023: Taiwan 28%, Korea 18%, Japan 14% and China 14%). The remaining trade and other receivables have lower credit risk exposure given the nature of the counterparties.

The top five customers included in trade receivables with the largest gross receivable balance as at 31 December 2024 account for 27% of trade receivables from contracts with customers (2023: 34%).

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(c) Liquidity risk

Liquidity risk includes the risk that the Group will not be able to meet its financial obligations as they fall due. The Group will be impacted in the following ways:

(i) will not have sufficient funds to settle transactions on the due date;

(ii) will be forced to sell financial assets at a value which is less than what they are worth; or

(iii) may be unable to settle or recover a financial asset at all.

Liquidity risk is managed by maintaining sufficient cash and liquid deposit balances and having readily accessible standby facilities in place in accordance with the Board's risk management policy. Details regarding finance facilities are set out in Note D1.

Maturities of financial liabilities

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities and interest payments for all liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows including interest payments. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

	LESS THAN 1 YEAR $M	BETWEEN 1 AND 2 YEARS $M	BETWEEN 2 AND 5 YEARS $M	GREATER THAN 5 YEARS $M	TOTAL CASH FLOWS $M	CARRYING AMOUNT $M
AT 31 DECEMBER 2024						
Non-derivatives						
Trade and other payables	975	—	—	—	975	975
Lease liabilities	43	41	38	1	123	112
Total non-derivatives	**1,018**	**41**	**38**	**1**	**1,098**	**1,087**
AT 31 December 2023						
Non-derivatives						
Trade and other payables	734	—	—	—	734	734
Lease liabilities	51	38	69	4	162	146
Total non-derivatives	**785**	**38**	**69**	**4**	**896**	**880**

D8 FAIR VALUE MEASUREMENTS

(i) Fair value hierarchy

The Group uses various methods in estimating the fair value of financial instruments. AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level in accordance with the following fair value measurement hierarchy:

a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and

c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The royalty receivable was classified as a level 3 financial instrument in 2024 and 2023. No other financial instruments were subject to recurring measurement.

(ii) Valuation techniques

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for the royalty receivable.

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(iii) Value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 instruments for the year ended 31 December 2024:

	31 DECEMBER 2024 ROYALTY RECEIVABLE $M	31 DECEMBER 2023 ROYALTY RECEIVABLE $M
Opening balance	218	233
Remeasurement of the royalty receivable recognised in profit and loss	(1)	(15)
	217	**218**

Royalty receivable

The fair value of the royalty receivable is the fair value of the right to receive a royalty of 4% of Free on Board Trimmed Sales from the Middlemount Mine. The financial asset has a finite life being the life of the Middlemount Mine and will be measured on a fair value basis.

The fair value is determined using the discounted future cash flows that are dependent on the following unobservable inputs: forecast sales volumes, coal prices and fluctuations in foreign exchange rates. The forecast sales volumes are based on the internally maintained budgets, five year business plan and life of mine models. The forecast coal prices and long term exchange rates are based on external data consistent with the data used for impairment assessments (refer to Note C3). The risk-adjusted real post-tax discount rate used to determine the future cash flows is 6.8% (2023: 6.8%).

The estimated fair value could increase significantly if the following unobservable inputs of sales volumes and coal prices were higher and if the Australian dollar weakens against the US dollar. The estimated fair value would also increase if the risk-adjusted discount rate was lower.

Sensitivity

The following tables summarise the sensitivity analysis of royalty receivable. This analysis assumes that all other variables remain constant.

	31 DECEMBER 2024 FAIR VALUE INCREASE/ (DECREASE) $M	31 DECEMBER 2023 FAIR VALUE INCREASE/ (DECREASE) $M
COAL PRICE		
+10%	18	19
-10%	(20)	(19)
EXCHANGE RATES		
+5 cents	(13)	(12)
-5 cents	13	13
DISCOUNT RATES		
+50 bps	(8)	(7)
-50 bps	6	8

WIPS

On the 28 July 2020 the WIPS were restructured and are no longer entitled to any accrual or future dividend payments. Rights to claim repayment of the face value of $31 million only on wind-up, cessation or sale of the business or breach of senior debt covenants. The fair value is determined using the discount future cash flows that are dependent on the following unobservable inputs: internally maintained budgets and business plans of Wiggin Island Coal Export Terminal ("WICET"). The risk adjusted post tax real discount rate used to determine the future cashflows is 8.25%. In 2018 the WIPS book value was reduced to nil.

(iv) Fair values of other financial instruments

The carrying amount is approximate to the fair value for the following:

(i) Trade and other receivables

(ii) Other financial assets

(iii) Trade and other payables

(iv) Interest-bearing liabilities

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E GROUP STRUCTURE

This section explains significant aspects of the Group's structure including business combinations and disposals, interests in other entities, related party transactions, parent entity information, controlled entities, and the deed of cross guarantee.

E1 INTERESTS IN OTHER ENTITIES

Accounting policies

(i) Control

The Group defines "control of an investee" in accordance with AASB 10 Consolidated Financial Statements, paragraph 6 and 7 when the investor has:

- power over the investee, and
- exposure or rights to variable returns from its involvement with the investee and
- the ability to affect those returns through its power over the investee.

Consideration is given to the substance of the agreements and not only to how the arrangements are directed in practice when determining the level of control over the arrangement. In the case of an incorporated entity, this would result in Yancoal consolidating that entity as a subsidiary. In the case of another legal ownership structure, the Group has considered the most appropriate accounting policy based on the facts and circumstances for each legal ownership structure. This is discussed further in section (iii) below. If the conclusion is that the Group does not control the entity or other legal ownership structure, then an assessment is made whether the arrangement meets the definition of joint control.

(ii) Joint control and joint arrangements

A joint arrangement is a contractual arrangement whereby two or more parties undertake economic activities under joint control. Joint control exists only when the strategic, financial and operational policy decisions relating to the relevant activities of the joint arrangement require the unanimous consent of the parties sharing control. The classification of a joint arrangement as either a joint operation or joint venture is dependent on the rights and obligations of the parties to the arrangement. Where the Group concludes that joint control exists, the Group then considers whether the arrangement is a joint operation or joint venture in accordance with AASB 11 Joint Arrangements.

Joint operations: A joint operation is an arrangement where the Group shares joint control, primarily through contractual arrangements with other parties. In these arrangements, the Group has rights to the assets and obligations for the liabilities relating to the arrangement. This includes situations where the parties benefit from the joint activity through a share of the output, rather than by receiving a share of the results of trading. The Group recognises its proportional interest in the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate line items.

Joint ventures: A joint venture is a joint arrangement in which the parties that share joint control of the arrangement have rights to the net assets of the arrangement. A separate vehicle, not the parties, has rights to the assets and liabilities of the arrangement. Joint ventures are accounted for using the equity method accounting (as outlined in AASB 128 Investment in Associates and Joint Ventures).

(iii) Controlling interest in unincorporated arrangements

A controlling interest in an unincorporated arrangement occurs when the Group has the sole ability to direct the relevant activities in the arrangement, such as, approving budgets and investment plans and appointing representatives to the Board or relevant Committees. As the Group controls these contractual arrangements, they do not meet the definition of joint operations. The Group recognises its interest in these types of arrangements in accordance with the contractual arrangements by consolidating its share of any jointly held or incurred assets, liabilities, revenues, and expenses of joint operations and its share of, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate line items.

If neither control nor joint control is identified, consideration is given whether the Group has significant influence over the entity or other legal ownership structure through AASB 128 Investments in Associates and Joint Ventures.

(iv) Associates

Associates are entities over which the Group has significant influence but not control or joint control. Significant influence is presumed to exist where the Group:

- has over 20% but less than 50% of the voting rights of an entity, unless it can be clearly demonstrated that this is not the case; or
- holds less than 20% of the voting rights of an entity; however, has the power to participate in the financial and operating policy decisions of the entity.

If the conclusion is that significant influence exists, then the investment is accounted for using the equity method as outlined in AASB 128 Investments in Associates and Joint Ventures.

After initial recognition at cost, associates are accounted for using the equity method.

(v) Equity method

The Group's share of its associates' and joint ventures' post-acquisition profits or losses is aggregated as one line item and recognised in profit or loss. Its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in a joint venture or associate equals or exceeds its interest, which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture, the Group does not recognise any further losses, unless it has incurred a contractual or constructive obligation to contribute further funds. Unrealised gains on transactions between the Group and its joint ventures or associates are eliminated to the extent of the Group's interest in these entities. Accounting policies of the joint ventures and associates have been changed where necessary, to ensure consistency with the policies adopted by the Group.

Critical accounting judgements and estimates

The Group has interests in several unincorporated arrangements of which the determination of control or joint control requires significant judgement based on the assessment of the contractual rights and obligations.

Differing conclusions around these judgements could materially impact how the Group recognises these investments on initial acquisition and how any subsequent changes in ownership interest are accounted for. See (a) and (b) below for a summary of the Group's interest in unincorporated arrangements and joint arrangements and key judgements made in determining the applicable accounting treatment for each.

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(a) Controlling interest in unincorporated arrangement

In some unincorporated arrangements the Group's contractual rights and obligations give it control of the arrangements and the Group accounts for these arrangements by consolidating its share of the assets, liabilities, revenues, and expenses of the arrangement.

In applying this accounting policy there can be significant judgement in determining whether the Group has control or joint control of an unincorporated arrangement. The Group has made the following judgements in the application of its accounting policy for a controlling interest in unincorporated arrangements.

- Moolarben Coal Mines Pty Ltd and Yancoal Moolarben Pty Ltd, have a combined 95% (2023: 95%) interest in the Moolarben Joint Venture (an unincorporated arrangement) whose principal activity is the development and operation of open-cut and underground coal mines. The Group controls Moolarben as the decisions over relevant activities require approval from the JV Policy Committee, where the Group has the sole ability to appoint representatives.
- Mount Thorley Operations Pty Ltd has an 80% (2023: 80%) interest in Mount Thorley Co-Venture (an unincorporated arrangement) whose principal activity is the development and operation of open-cut coal mines. The Group controls Mount Thorley as the decisions require a majority approval based on working interest and the Group's working interest is 80%.
- CNA Warkworth Australasia Pty Ltd and CNA Resources Ltd, have a combined 84.5% (2023: 84.5%) interest in Warkworth Associates (an unincorporated arrangement) whose principal activity is the development and operation of open-cut mines. The Group controls Warkworth as the decisions over relevant activities require a majority approval of the Operating Committee and 76% of the Participants shares. The Group can appoint 9 out of 11 Operating Committee members and holds 84.5% of the Participants shares.

The principal place of business for the above joint operations is in Australia.

(b) Joint operations with joint control

The Group accounts for joint operations in accordance with AASB 11 Joint Arrangements, by recognising the Group's share of joint assets, liabilities, revenue and expenses. The Group has made the following judgements in the application of its accounting policy for its interests in joint operations where the Group has joint control.

- Coal & Allied Operations Pty Ltd has a 51% (2023: 51%) interest in the Hunter Valley Operations ("HVO") Joint Venture (an unincorporated joint operation) whose principal activity is the development and operation of open-cut coal mines. The Group and the other joint venture partner have joint control over HVO as they must act together to direct the relevant activities which significantly affect the returns of the arrangement.
- Yarrabee Coal Company Pty Ltd, has a 50% (2023: 50%) interest in the Boonal Joint Venture (an unincorporated joint operation), whose principal activity is the provision of a coal haul road and train load out facility. The Group and the other joint venture partner have joint control over Boonal as they must act together to direct the relevant activities which significantly affect the returns of the arrangement.

The principal place of business for the above joint operations is in Australia.

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(c) Interests in associates and joint ventures

Set out below are the associates and joint ventures of the Group as at 31 December 2024 and 31 December 2023. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business.

		% OF OWNERSHIP INTEREST				CARRYING AMOUNT OF INVESTMENT	
NAME OF ENTITY	PLACE OF BUSINESS / COUNTRY OF INCORPORATION	2024 %	2023 %	NATURE OF RELATIONSHIP	MEASUREMENT METHOD	2024 $M	2023 $M
Port Waratah Coal Services Ltd	Australia	30 %	30 %	Associate	Equity method	180	180
WICET Holdings Pty Ltd[51]	Australia	33 %	33 %	Associate	Equity method	—	—
Middlemount Coal Pty Ltd	Australia	49.9997 %	49.9997 %	Joint Venture	Equity method	267	251
HVO Coal Sales Pty Ltd	Australia	51 %	51 %	Joint Venture	Equity method	—	—
HV Operations Pty Ltd	Australia	51 %	51 %	Joint Venture	Equity method	—	—
HVO Services Pty Ltd	Australia	51 %	51 %	Joint Venture	Equity method	—	—
Newcastle Coal Infrastructure Group Pty Ltd	Australia	27 %	27 %	Joint Venture	Equity method	—	—
Total						**447**	**431**

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
AMOUNT RECOGNISED IN PROFIT OR LOSS:		
Middlemount Coal Pty Ltd	16	13
Port Waratah Coal Services Ltd	13	16
	29	**29**

(i) Investment in associates

Port Waratah Coal Services Ltd

The Group holds a direct shareholding in Port Waratah Coal Services Ltd ("PWCS") of 30% (2023: 30%). Under the shareholder agreement between the Group and the other shareholders of PWCS, the Group has 30% of the voting power of PWCS. The Group has the right to appoint a director who is on the Board to partake in policy-making processes and is the appointed manager. The principal activities of PWCS were the provision of coal receivable, blending, stockpiling and ship loading services in the Port of Newcastle.

	PWCS	
	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Opening balance	180	175
Share of profit of equity-accounted investees, net of tax	13	16
Dividends received	(13)	(12)
Reserve movement	—	1
Closing net book amount	**180**	**180**

WICET Holdings Pty Ltd ("WICET")

The Group holds 33% (2023: 33%) of the ordinary shares of WICET Holdings Pty Ltd ("WICET"). Under the shareholder agreement between the Group and other shareholders of WICET, the Group has 10.8% (2023: 10.8%) of the voting power equal to its capacity entitlement at WICET. The Group has the right to appoint a director and is currently represented on the Board to partake in policy-making processes. The principal activities of WICET were the provision of coal receiving, stockpiling and ship loading services in the Port of Gladstone.

(ii) Interest in joint ventures

Middlemount Coal Pty Ltd

Gloucester (SPV) Pty Ltd, has a 49.9997% (2023: 49.9997%) interest in the net assets of Middlemount Coal Pty Ltd ("Middlemount"), an incorporated joint venture, whose principal activity is the development and operation of open-cut coal mines in the Bowen Basin. Structured through a separate vehicle and as a Pty Ltd entity, the legal form provides separation of the assets and liabilities of Middlemount and its owners. The Group and the other shareholder have joint control over Middlemount as they must act together to direct the relevant activities which significantly affect the returns of the arrangement. The key decisions require approval of 80% of the voting interest (which follows ownership interest). Given the legal structure of Middlemount, it has been concluded that it should be classified as a Joint Venture. In accordance with AASB 11 *Joint Arrangements*, the Group's investment in Middlemount should be accounted for using the equity method.

[51] During the year one WICET shareholder exited and as a result the Group's shareholding increased to 33% and its voting power increased to 10.8%.

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	MIDDLEMOUNT	
	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Opening net book amount	251	238
Share of profit of equity-accounted investees, net of tax	16	13
Closing net book amount	**267**	**251**

HVO Entities

The Group holds a 51% (2023: 51%) interest in HVO Coal Sales Pty Ltd, HV Operations Pty Ltd and HVO Services Pty Ltd (together the "HVO Entities"). These entities are the sales, marketing and employee vehicles of the HVO Joint Operation. The Group and the other joint venture partner have joint control over HVO Entities as they must act together to direct the relevant activities which significantly affect the returns of the arrangement.

Newcastle Coal Infrastructure Group Pty Ltd

The Group holds 27% (2023: 27%) of the ordinary shares of Newcastle Coal Infrastructure Group Pty Ltd ("NCIG"). Under the shareholder agreement between the Group and other shareholders, the Group has 27% of the voting power of NCIG. The Group has the right to appoint a director and is currently represented on the Board to partake in policy-making processes. The principal activities of NCIG were the provision of coal receiving, stockpiling and ship loading services in the Port of Newcastle. All decisions over relevant activities are made by the Group and two other investors as the decisions over the relevant activities requires approval of 75% of voting interest. In accordance with AASB 11 *Joint Arrangements*, the Group's investment in NCIG is deemed a joint venture and is accounted for using the equity method.

The Group's share of NCIG's profit after tax has not been recognised for the reporting periods since the Group's share of NCIG's accumulated losses exceeds its interest in NCIG at the reporting dates.

As the Group does not have contractual agreements or an obligation to contribute to this joint venture no additional liabilities have been recognised.

(iii) Commitments and contingent liabilities in respect of associates and joint ventures

There were no commitments and no contingent liabilities in respect of the Group's associates and joint ventures, other than Middlemount as at 31 December 2024 as set out in Note D6(ii).

As a shipper in NCIG and WICET, the Group may be required to pay its share of any outstanding senior debt, amortised over the remaining years of that particular contract, if the Group's source mines are unable to maintain a minimum level of Marketable Coal Reserves. Furthermore, the Group may be required to pay its share of any outstanding senior debt in full, if NCIG or WICET are unable to refinance a tranche of its maturing debt and defaults on its remaining debt. If an NCIG or WICET shipper was to default on its contractual obligations and was unable to pay its share of the NCIG or WICET debt, the outstanding senior debt would be socialised amongst the remaining shippers. In this scenario's the Group's share of the outstanding senior debt would increase.

The Group currently expects to remain in compliance with the minimum level of Marketable Coal Reserves and is unaware of any issues with NCIG or WICET refinancing their future debt maturities.

E2 RELATED PARTY TRANSACTIONS

(a) Parent entities

The parent entity within the Group is Yancoal Australia Ltd. The Group's majority shareholder is Yankuang Energy Group Company Limited ("Yankuang Energy"), incorporated in the People's Republic of China, formerly known as Yanzhou Coal Mining Company Limited. The ultimate parent entity and ultimate controlling party is Shandong Energy Group Company Limited ("Shandong Energy"), incorporated in the People's Republic of China, formerly known as Yankuang Group Corporation Limited.

(b) Yancoal International Holding Co. Ltd

Yancoal International (Holding) Co., Ltd is a wholly owned subsidiary of Yankuang Energy and controls the following subsidiaries: Yancoal Technology Development Holdings Pty Ltd, Athena Holdings Pty Ltd, Tonford Holdings Pty Ltd, Wilpeena Holdings Pty Ltd, Premier Coal Holdings Pty Ltd, Premier Coal Pty Ltd (formerly Premier Coal Ltd), Yancoal Energy Pty Ltd and Syntech Resources Pty Ltd ("Yancoal International Group"). The Company manages these entities on behalf of Yankuang Energy.

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(c) Associates and joint ventures

Refer to Note E1 for details on the associates and joint ventures.

(d) Transactions with other related parties

The following transactions occurred with related parties:

	NOTES	31 DECEMBER 2024 $'000	31 DECEMBER 2023 $'000
SALES OF GOODS AND SERVICES			
Sales of coal to Shandong Energy (Qingdao) Intelligent Industry Technology Co. Ltd (i)		331,188	129,212
Sales of coal to Yankuang Lucky International Company Limited (i)		303,644	22,321
Sales of coal to Yancoal International Trading Co. Ltd (i)		291,283	216,126
Sales of coal to Shandong Energy (Hainan) Intelligent International Technology Co., Ltd (i)		10,606	65,568
Provision of marketing and administrative services to Yancoal International Group (i)		13,285	16,028
Provision of marketing and administrative services to Shandong Energy Group (i)		598	896
		950,604	**450,151**
PURCHASES OF GOODS AND SERVICES			
Purchases of coal from Syntech Resources Pty Ltd (i)		(55,032)	(20,368)
		(55,032)	**(20,368)**
EQUITY SUBSCRIPTION, DEBT REPAYMENT AND DEBT PROVISION			
Lease payments for NHL trucks with Zhongyin (Hong Kong) Co., Limited		(17,297)	(17,026)
		(17,297)	**(17,026)**
OTHER COSTS			
Port charges to NCIG		(303,359)	(272,198)
Port charges to WICET		(68,267)	(39,838)
Port charges to PWCS		(62,222)	(35,176)
		(433,848)	**(347,212)**
OTHER INCOME			
Royalty income charged to Middlemount		26,289	27,380
Dividend income received from PWCS		12,600	13,665
Bank guarantee fee charged to Yancoal International Group (ii)		2,023	2,167
		40,912	**43,212**

(i) Continuing connected transaction under Chapter 14A of HK Listing Rules.
(ii) Fully exempt continuing connected transaction under Chapter 14A of HK Listing Rules

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(e) Outstanding balances arising from transactions with related parties

Balances outstanding at the reporting date to / from related parties are unsecured, non-interest bearing (except for loans receivable and loans payable) and are repayable on demand.

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	31 DECEMBER 2024 $'000	31 DECEMBER 2023 $'000
CURRENT ASSETS		
Trade and other receivables		
Royalty receivable from Middlemount	8,490	6,467
Receivable from Yancoal International Group in relation to cost reimbursement	2,221	2,354
Other receivable from Shandong Energy Australia	99	419
Other receivable from Shandong Energy	9	20
	10,819	**9,260**
Total assets	**10,819**	**9,260**
CURRENT LIABILITIES		
Other payables		
Lease liabilities (NHL trucks) with Zhongyin (Hong Kong) Co., Limited	16,622	14,479
Payables to Yankuang Energy	—	21
	16,622	**14,500**
NON-CURRENT LIABILITIES		
Other payables		
Lease liabilities (NHL trucks) with Zhongyin (Hong Kong) Co., Limited	30,535	42,861
	30,535	**42,861**
Total liabilities	**47,157**	**57,361**

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(f) Guarantees

The financiers of the Group have issued undertakings and guarantees to government departments, and various external parties on behalf of the following related entities:

	31 DECEMBER 2024 $'000	31 DECEMBER 2023 $'000
YANCOAL INTERNATIONAL GROUP		
Syntech Resources Pty Ltd	48,979	52,232
AMH (Chinchilla Coal) Pty Ltd	49	49
Premier Coal Pty Ltd (formerly Premier Coal Ltd)	29,062	29,062
Tonford Holdings Pty Ltd	10	10
Athena Joint Venture	3	3
	78,103	**81,356**

(g) Terms and conditions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

(h) Letter of support provided by parent

The Directors of Yankuang Energy have provided a letter of support whereby unless revoked by giving not less than 24 months notice, for so long as Yankuang Energy owns at least 51% of the shares of the Company, Yankuang Energy will ensure that the Group continues to operate so that it remains solvent.

E3 PARENT ENTITY FINANCIAL INFORMATION

(a) Summary financial information

The individual financial statements for the parent entity, Yancoal Australia Ltd show the following aggregate amounts:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Current assets	10,559	7,784
Non-current assets	8,568	8,668
Total assets	**19,127**	**16,452**
Current liabilities	10,040	7,662
Non-current liabilities	2,100	2,021
Total liabilities	**12,140**	**9,683**
Net assets	**6,987**	**6,769**
Shareholders equity		
Contributed equity	6,698	6,698
Reserves		
Other reserves	(170)	(258)
Retained earnings	459	329
Capital and reserves attributable to the owners of Yancoal Australia Ltd	**6,987**	**6,769**
Profit for the year	559	3,663
Other comprehensive income/(expense)	88	(3)
Total comprehensive income	**647**	**3,660**

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Dividends

Subsequent to year end, controlled subsidiaries have declared dividends sufficient to enable the parent to declare a final dividend from accounting profits.

(b) Guarantees entered into by the parent entity

As at 31 December 2024, the parent entity had contingent liabilities in the form of bank guarantees amounting to $1,038 million (2023: $914 million) in support of the operations of the parent entity, its subsidiaries and related parties (refer to Note D6).

(c) Contingent liabilities of the parent entity

There are cross guarantees given by Yancoal Australia Ltd and certain subsidiaries (refer Note E4 for details regarding the closed group). For a consolidated Statement of profit and loss and details of the movements in the consolidated retained earnings for the closed Group refer Note E5

The parent entity did not have any contingent liabilities as at 31 December 2024, except for those described in Note D6 and E5.

E4 CONTROLLING INTERESTS

(i) Significant investments in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following principal subsidiaries that are controlled:

			EQUITY HOLDING	
NAME OF ENTITY	PRINCIPAL ACTIVITIES	ISSUED AND FULLY PAID SHARE CAPITAL $	2024 %	2023 %
THE COMPANY				
Yancoal Australia Ltd (i)			100	100
CONTROLLED ENTITIES				
Yancoal Australia Sales Pty Ltd (i) (ii)	Coal sales	100	100	100
Yancoal Resources Pty Ltd (formerly Yancoal Resources Limited) (ii)	Coal investment holding company	446,409,065	100	100
Yancoal Mining Services Pty Ltd (i)	Provide management services to underground mines	100	100	100
Yancoal Insurance Company Limited (iii)	Provision of captive insurance to the Group	19,000,000	100	—
Yancoal Moolarben Pty Ltd (i) (ii)	Coal business development	100	100	100
Moolarben Coal Mines Pty Ltd (ii)	Coal business development	1	100	100
Moolarben Coal Operations Pty Ltd	Management of coal operations	2	100	100
Moolarben Coal Sales Pty Ltd	Coal sales	2	100	100
Felix NSW Pty Ltd	Investment holding	2	100	100
Yarrabee Coal Company Pty. Ltd. (ii)	Coal mining and sales	92,080	100	100
Proserpina Coal Pty Ltd	Holding company	1	100	100
Athena Coal Operations Pty Ltd	Dormant	1	100	100
Athena Coal Sales Pty Ltd	Dormant	1	100	100
Gloucester Coal Pty Ltd (formerly Gloucester Coal Ltd) (i) (ii)	Coal resource exploration development	719,720,808	100	100
Westralian Prospectors Pty Ltd (formerly Westralian Prospectors NL) (i)	Holding company	93,001	100	100
Eucla Mining Pty Ltd (formerly Eucla Mining NL) (i)	Coal mining	2	100	100
CIM Duralie Pty Ltd (i)	Holding company	665	100	100
Duralie Coal Marketing Pty Ltd (i)	Holding company	2	100	100
Duralie Coal Pty Ltd (i) (ii)	Coal mining	2	100	100
Gloucester (SPV) Pty Ltd (ii)	Holding company	2	100	100
Gloucester (Sub Holdings 2) Pty Ltd (i)	Holding company	2	100	100
CIM Mining Pty Ltd (i)	Holding company	30,180,720	100	100
Monash Coal Holdings Pty Ltd (i)	Holding company	100	100	100
CIM Stratford Pty Ltd (i)	Holding company	21,558,606	100	100
CIM Services Pty Ltd (i)	Holding company	8,400,002	100	100

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NAME OF ENTITY	PRINCIPAL ACTIVITIES	ISSUED AND FULLY PAID SHARE CAPITAL $	EQUITY HOLDING 2024 %	EQUITY HOLDING 2023 %
Monash Coal Pty Ltd (i) (ii)	Coal exploration	100	100	100
Stratford Coal Pty Ltd (i) (ii)	Coal mining	10	100	100
Stratford Coal Marketing Pty Ltd (i)	Coal sales	10	100	100
Coal & Allied Industries Pty Ltd (formerly Coal & Allied Industries Ltd) (ii)	Coal investment holding company	86,584,735	100	100
Kalamah Pty Ltd	Holding company	1	100	100
Coal & Allied (NSW) Pty Ltd	Employment company for Mount Thorley and Warkworth mines	1	100	100
Australian Coal Resources Pty Ltd (formerly Australian Coal Resources Ltd)	Coal investment holding company	5	100	100
Coal & Allied Operations Pty Ltd (ii)	Coal mining and related coal preparation and marketing	17,147,500	100	100
Lower Hunter Land Holdings Pty Ltd	Management company of Lower Hunter Land entities	1	100	100
Oaklands Coal Pty Ltd	Coal exploration	5,005	100	100
Novacoal Australia Pty Ltd	Holding company	530,000	100	100
CNA Resources Pty Ltd (formerly CNA Resources Ltd) (ii)	Holding company	14,258,694	100	100
CNA Warkworth Pty Ltd	Coal mining	1	100	100
Coal & Allied Mining Services Pty Ltd	Employment company for Mount Thorley Co Venture	10,000	100	100
RW Miller (Holdings) Pty Ltd (formerly RW Miller (Holdings) Ltd)	Holding company	42,907,017	100	100
Mount Thorley Coal Loading Ltd	Operation of coal loading facility	3,990,000	70	70
Gwandalan Land Pty Ltd	Dormant	1	100	100
Nords Wharf Land Pty Ltd	Dormant	1	100	100
Catherine Hill Bay Land Pty Ltd	Dormant	1	100	100
Black Hill Land Pty Ltd	Dormant	1	100	100
Minmi Land Pty Ltd	Dormant	1	100	100
Namoi Valley Coal Pty Ltd	Holding company	51,210,000	100	100
CNA Warkworth Australasia Pty Ltd (ii)	Coal mining	2	100	100
CNA Bengalla Investments Pty Ltd	Holding company	12	100	100
Mount Thorley Operations Pty Ltd (ii)	Coal mining	24,214	100	100
Northern (Rhondda) Collieries Pty Ltd	Holding company	62,082	100	100
Miller Pohang Coal Company Pty Ltd	Sales company for Mount Thorley JV	100	80	80
Warkworth Mining Ltd	Mine management	100	85	85
Warkworth Pastoral Company Pty Ltd	Pastoral company for the Warkworth JV	100	85	85
Warkworth Tailings Treatment Pty Ltd	Tailings company for the Warkworth JV	100	85	85
Warkworth Coal Sales Ltd	Sales company for Warkworth JV	100	85	85
White Mining Pty Ltd (formerly White Mining Limited) (i)	Holding company and mine management	3,300,200	100	100
Watagan Mining Company Pty Ltd (i)	Holding company	100	100	100
Austar Coal Mine Pty Limited (i)	Coal mining and sales	64,000,000	100	100
White Mining Services Pty Limited (i)	Holding company	2	100	100
White Mining (NSW) Pty Limited (i)	Coal mining and sales	10	100	100
Ashton Coal Operations Pty Limited (i)	Mine management	5	100	100
Ashton Coal Mines Pty Ltd (formerly Ashton Coal Mines Ltd) (i)	Coal sales	100	100	100
Donaldson Coal Holdings Pty Ltd (formerly Donaldson Coal Holdings Ltd) (i)	Holding company	204,945,942	100	100
Gloucester (Sub Holdings 1) Pty Ltd (i)	Holding company	2	100	100
Donaldson Coal Pty Ltd (i)	Coal mining and sales	6,688,782	100	100
Donaldson Coal Finance Pty Ltd (i)	Finance company	10	100	100

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NAME OF ENTITY	PRINCIPAL ACTIVITIES	ISSUED AND FULLY PAID SHARE CAPITAL $	EQUITY HOLDING 2024 %	EQUITY HOLDING 2023 %
Abakk Pty Ltd (i)	Holding company	6	100	100
Newcastle Coal Company Pty Ltd (i)	Coal mining	2,300,999	100	100
Primecoal International Pty Ltd (i)	Holding company	1	100	100

(i) These subsidiaries have been granted relief from the requirement to prepare financial reports in accordance with ASIC Legislative Instrument 2016/785. These subsidiaries represent the closed Group for the purposes of the class order. For further information refer to Note E5.
(ii) These entities are considered to be the material controlled entities of the Group. Their principal activities are the exploration, development, production and marketing of metallurgical and thermal coal.
(iii) All subsidiaries included in the table above are incorporated and operate in Australia, except for Yancoal Insurance Company Limited which is incorporated and operates in Guernsey.

No subsidiaries have been deregistered / dissolved during 2024.

The subsidiaries as listed have share capital consisting solely of ordinary shares and subordinated capital notes, which are held directly by the Group. The country of incorporation or registration is also their principal place of business.

E5 DEED OF CROSS GUARANTEE

Yancoal Australia Ltd and certain subsidiaries (refer to Note E4), are parties to a deed of cross guarantee under which each company guarantees the debts of the others. By entering into the deed, the wholly owned entities have been relieved from the requirement to prepare a financial report and Directors' Report under Legislative Instrument 2016/785 issued by the Australian Securities and Investments Commission.

(a) Consolidated statement of profit or loss and other comprehensive income

Set out below is a Consolidated Statement of Profit or Loss and Other Comprehensive Income and a summary of movements in consolidated retained earnings/(accumulated losses) for the year ended 31 December 2024 of the entities included in the deed of cross guarantee consisting of Yancoal Australia Ltd and certain subsidiaries. For details regarding the closed group and the extended closed group refer to Note E4.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Revenue	**1,370**	**4,074**
Other income	1	170
Changes in inventories of finished goods and work in progress	(14)	(25)
Raw materials and consumables used	(91)	(92)
Employee benefits	(192)	(170)
Depreciation and amortisation	(204)	(288)
Transportation	(136)	(158)
Contractual services and plant hire	(93)	(91)
Government royalties	(58)	(44)
Coal purchase	(189)	(160)
Other operating expenses	(8)	(116)
Finance costs	(14)	(14)
Profit before income tax	**372**	**3,086**
Income tax benefit	64	128
Profit after income tax	**436**	**3,214**

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	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
OTHER COMPREHENSIVE INCOME		
Items that may be reclassified subsequently to profit or loss		
Cash flow hedges:		
Fair value losses transferred to profit or loss	125	1
Deferred income tax (expense) / benefit	(37)	1
Fair value losses taken to equity	—	(5)
Other comprehensive income / (expense), net of tax	**88**	**(3)**
Total comprehensive income	**524**	**3,211**
Summary of movements in consolidated retained earnings or accumulated losses		
Retained earnings / (accumulated losses) at the beginning of the financial year	356	(1,445)
Dividends paid	(429)	(1,413)
Profit after income tax	436	3,214
Retained earnings at the end of the financial year	**363**	**356**

(b) Consolidated balance sheet

Set out below is a Consolidated Balance Sheet as at 31 December 2024 of the entities included in the deed of cross guarantee consisting of Yancoal Australia Ltd and certain subsidiaries. For details regarding the closed group and the extended closed group refer to Note E4.

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
CURRENT ASSETS		
Cash and cash equivalents	1,450	895
Trade and other receivables	4,717	4,031
Inventories	31	43
Other current assets	16	13
Total current assets	**6,214**	**4,982**
NON-CURRENT ASSETS		
Trade and other receivables	15	15
Property, plant and equipment	709	580
Mining tenements	815	910
Exploration and evaluation assets	16	16
Intangible assets	30	26
Other financial assets	6,791	6,791
Deferred tax assets	159	140
Other non-current assets	17	17
Total non-current assets	**8,552**	**8,495**
Total assets	**14,766**	**13,477**
CURRENT LIABILITIES		
Trade and other payables	7,155	5,990
Interest-bearing liabilities	10	10
Current tax liabilities	90	216
Provisions	115	34
Total current liabilities	**7,370**	**6,250**

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	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
NON-CURRENT LIABILITIES		
Trade and other payables	4	4
Interest-bearing liabilities	33	40
Provisions	489	408
Total non-current liabilities	**526**	**452**
Total liabilities	**7,896**	**6,702**
Net assets	**6,870**	**6,775**
EQUITY		
Contributed equity	6,679	6,679
Reserves	(172)	(260)
Retained earnings	363	356
Total equity	**6,870**	**6,775**

F OTHER INFORMATION

This section provides details on other required disclosures relating to the Group to comply with the accounting standards and other pronouncements. Information is provided on commitments, remuneration of auditors, events occurring after balance date, reconciliation of profit after income tax to net cash inflow, other accounting policies and new and amended accounting policies.

F1 COMMITMENTS

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Property, plant and equipment		
Not later than one year		
Share of joint operations	205	171
Other	106	18
Exploration and evaluation		
Not later than one year		
Share of joint operations	1	1
	312	**190**

F2 REMUNERATION OF AUDITORS

(a) SW Audit

	31 DECEMBER 2024 $'000	31 DECEMBER 2023 $'000
Audit and review of financial statements	1,393	1,279
Audit-related services	25	27
Other assurance services	45	39
Total remuneration of SW Audit	**1,463**	**1,345**

(b) Other audit providers

During the year ended 31 December 2024 the Company incurred services provided by other audit providers for the audit and review of financial statements and financial information for:

PROVIDER	ENTITY	31 DECEMBER 2024 $'000	31 DECEMBER 2023 $'000
Deloitte	Hunter Valley Operations	87	71
Ernst & Young	Middlemount	5	—

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F3 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 DECEMBER 2024 $M	31 DECEMBER 2023 $M
Profit after income tax	1,216	1,819
Non-cash flows in profit or loss:		
Depreciation and amortisation of non-current assets	750	881
Fair value losses recycled from hedge reserve	125	1
Rehabilitation provision increase	55	105
Unwinding of discount on provisions and deferred payables	31	33
Other provision increase	11	—
Loss / (gain) on remeasurement of contingent royalty	4	(21)
Loss on remeasurement of royalty receivables	1	15
Net gain on disposal of property, plant and equipment	(2)	(5)
Share of profit of equity-accounted investees, net of tax	(29)	(29)
Release of provisions	(47)	(34)
Foreign exchange gains	(110)	(16)
Changes in assets and liabilities:		
Increase / (decrease) in operating payables	206	(153)
Decrease in operating receivables	102	135
Decrease / (increase) in prepayments	10	(25)
Increase in inventories	(3)	(86)
Increase in deferred tax	(56)	(38)
Decrease in tax provision	(131)	(1,321)
Net cash inflow from operating activities	**2,133**	**1,261**

F4 HISTORICAL INFORMATION

The revenue, profit / (loss) after tax, assets and liabilities for the last five years at 31 December are:

	2024 $M	2023 $M	2022 $M	2021 $M	2020 $M
Revenue	6,860	7,778	10,548	5,404	3,473
Profit / (loss) before income tax	1,689	2,583	5,091	1,103	(1,143)
Income tax (expense) / benefit	(473)	(764)	(1,505)	(312)	103
Profit / (loss) after tax	**1,216**	**1,819**	**3,586**	**791**	**(1,040)**
Profit / (loss) is attributable to:					
Owners of Yancoal Australia Ltd	1,216	1,819	3,586	791	(1,040)
Non-controlling interests	—	—	—	—	—
ASSETS AND LIABILITIES					
Current assets	3,540	2,533	3,810	2,531	1,343
Non-current assets	8,816	8,721	8,991	9,269	9,712
Total assets	**12,356**	**11,254**	**12,801**	**11,800**	**11,055**
Current liabilities	1,234	1,048	2,532	826	1,199
Non-current liabilities	1,805	1,764	2,239	4,828	4,663
Total liabilities	**3,039**	**2,812**	**4,771**	**5,654**	**5,862**
Net assets	**9,317**	**8,442**	**8,030**	**6,146**	**5,193**

F5 EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstances have occurred subsequent to the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the result of those operations or the state of affairs of the Group or Company in subsequent financial periods except for the following:

- On 20 February 2025, the Directors declared a fully franked final dividend of A$687 million, A$0.5200 per share, with a record date of 14 March 2025 and a payment date of 30 April 2025.

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F6 OTHER MATERIAL ACCOUNTING POLICIES

(a) Foreign currency transactions

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(ii)Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

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(b) Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

(i) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding ECL, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at Fair Value Through Profit or Loss ("FVTPL")

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income ("FVTOCI") are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor contingent consideration arising from a business combination as at FVTOCI on initial recognition, and
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. TheGroup has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the 'other revenue' line item.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

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- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter into bankruptcy or other financial reorganisation.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default (including consideration of enforceability and recoverability under any guarantees). The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date and any undrawn, but committed loans associated with the financial asset.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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Impairment of trade receivables

The Group has applied the simplified approach to measuring ECL to trade and other receivables using a life-time expected loss allowance. The Group has also used the practical expedient of a provisions matrix using fixed rates to approximate the ECL. These provisions are considered representative across all business and geographic segments of the Group based on historical credit loss experience and considered future information.

(ii) Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

Financial liabilities

The Group's financial liabilities including trade and other payables, non-contingent royalty payable, interest-bearing liabilities which are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(iii) Accounting for derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value at the date when a derivative contract is entered into and are subsequently remeasured at their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either: (i) hedges of the fair value of recognised assets or liabilities (fair value hedge); and (ii) hedges of highly probable forecast transactions (cash flow hedge).

The fair values of various derivative instruments used for hedging purposes are disclosed in Note D7. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

At the inception of the hedging relationship the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Cash flow hedges

The effective portion of changes in the fair value of derivatives or other financial instruments that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated in cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in the cash flow hedge reserve in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the profit or loss.

Derivatives that do not qualify for hedge accounting and those not designated as hedging instruments

Changes in the fair value of any derivative instruments that do not qualify for hedge accounting and those not designated as hedges are recognised immediately in the profit or loss.

(iv) Derecognition

A financial asset is derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in investment revaluation reserve is recognised in profit or loss.

A financial liability is derecognised when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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F7 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The relevant accounting amendments and interpretations effective for the current reporting period are:

- AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback
- AASB 2023-2 Amendments to Australian Accounting Standards - International Tax Reform - Pillar Two Model Rules

Above mentioned amendments have not resulted in any changes to the Group's accounting policies and have no effect on the amounts reported for the current or prior periods.

Except for the above mentioned amendment there were no further changes to the Group's accounting policies and no effect on the amounts reported for the current or prior periods.

F8 NEW ACCOUNTING STANDARDS AND INTERPRETATIONS

Certain new accounting standards and interpretations (including climate reporting standards) have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. The Australian Accounting Standards Board ("AASB") published the mandatory AASB S2 Climate-related Disclosures in September 2024. These forms part of climate reporting separately done as per Corporations Act and will be implemented from 1 January 2025.

The Group's assessment of the impact of the other new standards and interpretations is set out below.

REFERENCE	DETAILS OF NEW STANDARD/AMENDMENT/INTERPRETATIONS INCLUDING CLIMATE REPORTING STANDARDS	APPLICATION DATE FOR THE GROUP
AASB S1, AASB S2	Following their approval on 20 September 2024, the AASB has published a voluntary AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information and mandatory AASB S2 Climate-related Disclosures. Certain entities are required by the Corporations Act 2001 to apply AASB S2 for annual periods beginning on or after 1 January 2025 • An entity electing to voluntarily apply AASB S1 would disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. • AASB S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. Entities required by the Corporations Act to apply AASB S2 should refer to the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024 for details about the changes to the Corporations Act that require certain entities to prepare an annual sustainability report. Impact: These new standards are expected to enhance transparency and accountability with respect to sustainability and climate-related risks, which will have direct and indirect implication on Group's financial statements.	1 January 2025
AASB 2024-2	Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments • Specific provisions on derecognition of financial liabilities settled though the electronic payment system. Subject to certain conditions being met, an entity is permitted to regard such financial liabilities as settled before the settlement date. Notably, the entity needs to determine whether the settlement risk associated with the electronic payment system is insignificant. • For financial assets with contingent features (such as ESG related), the contractual cash flows are solely principal and interest if and only if, in all contractually possible scenarios, the contractual cash flows would not be significantly different from the contractual cash flows on a financial instrument with identical contractual terms, but without such a contingent feature. For this the entity needs to perform appropriate qualitative and quantitative assessments to determine whether such criterion is met, unless it is clear from little or no analysis. • For financial assets with non-recourse features (due to linkage to cash flows generated from specific assets), an entity is required to also consider how this link is affected by other contractual arrangements, such as subordinated debt or equity instruments issued by the debtor. • Exclude arrangements that are meant to provide credit enhancement from the purview of provisions relating to contractually linked instruments (for e.g., structured entity set up to hold the underlying assets that will generate the cash flows to repay the creditor.). Include financial instruments such as lease receivables (including ONLY those with variable payments dependent on an index or rate) which have contractual cash flows similar to principal and interest but not within the scope of AASB 9. Impact: Yancoal continue to assess the impact of the new standard and at this point we dont expect there to be any material impact. Yancoal is not planning to early adopt this standard.	1 January 2026

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AASB 2023-5	This Standard amends AASB 121 to introduce the additional requirement to determine the exchangeability of a foreign currency in which the entity conducts transactions or holds balances. For this purpose, the definition of exchangeability is added in the standard. Below are the amendments that result in change in accounting policy of the entity with respect to accounting for foreign currency transactions and balances: • There is a need to assess whether a currency is exchangeable into another currency: (a) at a measurement date; and (b) for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency. • Estimate the spot exchange rate at a measurement date when a currency is not exchangeable into another currency at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. • Detailed guidance in Appendix A should be applied in determining the exchangeability. Impact: Management believes there will be no impact on the financial statements of the Group when the said amendments become effective.	1 January 2025
AASB 2014-10, AASB 2024-7b	AASB 2014-10: Sale or contribution of Assets between an Investor and its Associate or Joint Venture AASB 2024-4b: Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections • The amendments address an acknowledged inconsistency between the requirements in AASB 10 and those in AASB 128 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture. • The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. • AASB 2024-4b defers the effective date of AASB 2014-10 to 1 January 2028. Impact: This will only have impact where there has been a sale or contribution of assets between the entity and its investor. In the current period no such material transactions have occurred.	1 January 2028
AASB 2024-3	This standard makes editorial amendments to AASB 9 and AASB 10 as a result of which the following clarifications emerge: • Initial recognition of trade receivables under AASB 9 is to be at the amounts determined as per AASB 15 (considering the significant financing component) instead of the transaction price; and • A de-facto agent includes a party which has the ability to direct another party on behalf of the investor. Impact: The impact of these amendments is not expected to be material as the current accounting policies of the entity are already aligned with the amendments.	1 January 2026

DIRECTORS' DECLARATION

For the year ended 31 December 2024

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In the Directors' opinion:

(a) the financial statements and notes set out on pages 44 to 104 are in accordance with the *Corporations Act 2001,* including:

  (i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

  (ii) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in Note E4 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in Note E5.

(d) the information disclosed in the attached consolidated entity disclosure statement is true and correct.

Note A(i) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by individuals performing the function of the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Gregory Fletcher

Gregory James Fletcher

Director

Sydney

20 February 2025

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Accountants & Advisors

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANCOAL AUSTRALIA LTD

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Yancoal Australia Ltd and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of Yancoal Australia Ltd is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended, and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Recoverability of long-life assets (Note C3)

Area of focus	How our audit addressed the area of focus
A substantial portion of the value of the Group's non-current assets are tangible and intangible assets which are subject to an impairment assessment in accordance with AASB 136 *Impairment of Assets*.	Our audit procedures included: • considering the assessment of the existence of impairment indicators

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The carrying value of these long-life assets is $8,274 million as at 31 December 2024 , as presented in property, plant and equipment, mining tenements, intangible assets and in investment in other entities. The recoverable amount of the cash generating unit (CGU) has been calculated based on their fair value less costs of disposal. These recoverable amounts use discounted cash flow forecasts in which Directors and management make judgements about all material key inputs, for example, but not limited to, coal prices, foreign exchange rates, and discount rates are estimated. Significant judgement is required to assess the recoverable amount of these assets. We have determined this to be an key audit matter.	• assessing the basis for determining the Cash-Generating Units (CGUs) • obtaining an understanding and assessing key controls over the preparation of the fair value models • obtaining an understanding of the methods, assumptions and data used in the fair value models • meeting with management's experts involved in developing the key assumptions driving the fair value models and challenging key assumptions • testing the accuracy of the fair value models, including engaging our expert • assessing whether the methods, assumptions and data were appropriate • obtaining the assistance of our valuation experts in assessing whether certain key assumptions are appropriate • assessing the adequacy of the Group's impairment disclosures relating to the recoverability of long-life assets.

2. Rehabilitation provision (Note C11)

Area of focus	How our audit addressed the area of focus
The Group has closure and rehabilitation obligations to restore and rehabilitate environmental disturbances created by its operations sites. The rehabilitation provision of $1,271 million as at 31 December 2024 has been accrued based on management's internal estimates and assumptions relating to the current economic environment, which Directors and management believes is a reasonable basis upon which to estimate the future liability. Significant judgement is required to assess the completeness of the provisions. The rehabilitation provision is an accounting estimate with is subject to estimation uncertainty. We have determined this to be a key audit matter.	Our audit procedures included: • evaluating the Group's legal and regulatory obligations for closure and rehabilitation • obtaining an understanding and assessing key controls over the preparation of rehabilitation provision • obtaining an understanding of the methods, assumptions and data used in the rehabilitation provision calculating whether the future rehabilitation costs were consistent with the closure plans prepared by the Group's internal experts for relevant sites • testing the mathematical accuracy of the closure and rehabilitation provision calculations • assessing the qualifications, competence and objectivity of the internal and external experts and that the information provided by the Group's experts has been appropriately reflected in the calculation of the closure and rehabilitation provisions

- assessing the key assumptions used by management, including benchmarking to comparable market data and external experts' technical data
- meeting with management technical experts involved in modelling the rehabilitation and mine closure plans and the life of mine models and challenging key assumptions
- assessing the adequacy of the Group's disclosures relating to the rehabilitation provision

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement for being true and correct in accordance with the requirements of the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement as true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can

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arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the financial report. We are responsible for the direction, supervision, and review of work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provided the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them, all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 12 to 26 of the directors' report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Yancoal Australia Ltd for the year ended 31 December 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

SW Audit
Chartered Accountants

Yang (Bessie) Zhang
Partner
Sydney, 20 February 2025

Rami Eltchelebi
Partner

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YANCOAL AUSTRALIA LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED ENTITY DISCLOSURE STATEMENT
As at 31 December 2024

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In accordance with the requirements of subsection 295(3A) of the Australian Corporations Act 2001 (Cth), set out below is the consolidated entity disclosure statement disclosing information in respect of Yancoal Australia Limited and entities it controlled, being each entity that was part of the consolidated entity in relation to which the financial statements in this annual report have been prepared, as at 31 December 2024.

NAME OF ENTITY	ENTITY TYPE	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	TAX RESIDENCY
Yancoal Australia Ltd	Body corporate	Australia	100	Australia
Yancoal Australia Sales Pty Ltd	Body corporate	Australia	100	Australia
Yancoal Resources Pty Ltd (formerly Yancoal Resources Limited)	Body corporate	Australia	100	Australia
Yancoal Mining Services Pty Ltd	Body corporate	Australia	100	Australia
Yancoal Insurance Company Limited	Body corporate	Guernsey	100	Guernsey
Yancoal Moolarben Pty Ltd *	Body corporate	Australia	100	Australia
Moolarben Coal Mines Pty Ltd *	Body corporate	Australia	100	Australia
Moolarben Coal Operations Pty Ltd	Body corporate	Australia	100	Australia
Moolarben Coal Sales Pty Ltd	Body corporate	Australia	100	Australia
Felix NSW Pty Ltd	Body corporate	Australia	100	Australia
Yarrabee Coal Company Pty Ltd *	Body corporate	Australia	100	Australia
Proserpina Coal Pty Ltd	Body corporate	Australia	100	Australia
Athena Coal Operations Pty Ltd	Body corporate	Australia	100	Australia
Athena Coal Sales Pty Ltd	Body corporate	Australia	100	Australia
Gloucester Coal Pty Ltd (formerly Gloucester Coal Ltd)	Body corporate	Australia	100	Australia
Westralian Prospectors Pty Ltd (formerly Westralian Prospectors NL)	Body corporate	Australia	100	Australia
Eucla Mining Pty Ltd (formerly Eucla Mining NL)	Body corporate	Australia	100	Australia
CIM Duralie Pty Ltd	Body corporate	Australia	100	Australia
Duralie Coal Marketing Pty Ltd	Body corporate	Australia	100	Australia
Duralie Coal Pty Ltd	Body corporate	Australia	100	Australia
Gloucester (SPV) Pty Ltd	Body corporate	Australia	100	Australia
Gloucester (Sub Holdings 2) Pty Ltd	Body corporate	Australia	100	Australia
CIM Mining Pty Ltd	Body corporate	Australia	100	Australia
Monash Coal Holdings Pty Ltd	Body corporate	Australia	100	Australia
CIM Stratford Pty Ltd	Body corporate	Australia	100	Australia
CIM Services Pty Ltd	Body corporate	Australia	100	Australia
Monash Coal Pty Ltd	Body corporate	Australia	100	Australia
Stratford Coal Pty Ltd	Body corporate	Australia	100	Australia
Stratford Coal Marketing Pty Ltd	Body corporate	Australia	100	Australia
Coal & Allied Industries Pty Ltd (formerly Coal & Allied Industries Ltd)	Body corporate	Australia	100	Australia
Kalamah Pty Ltd	Body corporate	Australia	100	Australia
Coal & Allied (NSW) Pty Ltd	Body corporate	Australia	100	Australia
Australian Coal Resources Pty Ltd (formerly Australian Coal Resources Ltd)	Body corporate	Australia	100	Australia
Coal & Allied Operations Pty Ltd *	Body corporate	Australia	100	Australia
Lower Hunter Land Holdings Pty Ltd	Body corporate	Australia	100	Australia
Oaklands Coal Pty Ltd	Body corporate	Australia	100	Australia
Novacoal Australia Pty Ltd	Body corporate	Australia	100	Australia
CNA Resources Pty Ltd (formerly CNA Resources Ltd) *	Body corporate	Australia	100	Australia
CNA Warkworth Pty Ltd	Body corporate	Australia	100	Australia
Coal & Allied Mining Services Pty Ltd	Body corporate	Australia	100	Australia
RW Miller (Holdings) Pty Ltd (formerly RW Miller (Holdings) Ltd)	Body corporate	Australia	100	Australia
Mount Thorley Coal Loading Ltd	Body corporate	Australia	70	Australia
Gwandalan Land Pty Ltd	Body corporate	Australia	100	Australia
Nords Wharf Land Pty Ltd	Body corporate	Australia	100	Australia
Catherine Hill Bay Land Pty Ltd	Body corporate	Australia	100	Australia
Black Hill Land Pty Ltd	Body corporate	Australia	100	Australia
Minmi Land Pty Ltd	Body corporate	Australia	100	Australia

*Represents controlled entities that are participants in a joint venture within the consolidated Group, either as; a holder of a bid class security or has marketable interest in the JV. It excludes controlled entities that merely act as managers or other service providers under a service agreement instead of holding any securities in the joint venture.

YANCOAL AUSTRALIA LIMITED AND CONTROLLED ENTITIES
CONSOLIDATED ENTITY DISCLOSURE STATEMENT
As at 31 December 2024

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NAME OF ENTITY	ENTITY TYPE	COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	TAX RESIDENCY
Namoi Valley Coal Pty Ltd	Body corporate	Australia	100	Australia
CNA Warkworth Australasia Pty Ltd *	Body corporate	Australia	100	Australia
CNA Bengalla Investments Pty Ltd	Body corporate	Australia	100	Australia
Mount Thorley Operations Pty Ltd *	Body corporate	Australia	100	Australia
Northern (Rhondda) Collieries Pty Ltd	Body corporate	Australia	100	Australia
Miller Pohang Coal Company Pty Ltd	Body corporate	Australia	80	Australia
Warkworth Mining Ltd	Body corporate	Australia	85	Australia
Warkworth Pastoral Company Pty Ltd	Body corporate	Australia	85	Australia
Warkworth Tailings Treatment Pty Ltd	Body corporate	Australia	85	Australia
Warkworth Coal Sales Ltd	Body corporate	Australia	85	Australia
White Mining Pty Ltd (formerly White Mining Limited)	Body corporate	Australia	100	Australia
Watagan Mining Company Pty Ltd (i)	Body corporate	Australia	100	Australia
Austar Coal Mine Pty Limited	Body corporate	Australia	100	Australia
White Mining Services Pty Limited	Body corporate	Australia	100	Australia
White Mining (NSW) Pty Limited	Body corporate	Australia	100	Australia
Ashton Coal Operations Pty Limited	Body corporate	Australia	100	Australia
Ashton Coal Mines Pty Ltd (formerly Ashton Coal Mines Ltd)	Body corporate	Australia	100	Australia
Donaldson Coal Holdings Pty Ltd (formerly Donaldson Coal Holdings Ltd)	Body corporate	Australia	100	Australia
Gloucester (Sub Holdings 1) Pty Ltd	Body corporate	Australia	100	Australia
Donaldson Coal Pty Ltd	Body corporate	Australia	100	Australia
Donaldson Coal Finance Pty Ltd	Body corporate	Australia	100	Australia
Abakk Pty Ltd	Body corporate	Australia	100	Australia
Newcastle Coal Company Pty Ltd	Body corporate	Australia	100	Australia
Primecoal International Pty Ltd	Body corporate	Australia	100	Australia

* Represents controlled entities that are participants in a joint venture within the consolidated Group, either as; a holder of a bid class security or has marketable interest in the JV. It excludes controlled entities that merely act as managers or other service providers under a service agreement instead of holding any securities in the joint venture.

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2024 CORPORATE GOVERNANCE STATEMENT

INTRODUCTION

The Board and management of the Company are committed to good corporate governance. The Company adopts an approach to corporate governance based on international good practice as well as meeting Australian and Hong Kong legal requirements.

ASX CORPORATE GOVERNANCE STATEMENT

To the extent appropriate to the scale and nature of the Company's business, the Company has adopted the 4th edition of the ASX Corporate Governance Council's Principles and Recommendations ("ASX Recommendations"). This statement sets out the Company's compliance with the ASX Recommendations and the main corporate governance policies and practices adopted by the Company.

HK LISTING AND COMPLIANCE WITH THE HONG KONG CORPORATE GOVERNANCE CODE

The Company has also adopted the provisions of the Corporate Governance Code in Part 2 of Appendix C1 (the "HK Code") to the Rules Governing the Listing of Securities on HKEx (the "HK Listing Rules") as part of its corporate governance policy.

The Company has implemented and applied the principles contained within the HK Code in conducting the Company's business, including reflecting those principles in the Company's Board Charters and relevant policies. In the opinion of the Board, the Company has complied with the code provisions of the HK Code (in addition to the relevant principles of the ASX Recommendations, unless otherwise disclosed) for the financial year ended 31 December 2024. The conduct of the Company's compliance with the principles is discussed further in this statement.

1. OUR BOARD

ROLE OF THE BOARD

The Board is responsible for the overall corporate governance, leadership and control of the Company including directing the affairs of the Company, setting and monitoring the Company's risk management strategy (including ESG risks) and overseeing the appointment, remuneration and performance of senior Executives. The Board is committed to maximising performance, generating appropriate levels of shareholder value and financial return, and sustaining the growth and success of the Company over the longer-term. Directors are expected to exercise their decision making in the best interests of the Company.

The Board's role and responsibilities and its delegation of authority to standing committees and senior Executives have been formalised in a Board Charter. The Board Charter can be found within the Corporate Governance section of the Company's website.

To assist the Board in making independent judgements, the Board Charter sets out the procedure by which the Board collectively, and each individual Director, can seek independent professional advice, at the Company's expense.

DELEGATION TO MANAGEMENT

The Board delegates responsibility for the day to day management of the Company's affairs and implementation of the strategy and policy initiatives set by the Board to the Chair of the Executive Committee ("CEC"), the CEO and other senior Executives. The Executive Committee is a management committee comprising the CEC, CEO, the CFO and any other senior Executives that the Board resolves from time to time will be members of the Executive Committee.

The Executive Committee Charter sets out the functions of the Executive Committee and the duties of the CEC, CEO and CFO and provides for a clear division of responsibility between management and the Board. The Executive Committee Charter is supplemented with the financial decision authorities matrix and appropriate approval thresholds at different management / executive levels, which have been approved by the Board.

Given the delegation of the day-to-day management of the Company, it is the responsibility of management, with the assistance of the Company Secretary, to provide the Directors with timely, adequate and appropriate information to assist the Directors in making informed decisions and to be able to effectively perform their duties and responsibilities.

STRUCTURE OF THE BOARD

During the financial year ended 31 December 2024, the Board composition was:[52]

EXECUTIVE DIRECTORS
Ning Yue
NON-EXECUTIVE DIRECTORS
Gang Ru (Chairman)
Yaomeng Xiao (to 18 September 2024)
Xiaolong Huang
Changyi Zhang (to 20 February 2025)
INDEPENDENT NON-EXECUTIVE DIRECTORS
Gregory James Fletcher
Geoffrey William Raby (to 17 December 2024)
Helen Jane Gillies (to 9 February 2024)
Debra Anne Bakker (from 1 March 2024)
Peter Andrew Smith (from 17 December 2024)

The skills, experience and expertise of each Director and the period that each Director has held office is disclosed in the Information on Directors in the Directors' Report. There is no relationship (including financial, business, family or other material/relevant relationship(s)) between board members and between the Chairman, CEO and CEC.

The Constitution provides that there will be a minimum of 4 and a maximum of 11 Directors of the Company, unless the Company resolves otherwise at a general meeting.

The number of meetings held by the Board during 2024 and each director's attendance at these meetings is set out in the Directors' Report.

In accordance with Rule 3.09D of the HK Listing Rules, each of Debra Anne Bakker and Peter Andrew Smith received legal

[52] Mr Jiuhong Wang, Mr Zhiguo Zhao and Mr Ang Li were appointed as Non-Executive Directors after the reporting period on 20 February 2025 and Mr Changyi Zhang resigned on the same date.

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advice as referred to in Rule 3.09D of the HK Listing Rules from the Company's external legal advisor on 23 February 2024 and 17 December 2024 respectively. They have confirmed that they understood their obligations as a director of a listed issuer.

CHAIRMAN OF THE BOARD

The current Chairman, Gang Ru, was nominated by the Company's majority shareholder, Yankuang Energy Group Company Limited ("Yankuang Energy"). The Chairman leads the Board and is responsible for the efficient organisation and conduct of the Board's functions. The Chairman ensures that Directors have the opportunity to contribute to Board deliberations. The Chairman regularly communicates with the CEC and CEO to review key issues and performance trends.

The current acting CEO is Ning Yue, replacing David James Moult due to his retirement.[53] Mr Yue will serve as Acting CEO until the Board makes a permanent appointment to the CEO role. The CEO is responsible for conduct and supervision of the management function of the Company, including implementing strategic objectives, plans and budgets approved by the Board. The CEO has overall responsibility for the Company's operations (other than as delegated to the CEC) and undertakes such responsibilities as may be delegated to him by the Board from time to time. By having an Acting CEO who is also the CEC, we have reviewed the relevant delegations to ensure appropriate controls are in place. The CEO is accountable to the Board and reports to the Chairman of the Board and the CEC.

The roles of the Chairman, CEC and the CEO are separate and usually assumed by different individuals to ensure a balance of power and authority, so that power is not concentrated in any one individual of the Board. There is a clear division of responsibilities between the Chairman, CEC and the CEO.

BOARD SKILLS MATRIX

The Board represents a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

The table below sets out the skills and experience that are represented on the Board as at 31 December 2024.

BOARD COLLECTIVE KEY SKILLS AND EXPERIENCE	
Mining / exploration and production/ engineering	• Executive experience in mining, engineering or resources companies • Experience in engineering, exploration and production projects both domestically and internationally
Capital Management	• Experience in strategic planning of capital management, including debt, equity, and investments • Experience in the delivery and implementation of capital management projects
Major transactions/major projects	• Experience in assessing commercial viability and delivery of major transactions and investments, including M&A transactions and other corporate development transactions • Experience in the planning and delivery of major projects, including brownfield and greenfield projects
Trading / marketing	• Relevant experience in marketing and trading of coal
Strategy	• Experience in developing and implementing successful business strategy, including appropriately overseeing management on the delivery of agreed strategic planning objectives
Leadership	• Experience at a senior executive level working in a large organisation
Board experience	• Experience in serving on Boards of varying size and composition, in varying industries and for a range of organisations

[53] Mr David Moult retired after the reporting period on 14 January 2025 and Mr Ning Yue was appointed Acting CEO on the same date.

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Board/Committee experience	• Experience in serving on Boards of varying size and composition, in varying industries and for a range of organisations
Corporate governance	• Experience in governance within large organisations and multi- jurisdictional compliance environments • Publicly listed company experience
Accounting / audit / risk management	• Experience in financial accounting, reporting and corporate finance, including recognising and evaluating financial risks and maintaining effective risk management and internal controls
Government / policy	• Experience in government affairs, and public and regulatory policy
Legal / regulatory	• Experience in compliance and knowledge of legal and regulatory requirements
Health, safety and environment	• Experience in health, safety and environment, including controlling risks and implementing and monitoring health, safety and environment strategies and procedures
Human resources	• Experience in remuneration, workplace culture, people management and succession planning
International business expertise	• Experience in and exposure to political, cultural, regulatory and business environments in a range of global locations • Experience with doing business in China, including with government agencies, regulators and customers
IT /Technology / Cyber	• Experience in new and emerging technologies • Experience in cyber security risk management • Experience in overseeing and implementation of information technology systems
Sustainability	• Experience and knowledge in environmental and social sustainability risks and climate change risks

NOMINATION AND APPOINTMENT OF DIRECTORS

The Board considers that Board succession planning, and the progressive and orderly renewal of the Company's Board membership, are an important part of the governance process. The Board's policy for the selection, appointment and re-appointment of Directors is to ensure that the Board possesses an appropriate range of skills, experience and expertise to enable the Board to carry out its responsibilities most effectively. As part of this appointment and re-appointment process, the Directors consider Board renewal and succession plans and whether the Board's size and composition is conducive to making appropriate decisions.

At the time of appointment of a new Non-Executive Director, the key terms and conditions relevant to that person's appointment, the Board's responsibilities and the Company's expectations of a Director are set out in a letter of appointment. The Company has implemented an induction program, facilitated by the Company Secretary, through which new Non-Executive Directors are introduced to the Company's operations and are familiarised with the Company's strategy, culture and core values. The Board will consider and has also established a Nomination and Remuneration Committee to make recommendations to the Board on matters (if applicable) such as:

- Board composition and succession planning for the Board and the CEO;
- Director remuneration (subject to any shareholder approval that is required in accordance with the Company's Constitution, ASX Listing Rules and HK Listing Rules) and remuneration arrangements for the Company's Executive Committee and any other person nominated as such by the Nomination and Remuneration Committee from time to time;
- the public reporting of remuneration for Directors and key management personnel and other members of the Executive Committee;
- the performance assessment of the Executive Committee;
- designing Company remuneration policy and regulations with regard to corporate governance; and
- oversight of the progress of the diversity and inclusion strategy, as well as diversity metrics at the organisation and operation level.

In carrying out its duties, the Nomination and Remuneration Committee has regard to the ASX Recommendations and the principles in the HK Code in particular, principles B.1 and B.2. Further information regarding the Nomination and Remuneration Committee is outlined under the Board committees section below.

The Board recognises that people are its most important asset and is committed to the maintenance and promotion of diversity and inclusion in the workplace at all levels of the organisation. The Company's Diversity and Inclusion Policy, approved by the Board, seeks to actively facilitate a more diverse and representative management and leadership structure. The Company has a strong commitment to diversity including to ensure the adequate representation of women in senior executive positions and on the Board.

In identifying candidates, the Board will consider nominees by reference to a number of selection criteria including the skills, expertise, background and gender that add to and complement the range of skills, expertise, background and gender of the existing Directors, the capability of the candidate to devote the necessary time and commitment to the role, potential conflicts of interest and independence, and the extent to which the candidate would fill a present need on the Board. The selection criteria for candidates for the Board are set out in the Nomination and Remuneration Committee Charter which can be found within the Corporate Governance section of the Company's website. Where appropriate, the appropriate checks are undertaken prior to a Director being appointed.

Shareholder approval is required for the appointment of Directors. However, Directors may appoint other Directors to fill a casual vacancy where the number of Directors falls below the Company Constitution's prescribed minimum number of Directors and in order to comply with any applicable laws, regulations, ASX Listing Rules or HK Listing Rules. If a Director is appointed to fill a casual vacancy in these circumstances, the approval of members must be sought at the next general meeting.

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No Director may hold office without re-election beyond the third annual general meeting ("AGM") following the meeting at which the Director was last elected or re-elected. The Company provides all material information in its possession, including the details of expertise and qualifications, details of any other material directorships, and any other materials that the Board considers to be material to such a decision, in relation to Directors standing for election or re-election in the Notice of Meeting provided to shareholders prior to the AGM.

Each Non-Executive Director (whether independent or not) has been appointed for an initial term of not more than 3 years and will be subject to retirement by rotation at least once every 3 years under rule 8.1 of the Company's Constitution, pending re-election by the shareholders at an AGM.

To the extent that the ASX Listing Rules require an election of Directors to be held and no Director would otherwise be required under the Company's Constitution to submit for election or re-election at an AGM, the Director who has been the longest in office since their last election or appointment must retire at the AGM. As between Directors who were last elected or appointed on the same day, where it is not agreed between the relevant Directors, the Director to retire must be decided by lot.

The process for appointment, retirement and re-election of Directors is set out in the Company's Constitution which can be found within the Corporate Governance section of the Company's website.

INDEPENDENCE STANDARD

In assessing the independence of its Directors, the Board has regard to the factors relevant to assessing the independence of a Director that are set out in Box 2.3 of the ASX Recommendations and Rule 3.13 of the HK Listing Rules. The criteria considered in assessing the independence of Non-Executive Directors are also set out in the Board Charter. The Board will consider the materiality of the Directors' interests, position, association or relationship for the purposes of determining 'independence' on a case-by-case basis, having regard to both quantitative and qualitative principles. Specifically, the Board will consider whether there are any factors or considerations which may mean that the Director's interest, business or relationship could, or could be reasonably perceived to, materially interfere with the Director's ability to act in the best interests of the Company or are likely to affect, or could appear to affect, their independent judgement.

A Director is generally considered to be independent if the Director:

- is not, and has not within the last three years been, employed in an executive capacity by the Company or any of its child entities;
- is not, nor has within the last three years been, a partner, principal, director or senior employee of a provider of material professional services to the Company or its holding company or any of their respective child entities;
- is not, nor has within the last three years been, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the Company or any of its child entities, or an officer of, or otherwise associated with, someone with such a relationship;
- does not receive performance-based remuneration (including options or performance rights) from, or participate in an employee incentive scheme of, the Company;
- does not hold more than 1% of the number of issued shares of the Company;
- is not an officer of, or otherwise associated with, a substantial shareholder of the Company;
- is not, nor has been within the last three years an officer or employee of, or a partner, principal, director or employee of a professional adviser to, a substantial shareholder of the Company;
- does not have a material contractual relationship with the Company or any of its child entities other than as a Director;
- does not have, nor within one year prior to the appointment, had any material interest in any principal activity of or is not or was not involved in any material business dealings with the Company, its holding company or their respective child entities;
- does not have close personal ties with any person who falls within any of the categories described above;
- has not been a Director of the Company, for such a period that his or her independence from management and substantial holders may have been compromised; and
- is free from any other interest, position, association or relationship that might interfere, or might reasonably be seen to interfere, with the Director's capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of the Company and its shareholders generally.

DIRECTOR INDEPENDENCE

In determining the composition of the Board, the Company has regard to the balance of Executive and Non- Executive Directors to ensure that there is a strong independent presence on the Board to exercise independent judgement.

The Company has assessed the independence of each of the current Non-Executive Directors (including the Chairman of the Board) in light of their interests and relationships as at 31 December 2024, and has determined that of the 7 Directors on the Board as at 31 December 2024[54], three hold their positions in an independent Non-Executive capacity (based on the independence standard disclosed above). The Company's independent Directors as at 31 December 2024 are Gregory James Fletcher, Debra Anne Bakker and Peter Andrew Smith . Mr Fletcher has been an independent non-executive Director since his appointment on 26 June 2012 and has always emphasised the importance of high standards of corporate governance and contributed in objectively advising as well as constructively monitoring and mentoring the management team in their capacity as independent non-executive Directors. Being familiar with the corporate values of the Company, Mr Fletcher has enhanced these values through their strong professional relationship with management.

After a review of all the skill sets, experience and qualifications of Mr Fletcher , the Company is satisfied that Mr Fletcher has the required character, integrity, experience and knowledge to continue fulfilling the role of independent non-executive Director, and his continued tenure will continue to bring valuable insights, expertise and fresh perspectives to the

[54] Mr Jiuhong Wang, Mr Zhiguo Zhao and Mr Ang Li were appointed as Non-Executive Directors after the reporting period on 20 February 2025 and Mr Changyi Zhang resigned on the same date.

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Board. His re- appointment was also confirmed at the Company's 2024 AGM.

As at 31 December 2024, a majority of the Board are not considered independent Directors due to their affiliations with the Company's majority shareholder, Yankuang Energy, and also Shandong Energy,and accordingly the Company does not comply with Recommendation 2.4 of the ASX Recommendations. However, the Board considers that its composition appropriately represents the interests of its shareholders including its majority shareholder, Yankuang Energy, and that the Board has put in place appropriate policies and procedures to guide the Board and senior Executives in circumstances where conflicts of interest may arise and in its dealings with Yankuang Energy, including establishing Independent Board Committees where appropriate.

Each independent Non-Executive Director must regularly, and at least annually, provide the Board with all information relevant to their continued compliance with the independence standard. The independence of Directors will be reviewed by the Board with assistance from the Nomination and Remuneration Committee on a regular basis and at least annually at or around the time that the Board or the Nomination and Remuneration Committee considers candidates for re-election to the Board.

The independent Non-Executive Directors have confirmed their independence in accordance with Rule 3.13 of the HK Listing Rules, the ASX Listing Rules and the Board Charter and the Company has received from each of the independent Non-Executive Directors an annual confirmation on his/her independence as required under the Board Charter, and pursuant to the ASX Listing Rules. Accordingly, the Company considers that the independent Non-Executive Directors continue to be independent as at 31 December 2024.

The Company has established the following mechanisms to ensure independent views and input are available to the Board:

- A sufficient number of three Independent Non-executive Directors representing one-third or more of the Board have been appointed and continue to devote adequate time contribution to the Company;
- All Independent Non-Executive Directors are required to confirm in writing annually their compliance of independence requirements;
- Annual meeting between the Chairman and all Independent Non-executive Directors without presence of other Directors providing an effective platform for the Chairman to listen to independent views on various issues concerning the Company;
- Independent professional advice would be provided to Independent Non-executive Directors upon reasonable request to assist them to perform their duties to the Company;
- Non-executive Directors receive fixed fee(s) for their role as members of the Board and Board Committee(s) as appropriate;
- Non-executive Directors' independence is assessed upon appointment, annually, and at any other time where the circumstances warrant reconsideration;
- All Directors are encouraged to express freely their independent views and constructive challenges during the Board / Board Committees meetings; and
- An Independent Board Committee consisting of independent Non-Executive Directors is established by the Board as and when required to manage any related party transactions.

The Board will review the implementation and effectiveness of such mechanisms on an annual basis.

During the year ended 31 December 2024, other than as disclosed to the HKEX and ASX, the Board at all times met the requirements of Rule 3.10 of the HK Listing Rules.

NOMINATION AND NON-INDEPENDENCE OF CHAIR

The Company's Constitution provides that the Company's shareholders holding a majority of the issued shares of the Company (which confer the right to vote) may nominate a Director to the office of Chairman and may elect one or more Directors to the office of Vice Chair.

As a nominee of Yankuang Energy, Gang Ru, the Chairman is not considered independent by the independence standard (as above) and accordingly the Company does not comply with Recommendation 2.5 of the ASX Recommendation. However, the Board considers that this is an appropriate reflection of Yankuang Energy's majority shareholding in the Company. While three of the Directors are associated with Yankuang Energy, this is considered appropriate in light of Yankuang Energy's majority shareholding in the Company. The Board has put in place appropriate policies and procedures such as the Conflicts and Related Party Transactions Policy and the Majority Shareholder Protocol to manage any potential conflicts, while the Company's Constitution allows for the establishment of an Independent Board Committee consisting of independent Non-Executive Directors if required.

CONFLICTS OF INTEREST

To help ensure that any conflicts of interests are identified, the Company has put in place a standing agenda item at all meetings of the Board and its committees to provide the Directors with the opportunity of declaring any conflicts of interests in the subject matter of the proposed resolutions made within the meeting.

INDUCTION AND PROFESSIONAL DEVELOPMENT

Upon appointment, Directors are provided with induction training. This includes briefing sessions with management regarding the Company's structure, business operations, history, and culture, and provision of an information pack containing a letter of appointment setting out the Company's expectations, Directors' duties and the terms and conditions of their appointment, and other materials containing information about the Company including the Company's Constitution, charters and policies to support the induction of Directors to the Board.

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Yancoal has an ongoing Director training program, which Directors participate in to ensure that they maintain the skills and knowledge required to effectively discharge their responsibilities. Examples of continuing education or development programs include briefings on directors' duties and Australian positive duty obligations to prevent workplace unlawful conduct, cybersecurity risks, anti-bribery and corruption, sustainability and climate related reporting and disclosure, proposed changes to the ASX and HKEX corporate governance regimes and other relevant topics. Periodic review is undertaken to consider whether professional development for Directors is required to enable the Board to deal with new and emerging business and governance issues, and Directors are expected to undertake any necessary continuing education and training. The attendance record of continuous professional development training for each director during the year ended 31 December 2024 is disclosed in the Directors' Report.

The Company Secretary supports Directors by providing access to information in appropriate form where requested.

KEEPING NON-ENGLISH SPEAKING DIRECTORS INFORMED

There are currently a number of non-English speaking directors on the Board. To ensure that these directors understand, and are able to participate in, Board meeting discussions and can properly discharge their directors' duties and obligations, the Company will ensure that:

- all Board and Board Committee papers or any other key corporate documents are distributed to a Director in a language the Director speaks and understands where that Director does not speak and understand English; and
- an interpreter is available at all Board and Board Committee meetings (whether in person, by telephone, video conference or otherwise) to assist in translating the content of all discussions at those meetings to ensure all Directors can understand and contribute to the discussions at those meetings.

In addition to the above, to ensure that all Directors are kept informed and can properly discharge their directors' duties and obligations, where required Board in-camera sessions are held prior to Board meetings, with a translator present, to provide all Directors the opportunity to participate and discuss important Company matters, and all Board Committee meetings, where possible and appropriate, invite all Directors to attend regardless of whether such Directors are members of such Board Committees.

COMPANY SECRETARY

The Company Secretary supports and is accountable to the Board, through the Chairman, on all matters to do with the proper functioning of the Board. The Company Secretary facilitates the timely flow of information within the Board and between the Board and management. Each Director is able to communicate directly with the Company Secretary and vice versa. The Board Charter sets out the other duties of the Company Secretary, which include being responsible for:

- ensuring compliance by the Company with the Company's Constitution, the provisions of the Corporations Act 2001 (Cth) and other applicable laws and Listing Rules as they relate to the Company;
- providing corporate governance advice to the Board and facilitating induction processes and the ongoing professional development of Directors;
- ensuring that the Board Charter and relevant policies and procedures are followed;
- ensuring that the Company's books and registers required by the *Corporations Act 2001 (Cth)*, the Securities and Future Ordinance and other applicable laws are established and properly maintained;
- ensuring that all notices and responses are lodged with ASIC, ASX and HKEx on time; and
- organising and attending shareholders' meetings and Directors' meetings, including sending out notices, preparing agendas, marshalling proxies and compiling minutes.

The Company Secretary is Laura Ling Zhang, a full-time employee of the Company. Ms Zhang has completed no less than 15 hours of professional training to update her skills and knowledge as required under Rule 3.29 of the HK Listing Rules.

PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee oversees from time to time an evaluation process for the Board, its committees and each Director based on the Board Performance Evaluation Protocol ("Protocol") adopted and approved and last revised by the Board in February 2022.

The Board

Periodically, a review of the structure and operation of the Board, the skills and characteristics required by the Board to maximise its effectiveness and whether the mix of skills, experience and expertise and the Board's practices and procedures are appropriate for the present and future needs of the Company is conducted. This evaluation of performance of the Board may be conducted with the assistance of an external facilitator. As set out in the Board Charter, the review of the Board involves Directors providing written feedback on the Board's performance to the Chairman or to an external facilitator, which in turn is discussed by the Board, with consideration of whether any steps for improvement are required.

Board committees

On a periodic basis, Directors will provide written feedback in relation to the performance of the Board, its committees and individual Directors against a set of agreed criteria. At such time, each committee of the Board will also be required to provide feedback in terms of a review of its own performance and the feedback is discussed by the Board, with consideration of whether any steps for improvement are required. Where appropriate to facilitate the review process, assistance may be obtained from third party advisers.

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Individual Directors

Directors are evaluated on, amongst other things, their alignment with the values of the Company, their commitment to their duties and their level of financial, technical and specialist knowledge. Directors are also expected to be fully aware of their duties of care and skill, as well as fiduciary duties, as a Director.

Periodically a performance review is conducted by the Chairman for each Non-Executive Director, specifically addressing the performance criteria within the Protocol.

A review of the performance of the Chairman is facilitated by the Co-Vice Chairs who seek input from each Director individually on the performance of the Chairman against the competencies for the Chairman's role approved by the Board.

Performance reviews

Since the adoption of the Protocol in 2012, the Company has carried out six board performance reviews internally, and has conducted one externally facilitated board performance review. An externally facilitated review of the Board was carried out in 2016 (in respect of 2015) and the last review of the Board and its committees was conducted internally in 2024.

The Company has undertaken a review of the performance of the Board and its committees for the financial year ended 31 December 2024 and accordingly the Company has adopted Recommendation 1.6(b) of the ASX Recommendations.

PERFORMANCE OF SENIOR EXECUTIVES

The CEC and the CEO review the performance of senior Executives annually against appropriate measures as part of the Company's performance management system for all managers and staff.

On an annual basis, the Nomination and Remuneration Committee and subsequently the Board formally reviews the performance of the CEO and the CEC. The CEO's performance is assessed against qualitative and quantitative criteria, including profit performance, other financial measures, safety performance and strategic actions. The Nomination and Remuneration Committee also undertakes an annual formal review of the performance of other members of the Executive Committee, based on similar criteria. The Board reviews and approves the annual review of all the members of the Executive Committee undertaken by the Nomination and Remuneration Committee.

The performance evaluations for the CEC, CEO and senior Executives will take place in 2025 (in respect of 2024), and will be carried out in accordance with the process disclosed above.

REMUNERATION OF NON-EXECUTIVE DIRECTORS AND SENIOR EXECUTIVES

The Nomination and Remuneration Committee makes recommendations to the Board to achieve Company remuneration structures that are equitable and aligned with the long-term interests of the Company and its shareholders, to attract and retain skilled employees, to structure short and long term incentives that are challenging and linked to creation of sustainable returns and to ensure any termination benefits are justifiable and appropriate.

Non-Executive Directors

The Constitution provides that the Non-Executive Directors are entitled to such remuneration as approved by the Company's shareholders in accordance with the Constitution, which must not exceed the aggregate annual amount as determined by the Company in general meeting or by its majority shareholder, Yankuang Energy.

Remuneration for Non-Executive Directors is capped at an aggregate amount for each financial year of $3.5 million. Non-Executive Directors may also be paid such additional or special remuneration as the Directors decide is appropriate where a Non-Executive Director performs extra services or makes special exertions for the benefit of the Company. Such additional remuneration will not form part of the calculation of the aggregate cap on Non- Executive Directors' remuneration for a financial year and do not require shareholder approval. No Director is involved in determining his or her own remuneration.

Senior Executives

The Company's senior Executives are employed under written employment contracts that set out the terms of their employment. In 2024, no changes were made to the structure of senior Executive contracts. Where appropriate, the appropriate checks are undertaken prior to a new senior Executive being appointed.

Further details of the remuneration of the Non-Executive Directors, Executive Directors and senior Executives can be found in the Remuneration Report.

2. BOARD COMMITTEES

The Board may from time to time establish appropriate committees to assist in the discharge of its responsibilities.

The Board has established the following standing Board committees:

- AUDIT AND RISK MANAGEMENT COMMITTEE
- HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY COMMITTEE
- NOMINATION AND REMUNERATION COMMITTEE
- STRATEGY AND DEVELOPMENT COMMITTEE

These Board committees review matters on behalf of the Board and as set out in the relevant Charter:

- refer matters to the Board for a decision, with a recommendation from the committee; or
- determine matters (where the committee acts with delegated authority), which the committee then reports to the Board.

Other committees may be established by the Board as and when required. Membership of the Board committees is based on the needs of the Company, relevant regulatory requirements, and the skills and experience of individual Directors.

The purpose and primary role of each of the Board committees and membership of the committees are outlined below. The Charters of each of these standing Board committees are available within the Corporate Governance section of the Company's website.

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AUDIT AND RISK MANAGEMENT COMMITTEE

MEMBERSHIP AS AT 31 DECEMBER 2024

Independent Non-Executive Directors:

Gregory James Fletcher – Chair

Debra Anne Bakker (from 1 March 2024)

Non-Executive Directors:

Gang Ru (to 20 February 2025)[55]

The committee consists only of Non-Executive Directors with a majority being independent and the Chair of the committee is an independent Non-Executive Director and is not the Chairman of the Board. The Committee meets the minimum composition requirement of three Non- Executive Directors for the audit committee, at least one of whom is an independent Non-Executive Director with appropriate professional qualifications or accounting or related financial management expertise, as required by the HK Code.

PURPOSE

The committee's objectives are to:

- help the Board in relation to the reporting of financial information;
- advise on the appropriate application and amendment of accounting policies;
- make evaluations and recommendations to the shareholders of the Company regarding the external auditor;
- recommend to the Board the remuneration of the external auditor for shareholder approval as required in accordance with the Constitution;
- provide a link between the Board and the external auditor and management;
- ensure that the Board, Directors and management are aware of material risks facing the business;
- ensure the systems in place to identify, monitor and assess risk are appropriate and operating effectively; and
- assess the independence of the external auditor.

During the financial year ended 31 December 2024, work performed by the committee included, but was not limited to:

- review and endorsement of the Company's Interim and Annual Financial Results;
- regular review and updates of various financial, environmental and legal risk related policies;
- consideration of external audit reports and approval of external auditor's audit plan;
- engagement of non-audit services;
- review of the Company's related party and connected transactions;
- annual review of Enterprise Risk Management Framework;
- progressing the Pit-to-Customer Program;
- regular updates on cyber-security matters;
- in-camera sessions with external auditors and internal auditors;
- review of the Company's exposure to fraud and oversight of related investigations;
- regular updates on potential speak-up facility matters maintained by an independent third party;
- review of the effectiveness of risk management, internal control systems, internal audit function, review the structure and adequacy of the Company's arrangements and whether the Company is operating with due regard to the risk appetite set by the Board.

The qualifications, skills and experience of each member and the number of times the committee met throughout the period and the individual attendances of the committee members at those meetings is disclosed in the Information on Directors in the Directors' Report.

[55] Mr Zhiguo Zhao was appointed as a member of the Audit and Risk Management Committee after the reporting period on 20 February 2025.

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HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY COMMITTEE

MEMBERSHIP AS AT 31 DECEMBER 2024

Independent Non-Executive Directors:

Andrew Peter Smith – Chair (from 17 December 2024)

Non-Executive Directors:

Xiaolong Huang (to 20 February 2025)[56]

Executive Directors:

Ning Yue

The committee consists of majority Non-Executive Directors and meets the minimum composition requirement of three Directors, as required by the Company's Health, Safety, Environment and Community Committee Charter.

PURPOSE

The committee assists the Board to:

- fulfil its responsibilities in relation to the health, safety, environment, and community (collectively HSEC") matters arising out of the activities of the Company;
- consider, assess and monitor whether or not the Company has in place the appropriate policies, standards, systems and resources required to meet the Company's HSEC commitments; and
- provide necessary focus and guidance on HSEC matters across the Company.

During the financial year ended 31 December 2024, work performed by the committee included, but was not limited to:

- monitoring the Company's ongoing health and safety and environmental performance, including significant incidents and regulatory investigations;
- overseeing major initiatives;
- endorsing the Company's Modern Slavery Action Plan;
- considering independent environmental assurance audits for various Company mine sites;
- considering independent and internal health and safety audits for various Company mine sites;
- reviewing and endorsing the Company's 2023 Sustainability Report;
- reviewing and endorsing the Company's Sustainability Strategy;
- reviewing and endorsing the framework for the 2024 Sustainability Report; and
- overseeing community initiatives; and health, safety and environmental legal and compliance matters.

The qualifications, skills and experience of each member and the number of times the committee met throughout the period and the individual attendances of the committee members at those meetings is disclosed in the Information on Directors in the Directors' Report.

[56] Mr Jiuhong Wang was appointed as a member of the Health, Safety, Environment and Community Committee after the reporting period on 20 February 2025.

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NOMINATION AND REMUNERATION COMMITTEE

MEMBERSHIP AS AT 31 DECEMBER 2024[57]

Independent Non-Executive Directors:

Debra Anne Bakker – Chair (from 1 March 2024)

Gregory James Fletcher

Peter Andrew Smith (from 17 December 2024)

Non-Executive Directors:

Gang Ru

The committee consists only of Non-Executive Directors with a majority being independent, including the Chair of the committee, and meets the minimum composition requirement of three Non-Executive Directors, as required by the Company's Nomination and Remuneration Committee Charter.

PURPOSE

The committee assists the Board of the Company by making recommendations in relation to:

- Board composition and succession planning for the Board (where applicable) and the CEO and oversight of succession planning for the Executive Committee;
- Director remuneration (subject to any shareholder approval that is required in accordance with the Company's Constitution, ASX Listing Rules and HK Listing Rules) and remuneration arrangements for the Company's Executive Committee and any other person nominated as such by the Nomination and Remuneration Committee from time to time;
- the public reporting of remuneration for Directors and key management personnel and other members of the Executive Committee;
- oversight of the performance assessment of the Executive Committee;
- designing Company remuneration policy and regulations with regard to corporate governance; and
- oversight of the progress of the diversity and inclusion strategy, as well as diversity metrics at the organisation and operation level.

During the financial year ended 31 December 2024, work performed by the committee included, but was not limited to:

- consideration of re-election of Directors;
- review of the 2023 Corporate Governance Statement, including diversity and measurable objectives;
- finalisation and endorsement of Company short-term and long-term incentive plans and Company salary indexation and performance assessment implementation;
- monitoring workplace culture with a focus on Yancoal's efforts to prevent, and respond to, inappropriate workplace conduct, including sexual harassment, bullying and racism; and
- keeping abreast of the current labour market conditions, the risks the tight labour market creates for talent attraction and retention and Yancoal's response to managing those risks.

The qualifications, skills and experience of each member and the number of times the committee met throughout the period and the individual attendances of the committee members at those meetings is disclosed in the Information on Directors in the Directors' Report.

STRATEGY AND DEVELOPMENT COMMITTEE

MEMBERSHIP AS AT 31 DECEMBER 2024

Non-Executive Directors:

Gang Ru – Chair

Xiaolong Huang

Changyi Zhang (to 20 February 2025)[58]

The committee consists only of Non-Executive Directors and meets the minimum composition requirement of three Directors, as required by the Company's Strategy and Development Committee Charter.

PURPOSE

The committee assists the Board in its oversight and review of the Company's strategic initiatives, including:

- merger and acquisition proposals;
- major capital markets transactions;
- significant investment opportunities; and
- proposals to dispose of significant Company assets.

During the financial year ended 31 December 2024, work performed by the committee included, but was not limited to consideration of the Company's Strategy Plan update (including various acquisition opportunities and organic growth opportunities).

The qualifications, skills and experience of each member and the number of times the committee met throughout the period and the individual attendances of the committee members at those meetings is disclosed in the Information on Directors in the Directors' Report

[57] Mr Jiuhong Wang was appointed as a member of the Nomination and Remuneration Committee after the reporting period on 20 February 2025.
[58] Mr Ang Li was appointed as a member of the Strategy and Development Committee after the reporting period on 20 February 2025.

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INDEPENDENT BOARD COMMITTEE

MEMBERSHIP AS AT 31 DECEMBER 2024	PURPOSE
An Independent Board Committee is composed of independent Non-Executive Directors who do not have a material interest in the relevant transactions.	An Independent Board Committee is established by the Board as and when required to manage any related party transactions. During the financial year ended 31 December 2024, the Independent Board Committee met for the purposes of considering transactions between or involving the Company and its majority shareholder, Yankuang Energy and/or its associates.

Meetings and attendance

The number of meetings held by the Board and each committee during 2024 and each member's attendance at these meetings is set out in the Directors' Report.

3. ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

OUR VALUES AND BELIEFS

The Company is focused on maintaining and upholding a company culture and a set of company values to underpin its ongoing success and sustainability as a business. Who we are and how we work as Yancoal employees is informed by the 'Yancoal Way', which encapsulates our beliefs, values and expected behaviours.

Our three core beliefs drive our values to deliver. They are:

TRANSPARENCY

We are open and honest with one another and have a "no surprises" mentality for all the stakeholders we work with.

COMPLIANCE

We always follow our internal rules and the rules of law where we operate.

EFFICIENCY

We strive to be efficient, productive and effective at what we do all day, every day.

Our beliefs are underpinned by our core values which drive our daily behaviour. Our five core values are:



PEOPLE

We value involvement from everyone. Full engagement is encouraged. 99% of what we need to know is already within the Yancoal workforce.

SAFETY

Safety is not optional. It is considered in everything we do to eliminate harm to our people.

EXCELLENCE

We identify and implement best practice and operate above the line in the 'can do' zone with courage, trust and pride.

INNOVATION

We seek to continuously improve all aspects of our business.

INTEGRITY

We do what we say with honesty, integrity and reliability. If it feels like the wrong thing to do it quite possibly is. If you are uncomfortable with doing something, check the Code or seek advice.

The Yancoal Way defines our vision and guides Yancoal's commitment to implementing both our long-term strategy and delivering our daily operational objectives. The Company acknowledges that it must build and sustain a strong corporate culture and through leadership programs such as Lead the Way continues to do so. Yancoal assesses our employees' performance on both what was achieved and how it was achieved on regularly. Our values and beliefs are supported by our Code of Conduct and other key governance polices, which are approved by the Board. The Code of Conduct and other key governance policies are internally promoted on a regular basis and training programs have been developed to instil and reinforce our values, beliefs and expected behaviours under the Code of Conduct and other key governance policies. Our Code of Conduct aligns with our current strategy and our vision.

Yancoal's current strategy aims to maximise the value of its high quality coal portfolio and enhance it further with suitable organic and inorganic opportunities. In addition, we may examine opportunities to diversify into other minerals and alternate energy – after careful evaluation and subject to Board consideration and approval before commencement.

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CODE OF CONDUCT

The Board policy is that Directors, employees and contractors must observe both the letter and spirit of the law, and adhere to the highest standards of business conduct. The Company has adopted a formal Code of Conduct and other key governance guidelines and policies which are approved by the Board that set out legal and ethical standards for the Company's Directors and employees, including (but not limited to) an Anti-Corruption Policy, Conflicts and Related Party Transactions Policy, Competition / Anti-Trust Policy, Health and Safety Policy, Gifts and Benefits Policy, Modern Slavery Policy, Share Trading Policy, Whistleblower Policy and Workplace Behaviour Policy.

The Code of Conduct and these other key governance guidelines and policies guide the Directors, the CEO, senior Executives, and employees generally as to the practices necessary to maintain confidence in the Company's integrity and as to the responsibility and accountability of individuals for reporting, and investigating reports of, misconduct or an improper state of affairs or circumstances within the Group. The Code of Conduct and these other key governance guidelines and policies also guide compliance with legal and other obligations to stakeholders.

Specifically, the objective of the Code of Conduct is to:

- provide a benchmark for professional behaviour;
- support the Company's business reputation and corporate image within the community; and
- make Directors and employees aware of the consequences if they breach the policy.

The key values underpinning the Code of Conduct are:

- our actions must be governed by the highest standards of integrity and fairness;
- our decisions must be made in accordance with the letter and spirit of applicable law;
- our business must be conducted honestly and ethically, with our best skills and judgement, and for the benefit of customers, employees, shareholder and the Company alike; and
- the Company does not tolerate inappropriate workplace conduct, including sexual harassment, bullying and racism of any form.

The Code of Conduct is promoted across to all business activities in Australia and overseas and reinforced by training and appropriate disciplinary action if breached. Any material breaches of the Code of Conduct are reported to the Board or the Audit and Risk Management Committee. The Code of Conduct is available in the Corporate Governance section of the Company's website and training for all levels of the business regarding the Code of Conduct is conducted periodically.

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REPORTING CONCERNS AND WHISTLEBLOWER PROTECTION

The Company's Whistleblower Policy encourages any current or former employees or officers, contractors or suppliers (and their employees), associates or certain family members of an individual mentioned above to raise serious concerns of misconduct or an improper state of affairs or circumstances in relation to the Company and report any issues if they have reasonable grounds for suspecting so. The disclosure cannot solely be about a personal work-related grievance.

Individuals can report their concerns confidentially in writing or by phone to a confidential Speak Up facility, which is operated by an independent external party. Alternatively, disclosure may be made with our Whistleblower Officer, the Executive General Manager ("EGM") of Risk and Audit, an officer or senior manager within the Company, the Company's auditor or if the disclosure concerns the Company's tax affairs or its associates, its registered tax agent or Business Activity Statement agent, or an employee or officer at the Company who has functions or duties relating to its tax affairs.

All disclosures made under the policy are treated seriously and may be the subject of an investigation with the objective of locating evidence that either substantiates or refutes the misconduct disclosed by a person. Such investigations will be facilitated in accordance with the steps and process detailed in the policy, subject to certain exceptions within the policy. The Company has in place processes for protecting, supporting and monitoring the welfare of anyone who makes a disclosure under the policy. The Audit and Risk Management Committee is informed at each meeting with a report on all active whistleblower matters and incidents, including information on the number and nature of disclosures made in the last quarter, the status of any investigations underway and the outcomes of any investigations completed and actions taken as a result of those investigations. Material whistleblower matters and incidents are also reported to the Board.

The Yancoal Whistleblower Policy is available in the Corporate Governance section of the Company's website.

ANTI-CORRUPTION AND SANCTIONS POLICY

The Company is committed to the highest level of integrity and ethical standards in all business practices and has formally adopted an Anti-Corruption and Sanctions Policy, which outlines how the Company expects all of its Directors, officers and employees to behave when conducting business both in Australia and internationally. This is supplemented by the Company's Fraud Policy and Fraud Prevention, Detection and Response Plan, which address Corruption alongside other types of misconduct.

Corruption and bribery in all forms are strictly prohibited by the Company. Directors, officers and employees must conduct themselves, at all times, in a manner consistent with Company policy, community expectations and in compliance with state, federal and international legislation.

Breaches of the Anti-Corruption and Sanctions Policy are regarded as serious and will be subject to appropriate sanctions. Preliminary investigations of reported breaches are administered by Human Resources. If a breach of the policy is found to have occurred, a formal investigation process is administered by the Company Secretary in consultation with the supervisor or manager of the offending person. Any material breaches of the policy are reported to the Audit and Risk Management Committee. The Anti-Corruption and Sanctions Policy is available in the Corporate Governance section of the Company's website and is supplemented by the Company's Code of Conduct and Gifts & Benefits Policy. Individuals can report concerns confidentially and anonymously via Yancoal's Speak Up facility, which is operated by an independent external party.

DEALINGS IN COMPANY SECURITIES

By law, and under the Company's Share Trading Policy, dealing in Company securities is subject to the overriding prohibition on trading while in possession of inside information.

In addition, the Company's Share Trading Policy includes the requirements set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the HK Listing Rules to regulate the Directors' securities transactions. It prohibits (other than in 'exceptional circumstances') dealing in Company securities or Yankuang Energy securities by Directors of the Group, all officers of the Company and other relevant employees and contractors of the Group, as well as their closely related parties, during specified blackout periods each year and an email is sent out prior to each blackout period reminding Directors and relevant personnel of their obligations. Subject to compliance with the Company's Share Trading Policy, employees are permitted to deal in Company securities or Yankuang Energy securities outside these blackout periods there they are not in possession of inside information, however additional approval requirements apply. The Share Trading Policy precludes relevant employees from entering into any hedge or derivative transactions relating to unvested options or share rights granted to them under incentive plans and securities that are subject to holding locks or restrictions on dealing under such plans. There are also restrictions that apply to relevant employees from entering into margin lending arrangements and short-term trading of the Company's securities. Breaches of the policy are treated seriously and may lead to disciplinary action, including dismissal.

The Company's Share Trading Policy was last revised in February 2022. A copy of the Share Trading Policy is available on the Corporate Governance section of the Company's website.

Specific enquiry has been made of all current Directors and they have each confirmed that they have complied with the Company's Share Trading Policy for the period 1 January 2024 to 31 December 2024.

MAKE TIMELY AND BALANCED DISCLOSURE

The Company recognises the importance of timely and adequate disclosure to the market and is committed to making timely and balanced disclosure of all material matters and to effective communication with its shareholders and investors so as to give them ready access to balanced and understandable information. The Company also works together with its major shareholder, Yankuang Energy, to ensure that Yankuang Energy can comply with its disclosure obligations in relation to Company information.

Similarly, Yankuang Energy seeks to ensure that the Company can comply with its disclosure obligations in relation to Yankuang Energy's information.

The Board has put in place a Disclosure Policy to encapsulate the disclosure obligations under the *Corporations Act 2001* (Cth) and the ASX Listing Rules and to set out procedures for managing compliance with those obligations. These

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procedures provide a framework for managing the disclosure of material matters to the market to ensure accountability at Board and senior Executive level. As part of this framework, a standing agenda item at all the Company's Board and Executive Committee meetings requires the Directors and senior Executives to consider whether any matters at the meeting should be disclosed to the market.

A Disclosure Committee has been established to assist the Company to meet its disclosure obligations. The committee plays a key role in reviewing and determining whether information is likely to have a material effect on the price or value of the Company's securities such that it requires disclosure to the market. The Disclosure Committee members comprise the CEC, CEO, CFO, Company Secretary, Investor Relations General Manager and General Counsel.

In accordance with the Disclosure Policy, Board approval and input will only be required in respect of matters that are clearly within the reserved powers of the Board (and responsibility for which has not been delegated to management) or matters that are otherwise of fundamental significance to Yancoal. Copies of all material market announcements are also circulated to the Board promptly after they have been made, to ensure the Board has timely oversight of the nature and quality of information being disclosed to the market and the frequency of such disclosures. In addition, the Disclosure Committee receives copies of all market announcements prior to release regardless of materiality and the Chair of Audit and Risk Management Committee receives copies of all immaterial market announcements once released, otherwise material announcements are provided prior to release.

The Disclosure Policy can be found within the Corporate Governance section of the Company's website. Any information disclosed to the market through an announcement to the ASX and HKEx is also published on the Investor section of the Company's website.

4. RISK MANAGEMENT AND FINANCIAL REPORTING

RISK IDENTIFICATION AND MANAGEMENT

The Board, through the Audit and Risk Management Committee, is responsible for satisfying itself that a sound system of risk oversight and management exists, that internal controls are effective and for setting the risk appetite within which the Board expects management to operate.

In particular, the Board ensures that:

- the material strategic, operational, financial reporting and compliance risks are identified and evaluated; and
- risk management, control and reporting systems are in place to identify, assess, manage, monitor and report on these risks.

The role and membership of the Audit and Risk Management Committee are described under paragraph titled "Audit and Risk Management Committee" and under the Board committees section.

The Company's Audit and Risk Management Committee Charter can be found within the Corporate Governance section of the Company's website. The number of times the committee met throughout the period and the individual attendances of the committee members at those meetings is disclosed in the Directors' Report.

The Board has requested the Company's senior Executives and management to report to the Audit and Risk Management Committee and, where appropriate the Board, regarding the effective management of its material business risks.

In 2024, the Audit and Risk Management Committee had in place a framework to identify, assess, manage risks that are material to the business. This framework includes:

- implementation of a corporate risk management standard approved by the Audit and Risk Management Committee and the Board;
- identification of material business risk by reference to a corporate risk register, approved by the Audit and Risk Management Committee and the Board;
- formal risk identification activities being undertaken at both functional level and at each of the Company's mine sites;
- designated individuals across the business that have accountability for the monitoring and implementation of risk management within their areas of responsibility; and
- the EGM of Risk and Audit as a central resource available to assist with all risk management responsibilities, and to assist with any training/awareness or other related requirements.

The Audit and Risk Management Committee receives periodic reports on the performance of the Company's enterprise risk management framework, as well as on the Company's key risk exposures to satisfy itself that it continues to be sound and that the Company is operating with due regard to the risk appetite set by the Board. An annual review of the risk management framework was conducted in December 2024 by the Audit and Risk Management Committee, on behalf of the Board. The Audit and Risk Management Committee confirmed that the risk management framework continued to be effective and adequate and considered social, environmental and contemporary risks. The Audit and Risk Management Committee confirmed that the Company is operating with due regard to the risk appetite set by the Board.

The EGM of Risk and Audit is responsible for establishing and managing the enterprise risk management framework, risk management system and practices. The Company's formal risk identification activities are guided by ISO 31000 - Risk Management and undertaken on a periodic basis; with risk identification and analysis activities performed at a functional level, as well as at each of the Company's mine sites.

The responsibility for managing risks, risk controls or risk management action plans is embedded within the business and undertaken as part of everyday activities. Together with the CEC, the Board and the Audit and Risk Management Committee, the EGM of Risk and Audit is responsible for developing a risk matrix and framework and for implementing related risk-based assurance processes for the Company and its subsidiaries. The EGM of Risk and Audit annually reviews and confirms the continued effectiveness of the risk framework to the Audit and Risk Management Committee.

The Board recognises and acknowledges that, while risk management controls and systems can be effective in managing risks, they cannot eliminate all risks relevant to the Company achieving its objectives and cannot provide absolute assurance against material misstatement or loss.

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INTERNAL AUDIT FUNCTION

The internal audit function is managed by the EGM of Risk and Audit. That person has direct access to the Chair of the Audit and Risk Management Committee, as well as to the CEC, to whom he directly reports. The CEC and the Audit and Risk Management Committee recommends to the Board the appointment of the EGM of Risk and Audit.

The EGM of Risk and Audit has unfettered access to the Audit and Risk Management Committee and its Chair and wider business to seek information and explanations. The Chair of the Audit and Risk Management Committee meets independently with the EGM of Risk and Audit.

The role of the EGM of Risk and Audit is responsible for the achievement of the risk management, internal audit, insurance and includes the responsibilities of Yancoal's Whistleblower Officer.

An annual program for internal audit and risk assurance is provided to the Audit and Risk Management Committee for approval. The annual Internal Audit program is focused on key operating risks and processes and evaluates the design and operating effectiveness of associated key controls.

The program includes a review of compliance with the obligations imposed by the General Rules on Internal Control for Enterprises and the Supporting Guidelines of Internal Control for Enterprises, jointly issued by five Chinese ministries.

Periodical status reports on the execution of the plan, including current findings and actions are provided to the Audit and Risk Management Committee. This includes key issues and subsequently corrective actions that are monitored, reviewed and reported. Any material findings are reported to the Board by the Chair of the Audit and Risk Management Committee.

RISKS ASSOCIATED WITH THE COMPANY

The future operating performance of the Group may be affected by risks relating to the Company's business. Some of these risks are specific to the Company while others relate to economic conditions and the general industry and markets in which the Company operates.

The Company's risk management policies and procedures have been designed and implemented to identify, assess and manage any material exposure to risks relating to the Company's business and sustainability, including environmental and social risks. The Company undertakes regular monitoring and assessment of existing and emerging risks. Group material risks are assigned to specific risk owners which are recorded alongside applicable key controls and control effectiveness ratings to manage the Company's exposure to such risks. Further details of how the Company manages certain environmental and social risks are set out in the Company's 2023 Sustainability Report published on the ASX and HKEx platforms and available on the Company's website. The 2024 Sustainability Report will be published no later than the end of April 2025.

However, there can be no assurance that such risk mitigation strategies will protect the Company from these risks. Other risks are beyond the Company's control and cannot be mitigated or transferred. The occurrence of any such risks could adversely affect the Company's financial condition and performance. The risks listed below are not purported to be exhaustive and there is no assurance that the importance of different risks will not change or other risks will not emerge.

SUSTAINABILITY RISKS

In September 2024, the Federal Government passed the Tre*asury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024* (Cth), amending the Corporations Act 2001 (Cth) to implement Australia's first mandatory climate-related financial disclosure regime. This followed extensive consultation with industry and relevant stakeholders on an Exposure Draft of the proposed Treasury Laws Amendment Bill earlier in 2024.

From 1 January 2025, and on a phased-in basis up to 1 July 2027, entities that prepare financial reports under Chapter 2M of the Corporations Act and meet certain thresholds or are reporting entities under the *National Greenhouse and Energy Reporting Act 2007* (Cth), will be required to prepare a new annual sustainability report, incorporating climate-related financial disclosures.

The Company will be required to prepare a Sustainability Report which will need to include, amongst other things, a Climate Statement prepared in accordance with the new sustainability standards, for annual reporting periods beginning on or after 1 January 2025.

On 20 September 2024, following a consultation period relating to draft Australian Sustainability Reporting Standards ("ASRS") (Exposure Draft ED SR1), the Australian Accounting Standards Board ("AASB") issued the final ASRS AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information and AASB S2 Climate-related Disclosures. Reflecting the amendments to the *Corporations Act*, the AASB has taken a 'climate first' approach, prescribing the AASB S2 as the mandatory Standard to be applied by the Company and the AASB S1 as an additional voluntary standard.

The AASB S2 requires the Company to disclose information about climate-related financial risks and opportunities that could reasonably be expected to affect cash flows, access to finance or cost of capital over the short, medium or long term. The climate-related financial disclosure requirements include information about the Company's governance, strategy, risk management and metrics and targets, including information about scenario analysis the Company has undertaken and Scope 1, Scope 2 and Scope 3 greenhouse gas emissions. The Standard applies to annual reporting periods beginning on or after 1 January 2025.

The 2025 Sustainability Report will form a part of the Company's Annual Report, along with the Financial Statements, Directors' Report and Auditor's Report.

Among other things, this Climate Statement will need to include the Company's material climate-related financial risks and opportunities; the Company's risk management and strategic approach to managing these climate-related financial risks; climate-related metrics and targets; and relevant governance policies and procedures.

The Company is subject to a range of sustainability risks, including climate-related, environmental and social risks. These include, but are not limited to: climate-related physical and transitional risks, risks related to operations, health & safety, change in government policy (including carbon pricing), regulatory approvals, mine closure, Aboriginal cultural heritage, Native Title / tenements, market changes, reputation, transition to a lower carbon economy, technological change, fraud or misconduct, tax / royalties, environment and litigation risks linked to challenges to new or varied/modified projects and regulatory responses to those challenges. These are further outlined below.

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Operational and coal production risks

The Company's financial performance is dependent on the Company being able to sustain, optimise or increase coal production and decrease operating costs on a per tonne basis. The Company's success or failure in improving productivity will become particularly important to the Company's financial performance at times of low coal prices.

The Company's coal production can be impacted by adverse weather conditions (including for example prolonged wet weather, flooding, cyclones, excessive heat, and drought), bushfire events, poor air quality, supply chain and power interruptions and assets being impacted by any such conditions.

During 2024, the number and severity of weather events impacting the Company was more closely aligned with historical averages. Sites used 2023 and 2024 as recovery years post the significant wet weather events of 2022 by rebuilding pit inventories and completing upgrades to key water management infrastructure so as to reduce future impacts and risk from adverse wet weather events.

Coal production can also be impacted by other factors, including (but not limited to) unforeseen geological or geotechnical issues, sub-optimal mine design / plans, change or variations in coal quality. All operations at different points in their lifecycle can experience issues related to coal production for a variety of reasons. As such the company places great emphasis on the management of the risk by ensuring strong geological understanding, risk management, policies and processes along with corporate governance and strong site leadership are in place so as to optimise operational performance and minimise losses.

Other mining risk exposures relate to underground mine roof falls, high-wall or low-wall failures, cave-ins or other failures relating to mine infrastructure, including tailings dams, hydrologic or other conditions, critical equipment unavailability or failure, fires and explosions from methane gas or coal dust, discontinuity caused by poor mining conditions in underground development, uncontrolled tailings discharge, uncontrolled / non-compliant discharge of mine water, protected breakdown or damage to third party infrastructure (including rail and port), supply chain disruptions, industrial action and labour shortages. Regulatory factors and the occurrence of other operating risks can also limit production.

Such risks could result in personal injury, damage to applicable mines, environmental damage, delays in coal production, delays in deliveries, decreased coal production, increased cost / monetary losses, reduced revenue, and possible legal liability.

The Company reviews the risks and controls at each site on a regular basis. It validates that related information remains up to date, and applicable controls are in place to minimise or mitigate the occurrence and impact of the risk to the extent practicably possible.

Over the past years, Yancoal has implemented multiple site-specific projects to help mitigate the risk wet weather and drought poses to the Company. These projects include (but are not limited to) enhancing water pumping infrastructure, upgrading the capacity of the Moolarben water treatment plant, improving the inseam dewatering capacity at Ashton,dewatering multiple pits, entering into water sharing agreements, and purchasing additional water licenses for drought periods.

Although the Company's insurance policies provide coverage for some of these risks, the amount and scope of insurance cover is limited by market and economic factors and these risks would not be fully covered by insurances maintained by the Company.

Health and safety

Accidents could occur at a mine site or corporate office that result in personal injuries. These could relate to factors such as (but not limited to) psychosocial hazards, vehicle interaction / motor vehicle accidents, exposures to energised plant or equipment, exposures to airborne contaminants, handling of tyres, ground or strata instability, high voltage, fires and explosions, explosives, inrush and inundation, loss of control of stockpile material, loss of structural integrity, coal or gas bursts, lifting and working with suspended loads, working at heights or in confined spaces, working around fluid storage facilities as well as manual handling and slip, trip and fall events. These could also have adverse financial implications including legal claims for personal injury, death, amendments to approvals, potential production delays or stoppages, any of which may have a material adverse effect on the financial performance and / or financial position of the Company.

During September, an incident occurred during closure operations at the Austar Coal Mine which resulted in a fatality. The contractor involved was a long-standing employee, who was working for a contracting company as part of a team conducting the mine closure activities. Our thoughts continue to be with the family, friends and colleagues. The NSW Resources Regulator investigation into the incident is ongoing.

If the Company is unsuccessful in its efforts to eliminate or minimise work health and safety risks, or otherwise breaches these health and safety requirements, it may incur fines or penalties, be required to curtail or cease operations and/or be subject to increased compliance costs, which have not been previously planned at one or more of its sites.

The Company's operations may cause exposure to hazardous materials. There is also a risk that actions could be brought against the Company, alleging adverse effects of such substances on personal health.

The Company maintains an Occupational Health and Safety Management System Framework that sets out the minimum requirements across the operations. It also regularly reviews the health and safety risks at each of its sites and has identified a number of core hazards that are consistent across each site. The Company has developed methods to control these core hazards.

The management of these health and safety controls is periodically reviewed at each site to mitigate the core hazard and associated health and safety risks. Management has also previously performed and updated a risk assessment around psychosocial risks outlined within the Safe Work NSW Code of Practice – Managing Psychosocial Hazards in the Workplace, and the new ISO 45003 Occupational health and safety management — Psychological health and safety at work — Guidelines for managing psychosocial risks. This risk assessment covers common psychosocial risks across all operational sites and corporate offices and identified controls/ mitigants to target the hazards identified and risks assessed. During 2024 Yancoal continued the implementation of its four stage / year Mental Health Program and further progressed its "Safe Way Every Day" program, a five-year program that has been designed to provide a consistent approach to Health, Safety and Training management across all Yancoal operations, and support the integration of a safety culture across the business.

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Changes in government policy, legislation or regulation

The Company's activities are subject to extensive legislation, regulations and supervision by a number of federal and state regulatory bodies. Any future legislation or regulatory change may affect the resources industry and may adversely affect the Company's financial performance and position, such as future laws that for example may limit the emission of greenhouse gases, the use of coal in power generation or introduce new environmental obligations.

Yancoal is a member of the state industry body in each jurisdiction, as well as of the federal Minerals Council of Australia. Each of these industry associations is actively involved in advising respective governments in respect of changes in policy, legislation and regulation, and is primarily accountable for the industry's lobbying efforts in that regard, and in keeping association members informed of developments.

Regulatory approvals

The ability of the Company to meet its long term production target profile depends on (amongst other things) the Company being able to obtain on a timely basis, and maintain, all necessary regulatory approvals (including any approvals arising under applicable mining laws, environmental legislation and other laws) and adherence to government policy, legislation or regulation for its current operations and expansion and growth projects, including obtaining planning approvals, land access, land owner consents and addressing any native title issues, impacts on the environment and objections from local communities.

The requirement to obtain approvals and to address potential and actual issues for existing and future mining projects is common to all companies in the mining sector. There is no assurance or guarantee that the Company will be successful in securing any or all of the required consents, approvals and rights necessary to maintain its forecast production profile from its existing operations or to develop its growth projects in a manner which will result in profitable mining operations and the achievement of its long term production targets. If these approvals (or other approvals required for planned production increases or changes to mine plans) are not obtained or are delayed, or if conditional or limited approvals are obtained, the economic viability of the relevant projects may be adversely affected, which may in turn result in the value of the relevant assets being impaired.

The Company holds a number of joint venture interests, including a 51% interest in HVO. As with all mining projects, there is no certainty that the HVO Continuation Project will be approved as lodged, or whether there may be delays in securing that approval. Also, the government may not grant consent to FY2050. As a result, HVO may have its mine life truncated to an earlier date.

The Company is also subject to extensive legislation, regulations and supervision by a number of federal and state regulatory bodies. Regulations and policies are constantly evolving and adapting to market trends, community concerns and new technologies. Any such changes may adversely affect the Company's financial performance and position, such as future laws that for example may limit the emission of greenhouse gases, the use of coal in power generation or introduce new environmental obligations. In addition,progression to stage 2 of the federal Nature Positive law reforms to the Environment Protection and Biodiversity Conservation Act 1999 (Cth), reforms to the Biodiversity Conservation Act 2016 (NSW) as a part of the NSW Government's NSW Plan for Nature, introduction of the NSW Coal Reservation Scheme and the recent royalty increases in Queensland and NSW are some of the current policy changes that impact the Company.

Mines in Queensland are now assessed under a risk-based security mechanism for their rehabilitation liabilities. Mining operations that have been assessed as higher risk will be required to provide a greater amount of security. Mines in both NSW and Queensland are being held to more rigorous progressive rehabilitation and mine closure regimes.

Accordingly, there is no assurance that the future development and exploration activities of the Company will result in profitable or commercially viable mining operations in these areas.

The Company's experts in these areas continuously monitor changing regulations to ensure the Company is in a position to respond promptly to the rapidly changing regulatory environment.

The "life of mine" planning process is utilised to identify future approvals requirements. This process is designed to enable early identification of an approval requirement in order to provide sufficient time to define the scope of a project to limit or avoid environmental impacts, and to collect appropriate baseline data to support new approvals. Early consultation with stakeholders provides data to inform an application and to respond to stakeholder concerns. This approach results in constructive engagement and the mitigation of approvals risk.

Furthermore, Yancoal is a member of the state industry body in each jurisdiction, as well as of the federal Minerals Council of Australia. Each of these industry associations is actively involved in advising respective governments in respect of changes in policy, legislation and regulation, and is primarily accountable for the industry's lobbying efforts in that regard, and in keeping association members informed of developments.

Mine closure

Closure of any of the mines or other operations of the Company may trigger significant closure and rehabilitation expenses and other costs. Many of these costs will also be incurred where mines are closed at the end of their planned mine life or placed on care and maintenance.

If one or more of the relevant sites are closed earlier than anticipated (e.g. due to environmental, geological, geotechnical, commercial and/or health and safety or approval issues), the Company will be required to fund the closure costs on an expedited basis and lose revenues, which could have an adverse financial effect. In addition, there is a risk that closure and rehabilitation planning is inadequate, costs have been underestimated and/or that claims may be made arising from environmental remediation upon closure of one or more of the sites.

The current site Mine Closure Plan and annual mine closure audits are instrumental in identifying closure costs, liabilities and risks to a minimum pre-feasibility study level. This is supported by risk assessment, forward work plans, scopes of work to close knowledge gaps and increase the confidence of estimating the overall mine closure costs. Further, the development and implementation of a Company-wide mine closure standard has facilitated a consistent approach to closure planning at each of its operations.

Aboriginal Cultural Heritage

For any new project approval, matters of Aboriginal cultural heritage must be identified and assessed, and potential impacts avoided or mitigated, in consultation with the relevant

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First Nations knowledge holders. This has the potential to require amendments to project footprints and may have a significant impact on the potential value of a project.

Various State and Federal legislation protects places, objects and features of Aboriginal cultural value. While there is inherent protection of Aboriginal cultural heritage under State legislation, mechanisms exist to approve disturbance of objects and features of cultural value where necessary. Under the Commonwealth legislation, areas are protected only if the relevant Minister makes a declaration to that effect.

The *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (Cth) is aimed at the preservation and protection from injury or desecration of areas and objects in Australia and Australian waters that are declared to be of particular significance in accordance with Aboriginal tradition. An area or object is taken to be injured or desecrated if it is used in a manner inconsistent with, and which adversely affects, Aboriginal tradition.

Claims to protect areas of significant Aboriginal cultural value may be brought by Aboriginal parties under both State and Federal legislation. If successful, this granted protection overrides any prior approval to disturb objects or features of cultural value within the protected area. It is also possible that both State and Federal legislation may be amended to afford greater protection for areas previously proposed to be disturbed. Under these circumstances, mine plans may need to be altered, or projects may become unviable, with a direct impact on forecast production profiles and forecast profitability and asset value.

Independent of its statutory obligations, Yancoal has implemented an additional governance in the oversight of Aboriginal cultural heritage matters, including maintaining a corporate register of the more significant Aboriginal cultural heritage objects and features within approved disturbance areas. This initiative is designed to identify material matters which warrant corporate oversight and approval.

Native Title and Aboriginal Land Rights

Native Title refers to the rights and interests of First Nations people over lands and waters in accordance with their traditional laws and customs.

It is possible that, in relation to tenements in which we have an interest or will in the future acquire, there may be areas over which Native Title rights of First Nations People have already been determined to exist or in the future be determined to exist. Where the grant or renewal of a tenement is in respect of land in relation to which Native Title has been recognised to exist or is subject to a registered claim for such recognition, the Company will need to comply with the *Native Title Act 1993* (Cth) in order for the tenement to be validly granted.

Compliance with the *Native Title Act 1993* (Cth) (and the relevant Native Title process to be followed for the grant of the tenement e.g. the right to negotiate process) may be prolonged or delayed, and substantial compensation or benefits may be payable as part of any agreement reached, including for the interference with relevant recognised or claimed Native Title rights and interests.

The existence or determination of Native Title may, therefore, affect the existing or future activities of the Company and impact on its ability to develop projects which may in turn impact its operational and financial performance.

In New South Wales under the *Aboriginal Land Rights Act 1983* (NSW) ("ALRA"), Aboriginal Land Councils can claim Crown land as compensation for dispossession if certain requirements are met. If a claim is successful, freehold title over the relevant land is transferred to the claimant Aboriginal Land Council constituted under the ALRA. Further, Aboriginal Land Councils are afforded certain statutory rights which can include a requirement to enter into a compensation agreement prior to the grant of a Mining Lease. This may delay the grant of future mining tenements over any area of such land. Some of our tenements are located in areas that are subject to outstanding Aboriginal land claims, and additional Aboriginal land claims may be made in the future over other areas in which our tenements are located. Any such claims may result in our ability to explore or mine for coal in these areas being subject to the decisions of the relevant Aboriginal Land Councils, which may adversely affect our ability to develop projects and, consequently, our operational and financial performance.

Overlapping tenement

Some of the Company's mines and associated tenements adjoin or are overlapped by petroleum tenements and adjoin other exploration interests held by third parties. Overlapping tenements could potentially prevent, delay or increase the cost of the future development of the Company's projects because the Company and the relevant petroleum exploration or production licence holder (or other exploration licence holders) could potentially seek to undertake their respective activities on the overlapping area or the same resource seams and in some cases the overlapping petroleum tenure holder's consent may be required.

There is no guarantee that agreement will be reached with the overlapping petroleum tenement holder or that agreement will not be delayed or will be reached on terms satisfactory to the Company. There is also a risk that if agreement cannot be reached with overlapping tenement holders the matter may be referred to the relevant minister or a court who may make a decision which adversely impacts upon or prevents the project proposed by the Company.

The Company has established a dedicated and skilled team to manage all tenement matters, including where overlapping tenements exist. This team is charged with oversight of overlapping tenement risks and opportunities, and for constructive engagement with the holders of those overlapping tenements to harmonise operations.

Transition to a lower carbon economy and climate related risk

The Company acknowledges that it has a role to play in minimising the emissions generated by its operations and supporting research into lower-emission technology to assist the reduction of downstream emissions from the consumption of coal products.

The transition to a lower carbon economy remains a critical element of mitigating the impacts of climate change.

The Australian Federal Government passed legislation to target a 43% reduction in greenhouse gas ("GHG") emissions below 2005 levels by 2030 and net zero emission by 2050. Australia submitted an updated Nationally Determined Contribution ("NDC") to the United Nations Framework Convention on Climate Change ("UNFCCC") Secretariat in 2022, which also included a commitment for Australia to achieve a target of 43% reduction in GHG emissions below 2005 levels by 2030. Australia is expected to submit its second NDC to the UNFCCC in 2025. This second NDC is expected to include an emissions reduction target for 2035 which is likely more stringent than the current 2030 target.

In 2016, the Government established a framework to establish safeguard facility "baselines" under the Safeguard Mechanism.

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This framework was reformed in 2023 to progressively reduce safeguard facility baselines in line with Australia's emission reduction targets. These changes will require that the Company's safeguard facilities purchase and retire "Australian Carbon Credit Units" ("ACCUs") or "Safeguard Mechanism Credits" ("SMCs") for emissions in excess of their declining baselines. This will impact the Company's financial returns. The Company will continue to investigate abatement technologies to reduce emissions and thus the quantum of ACCU's which would otherwise be required.

The Company intends to develop a Decarbonisation Plan that incorporates abatement activities and includes the purchase of credits to meet its' emission requirements.

There is a risk that the Company is insufficiently focussed on understanding and mitigating GHG emissions, which increases its reliance on, and costs associated with abatement activities.

There is a risk that the price of ACCU's and SMC's may increase as demand increases, placing an increased cost burden on higher-emitting operations and rendering them less competitive or uneconomic as baselines progressively decline.

The Company is also subject to a spectrum of climate-related risks, including both physical and transition risks with the potential to affect the Company's future development, operations, markets and asset carrying values. Physical risk factors include (but are not limited to) extreme weather events, asset resilience, fires, access to water, power supply and indirect impacts from supply chain disruption. In terms of physical risks, sites are consistently managing these at an operational level, including water conservation initiatives and flood mitigation measures.

Transition risk factors include (but are not limited to) timing and compatibility of technology development and deployment, customer or community perception, the regulatory response to the risk of climate change, and increased operating costs due to climate related obligations. Unilateral and collective action by Australia and other countries, may affect the demand for coal, coal prices, the future supply of coal and the cost competitiveness of the Company's products in the world energy market. Extensive government regulations relating to the transition to a lower carbon world economy may give rise to risks of delay and uncertainty associated with approvals for future development and impose costs on the mining operations of the Company.

Multiple jurisdictions in Australia have also passed climate change legislation. For example, in December 2023, the Climate Change (Net Zero Future) Act 2023 (NSW) ("NSW Act") commenced. The NSW Act legislates NSW's targets to reduce GHG emissions by 50% by 2030, 70% by 2035, to achieve net zero GHG emissions by 2050, and allows regulations to prescribe interim GHG emissions targets. In Western Australia, the Climate Change Bill 2023 (WA) proposed to legislate Western Australia's target of net zero GHG emissions by 2050. This since lapsed on 17 December 2024. In 2024, Queensland introduced the Clean Economy Jobs Act 2024 (Qld), setting net emissions reductions targets below 2005 levels of 30% by 30 June 2030, 75% by 30 June 2035 and net zero by 30 June 2050. Several other state jurisdictions in Australia have also passed climate change legislation with more ambitious targets than those contemplated under the federal legislation.

The establishment of jurisdiction-specific GHG emission reduction targets can increase transition risks for the Company, as such jurisdiction specific targets may impact the relevant government's approach to regulation of GHG emissions from mining facilities.

Yancoal is investigating a possible pumped-hydro and solar facility at its Stratford mine. With coal production at the Stratford mine having been completed in the period, this renewable energy hub provides an excellent opportunity for the beneficial re-use of part of the site after cessation of mining, subject to both internal and external approval processes. At this stage, risks associated with the project include capital cost estimates, ownership structures, project construction delivery, relevant approvals, and the financial operating parameters and performance.

The Company is also exposed to risks related to external factors, including the capital and insurance markets. Yancoal continues to work closely with these markets to provide insights into the company's sustainability strategy and practices as well as the company's role in the world's energy transition. With regard to insurance, Yancoal also has in place a captive insurance company that currently underwrites some limited risks and may be in a position to help with certain aspects of Yancoal's future insurance requirements.

Increased community concern and adverse actions taken by community and environmental groups (including activism) may delay or prevent the Company from progressing new mine developments or development or expansion of existing mines, or may mean that those mines are subject to conditions that adversely affect their profitability and consequently the financial performance of the Company. Environmental lobby groups in both Queensland and New South Wales have previously made submissions opposing both operation and expansion of coal mines in an attempt to prevent new mine developments or expansion of existing mines on the basis of environmental concerns.

At the same time, the Company recognises the growing interest by stakeholders in how it is positioning itself in this shift to a lower-carbon economy, through managing potential risks and identifying and developing opportunities for our business and the broader sector as a result of an anticipated global shift towards a lower-carbon economy. In FY24, the Company approved its Sustainability Strategy, which will embed sustainability-driven decision making and activities to enhance value across four key business pillars. The Sustainability Strategy considers how the Company will operate and comply with the new requirements of climate related financial disclosure requirements and compliance-based markets for emissions reductions. This is in addition to Yancoal's ongoing focus on its coal operations as set out in the Management Discussion and Analysis section.

The Company also tracks and measures its carbon emissions at each site and reports emissions under the National Greenhouse and Energy Reporting scheme ("NGERs"). The Company is exploring the reduction of the emissions associated with the coal measures themselves (fugitive emissions) as well as diesel and electricity consumption. This may include investigating options for fugitive gas capture and management, optimising diesel consumption in the existing fleet, assessing the potential to progressively electrify the fleet, the use of rooftop solar to reduce grid energy consumption and the opportunity to enter into Power Purchase Agreements ("PPAs") with renewable energy generators.

Yancoal also engages constructively with stakeholders to ensure they have access to objective information to inform their views.

Sustainability considerations are also incorporated into our procurement processes, with supplier Environmental Social and Governance ("ESG") performance progressively incorporated in the assessment of tenders. This includes an

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evaluation of Modern Slavery risk and performance, health and safety systems and performance, and an explicit requirement for Suppliers to conduct themselves ethically in compliance with the Company's Code of Conduct.

Additional details relating to the transition to a lower carbon economy is provided in the Company's 2024 Sustainability Report will be published on the Australian Stock Exchange ("ASX") and the Hong Kong Exchanges and Clearing Limited ("HKEX") platforms and available on the Company's website.

The Company's 2024 Sustainability Report will be published by the end of April 2025.

Technological change

Thermal coal as a source of energy competes with other forms of electricity generation (such as gas, nuclear, hydro, solar and wind). In recent years, the global shift from conventional fuels to renewable sources of energy has impacted the role of thermal coal in the market which could lead to a structural decline in thermal coal demand in the medium to long-term.

As renewable technologies become more efficient and cost effective, they may gain an economic advantage over coal-fired and other fossil fuel-based electricity generation. These economic factors, combined with increasing costs to comply with emission reductions, may result in the accelerated retirement of existing coal- powered generation capacity, and the cancellation of planned additional coal-fired power capacity, which may reduce demand for thermal coal in the market in the medium to long term.

There is also a risk of Yancoal not leveraging technology advancements which could affect its future competitiveness.

Our diversified and evolving customer base assist in improving business resilience to changing demands. Our focus on high quality coal from low-cost, Tier 1 assets is an important limb of our strategy in a dynamic energy environment.

In addition, Yancoal has integrated various technologies in its operations in areas such as (but not limited to) fleet management, fatigue management and collision awareness. Yancoal also continues to evaluate technologies through regular assessments and collaboration with technology partners.

Fraud and misconduct

Any fraud (including cyber fraud), misrepresentation, money laundering, corruption or other misconduct by the Company's employees, customers, service providers, business partners or other third parties could result in violations of relevant laws and regulations by the Company and subject the Company to corresponding regulatory sanctions. These unlawful activities and other misconduct may have occurred in the past and may occur in the future, and may result in civil and criminal liability, financial or reputational harm to the Company. The Company may not be able to timely detect or prevent such activities, which could subject the Company to regulatory investigations and criminal and civil liability, harm our reputation and have a material adverse effect on the Company's business, financial condition, results of operations and prospects. There is also a risk that the company breaches whistleblower legislation.

Yancoal has in place formal and periodically reviewed fraud and whistleblower policies and as well as a fraud prevention, detection and response plan. It also has in place a formal Code of Conduct, which sets out expected standards of behaviour that are non-negotiable and key to the Company's culture, including the clear prohibition of bullying, (sexual) harassment, retaliation and unlawful discrimination. This Code of Conduct is supplemented by a Speak Up facility that is externally managed and allows for any concerns to be raised confidentially and anonymously. Material disclosures received via this facility are subject to investigations overseen by Yancoal's EGM Risk & Audit / Whistleblower Officer, with all outcomes reported to the ARMC.

Taxation

The Company is subject taxation obligations with risks arising from business systems, operations and development, as well as external factors including regulatory assurance activities, changes in tax and industry legislation and regulations.

The Company has in place a Tax policy and publishes a Tax Transparency Report annually, covering its approach to tax, and tax governance and tax risk management framework.

Royalties

Royalties are payable to the NSW and QLD state governments on coal produced in NSW and QLD. In both states, the royalties are payable on an ad valorem basis as they are calculated as a percentage of the value for which the coal is sold. There is a risk when the NSW and QLD state governments increase these royalties or their method of calculation; as materialised in Queensland in 2023 and in NSW in Q3 2024. Any future impost of any new royalty related state tax or increase in royalty rates will have an adverse effect on the Company's financial position and/or financial performance.

While the Company maintains active engagement with all stakeholders such as the government, industry forums and peer-groups, the risk mitigation is limited as the risk impact is influenced by external factors.

Environment

Due to the nature of coal mining processes, and the associated by-products, residues and tailings generated from these processes, all operations of the Company are subject to stringent environmental laws and regulations.

There is a risk that past, present or future operations have not met or will not meet environmental or related regulatory requirements and/or that the approvals or modifications the Company is currently seeking, or may need to seek in the future, will not be granted. If the Company is unsuccessful in these efforts or otherwise breaches any environmental requirements, it may incur fines or penalties, be required to cease operations and/or be subject to increased compliance costs or costs for rehabilitation or rectification works, which have not been previously planned at one or more of its sites.

Changes to environmental regulations may increase the standard and cost of compliance, and may adversely affect the Company's ability to generate the expected economic returns from its mining assets over their operational life. The Company may not always be able to comply with future laws and regulations in relation to environmental protection economically or at all. There can be no assurance that the Company will be able to fully and economically utilise the entire coal resources of the mines it operates currently or in the future or that some of its mining assets will not become "stranded assets" that are not able to generate the expected economic returns over their useful lives.

In 2023, the QLD government introduced amendments to the *Environment Protection Act 1994* (Qld) which (amongst other matters) seeks to resolve implementation issues with estimated rehabilitations costs and progressive rehabilitation closure planning frameworks, enhance the environmental impact statement process, require public notification for major

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amendments to resource activity environmental authorities and expand executive officer liability provisions. Yancoal's experts regularly monitor legislative bills in relevant jurisdictions so that it is aware of any proposed changes to environmental legislation and ensures it has mechanisms in place for compliance with changing laws.

Environmental legislation may change in a manner that may require compliance with additional standards, and a heightened degree of responsibility for companies and their Directors and employees. There may also be unforeseen environmental liabilities resulting from coal related activities, which may be costly to remedy. In particular, the acceptable level of pollution and the potential closure costs and obligations for which the Company may become liable as a result of its activities may be impossible to assess under the current legal framework.

The Company uses hazardous materials and will generate hazardous waste, and may be subject to common law claims, the investigation and clean-up of soil, surface water, groundwater, and other media. Such claims may arise, for example, out of current or former activities at sites that it owns or operates.

The Company maintains regular corporate oversight and management reporting on compliance with company policies and regulatory requirements. It employs skilled experts at each site to manage its environmental compliance obligations. Further, it has implemented an independent external environmental assurance program which audits each site on a periodical basis, with a primary focus on the identification and management of environmental risks and scrutinises compliance with environmental laws.

Litigation

Like all companies in the resources sector, the Company is exposed to the risks of litigation (either as the complainant or as the defendant), which may have a material adverse effect on the financial position of the relevant entity. This includes the risks of climate change litigation, which encompasses disputes that relate to climate change impacts and approaches to decarbonisation (such as approvals for new GHG emitting development, greenwashing claims linked to emission reduction strategies and, in discrete cases, private sector responsibility to reduce GHG emission.). Such claims or proceedings could divert our management's time and attention and consume financial resources in their defence or prosecution.

Breach of contractual obligations to key clients such as delayed or non-delivery of coal can expose the Company to financial loss and reputational impact. Yancoal undertakes legal review and ongoing conflict management of key material contracts to minimise risk of disputes and subsequent litigation. The Company also manages its obligations under relevant legislation to manage risk of prosecution, such as set out under the risks "Health and safety" and "Regulatory approvals" above.

ECONOMIC AND CONTEMPORARY RISKS

In addition to the above environmental and social risks, the Company is subject to a range of economic and contemporary risks. These include (but are not limited to) the Company's exposure to coal prices and demand, foreign exchange rates, geopolitical environment, insurance, transport and infrastructure, technology and cyber vulnerabilities, estimates of coal resources and reserves, impairments, NCIG and WICET debt, people and talent management and joint ventures and reliance on third parties. These are further outlined below.

Coal prices and coal demand

The Company generates revenue from the sale of coal. In developing its business plan and operating budget, the Company makes certain assumptions regarding coal prices and demand for coal.

The prices for coal are determined predominantly by world markets, which are affected by numerous factors, including the outcome of future sale contract negotiations, general economic activity, industrial production levels, changes in foreign exchange rates, changes in energy demand and demand for steel, changes in the supply of seaborne coal, technological changes, changes in production levels and events interfering with supply, changes in international freight rates or other transportation infrastructure and costs, the costs of other commodities and substitutes for coal, market changes in coal quality requirements, government regulations which restrict use of coal, and tax impositions on the resources industry, all of which are outside the control of the Company and may have a material adverse impact on coal prices and demand.

In addition, the coal price is highly dependent on the outlook for coal consumption in large Asian economies, such as China, Japan and India, as well as any changes in government policy regarding coal or energy policy in those countries.

Significant and sustained adverse movements in coal prices may have a material adverse impact on the ongoing financial performance and financial position of the Company or may result in the Company not proceeding with the development of new mines and projects due to such development not being economically viable.

Adverse foreign exchange rate movements

Foreign exchange risk can affect the Company's performance.

The liabilities, earnings and cash flows of the Company are influenced by movements in exchange rates, especially movements in the A$:US$ exchange rate.

While the Company's costs are primarily denominated in its functional currency, the A$, foreign currency exposure arises particularly in relation to coal supply contracts, which generally are priced and payable in US$, procurement of imported plant and equipment, which can be priced in US$ or other foreign currencies, and any future debt denominated in US$.

The impact of exchange rate movements will vary depending on factors such as the nature, magnitude and duration of the movements, the extent to which currency risk is hedged under forward exchange contracts or other hedging instruments and the terms of these contracts.

Geopolitical Environment

The Company is subject to geopolitical exposures that have the potential to impact the Company's operations and growth, including as related to any government approvals required under either jurisdiction.

Insurance

The Company has external insurance coverage for certain operating risks. However, it may become subject to liability (including in relation to pollution, occupational illnesses or other hazards), or suffer loss resulting from business interruption, for which it is not externally insured (or has not sufficiently insured) or cannot insure, including liabilities in respect of past activities. The growing anti-coal sentiment in the insurance market may also further reduce insurance capacity available to the Company and/or lead to insurance terms for certain insurance types or layers no longer being economically viable.

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As a result, the risk transfer to a third party as achieved through external insurance coverage may not cover the scope and extent of claims against the Company or losses it may incur, including, but not limited to, claims for environmental or industrial accidents, occupational illnesses, pollution and product liability, war, terrorism, major equipment and business interruption.

In addition, insurance may not be available or continue to be available at economically acceptable premiums and therefore require a form of self-insurance. Yancoal established a wholly owned captive insurance company in 2022 that retained some risk during the financial year. Over time and subject to Chinese regulatory approvals, the Company seeks to build up additional risk capital within its captive insurance company to help off-set future reductions in external insurance capacity. However, in the absence of external insurance coverage and therefore external risk transfer, major losses could adversely affect the future financial performance of the Company.

Transport and infrastructure

Coal produced from the Company's mining operations is transported to customers by a combination of road, rail and sea. Fluctuations in transportation costs and disruptions to our railway and port linkages could disrupt the Company's coal deliveries and adversely affect its business, financial condition and results of operations.

A number of factors could disrupt or restrict access to essential coal transportation and handling services, including (but not limited to) weather related problems, key equipment and infrastructure failures, rail or port capacity constraints, congestions and inter-system losses, industrial action, failure to obtain consents from third parties for access to rail or land, failure or delay in the construction of new rail or port capacity, failure to meet contractual requirements, terrorist attacks, breach of regulatory framework, mismatch of rail and port capacity or the possible sale of infrastructure. Each of these factors could impair the Company's ability to supply coal to customers and/or increase costs, and consequently may have a material adverse effect on the Company's financial position.

Significant increases in transport costs (such as emissions control requirements and fluctuations in the price of diesel fuel and demurrage) could make the Company's coal less competitive when compared to other fuels or coal produced from other regions.

Risk exposures are managed by a dedicated team of experts, of both Yancoal assets as well as the greater supply chains used. Mitigating activities undertaken includes actively monitoring previously experienced, current and emerging risks by analysis of automated data capture from supply chain operations, as well as information shared with all other supply chain intermediaries.

The Company also performs an active role in key industry forums, including government bodies, as well as incident management and critical response groups.

Technology / cyber

The Company's business relies on the performance, reliability and availability of its technology systems including (custom) software. Information and operating technology may be subject to international cyber security threats. Breaches could result in (but are not limited to) safety exposures, the loss of sensitive data / information, unplanned outage of business-critical system environmental damage and misappropriation of company funds. The Company's information and operating technology infrastructure in general may also be adversely affected by factors such as server damage, equipment faults, power failure, computer viruses, misuse by employees or contractors, telecommunications failures, external malicious intervention such as hacking (including extortion), terrorism, fire, natural or weather interventions. Such events are largely beyond the Company's control, and may affect its ability to carry on our operations efficiently.

The Company is enforcing the cyber defensive measures by deploying tools and technologies related (but not limited) to remote vendor access, multi-factor authentication, intrusion protection and other monitoring systems.

Estimates of Coal Resources and Reserves and geology

The volume and quality of the coal that the Company recovers may be less than the Coal Resource and Reserve estimates reported to date. Coal Resource and Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. There are risks associated with such estimates, including that coal mined may be of a different quality or grade, tonnage or strip ratio from those in the estimates and the ability to economically extract and process the coal may not eventuate. Coal Resource and Reserve estimates are necessarily imprecise and depend to some extent on interpretations and geological assumptions, coal prices, cost assumptions, and statistical inferences which may ultimately prove to have been unreliable.

Material changes in Coal Reserve estimates, grades, strip ratios, washing yields or recovery rates may affect the economic viability of projects. Coal Reserve estimates should not be interpreted as assurances of mine life or of the profitability of current or future operations.

If the Company's actual Coal Resource and Coal Reserve estimates are less than current estimates, the Company's prospects, value, business, results of operations and financial condition may be materially adversely affected.

Coal Resource and Coal Reserve estimates are regularly revised based on actual production experience or new information and could therefore be expected to change. Furthermore, should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, Coal Resource and Coal Reserve estimates may have to be adjusted and mining plans, coal processing and infrastructure may have to be altered in a way that might adversely affect their operations. If it is determined that mining of certain Coal Reserves are uneconomic, this may lead to a reduction in the Company's aggregate Coal Reserve estimates.

Impairment

The Company's balance sheet includes a number of assets that are subject to impairment risk. The value of these assets is derived from the fundamental valuation of the underlying mining operations and as such is subject to many of the risks including, but not limited to, coal price and demand, foreign exchange, coal production, estimates of reserves and resources, uncertainty in costs forecasts, operating risks, injury and mine closure.

Adverse changes in these risk factors could lead to a reduction in the valuation of the Company's assets and result in an impairment charge being recognised.

Capital Management

The Company's ability to finance its sustaining and growth capital expenditures relies on its capacity to generate adequate cash flow from operations. This, in turn, is subject to various factors, including the coal price, production volume,

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costs, capital expenditure levels, management and outcome of capital projects, foreign exchange rates, changes in tax laws and regulations, and other relevant variables.

Given the debt-free status and robust balance sheet, the company is well-positioned to pursue additional funding opportunities. However, the funding plans for M&A transactions will be carefully tailored on a case-by-case basis, considering diverse funding sources to ensure flexibility.

It is important to note that rehabilitation and mine closure costs will impact cash flow in future years. These expenses need to be accounted for and managed effectively to mitigate their impact on the company's overall financial position.

In order to maximise shareholder value, the company is committed to striking a balance between short-term and long-term shareholder returns while effectively managing the aforementioned capital management risks.

NCIG and WICET debt

As a shipper in NCIG and WICET, the Company may be required to pay its share of any outstanding senior debt, amortised over the remaining years of that particular contract, if the Company's source mines are unable to maintain a minimum level of Marketable Coal Reserves. Furthermore, the Company may be required to pay its share of any outstanding senior debt in full, if NCIG and WICET are unable to refinance a tranche of its maturing debt and defaults on its remaining debt. If an other NCIG or WICET shipper was to default on its contractual obligations and was unable to pay its share of the NCIG or WICET debt respectively, the outstanding senior debt would be socialised amongst the remaining shippers. In this scenario the Company's share of the outstanding senior debt would increase.

WICET Senior Debt is due for refinancing in 2026. It is expected that an amend and extend will be agreed with Senior Financiers.

People and talent management

The retention and attraction of talent will remain a key risk as the labour market constraints in the Australian coal industry are expected to remain for the foreseeable future. The key to ongoing success and sustainability as a business is maintaining and upholding company culture, which is underpinned by the Yancoal values and beliefs.

The Company workplace culture and employee value proposition are crucial in the ability to attract and retain people. This combined with a review of allowances, retention payments and more flexible rostering arrangements has meant that the Company has done particularly well to retain employees, with 90% of workforce choosing to remain during the year.

We are committed to investing in our people and developing strong internal talent pipelines to become our future leaders. We offer ongoing training and professional development for our employees, through the form of both internal and external programs. Further, we offer targeted programs and development for frontline leaders, and identified high potential individuals to support them in realising their career goals while aligning to internal succession plans.

The Nomination & Remuneration Committee oversees executive succession plans at least once a year with a view to ensuring the appropriate mix of skills and diversity of thought are considered over both the ready now and longer term horizons.

Joint ventures and reliance on third parties

The Company holds a number of joint venture interests, including interests in the Middlemount, Moolarben, HVO, Mount Thorley and Warkworth joint ventures, PWCS, NCIG and WICET, with other parties. Decision making, management, marketing and other key aspects of each joint venture are regulated by agreements between the relevant joint venture participants. Under these agreements, certain decisions require the endorsement of third party joint venture participants and the Company relies on the co-operation of these third parties for the success of its current operations and/or the development of its growth projects and the transportation of increased production.

The Company cannot control the actions of third party joint venture participants, and therefore cannot guarantee that joint ventures will be operated or managed in accordance with the preferred direction or strategy of the Company. There is a risk that the veto rights of, or consents required from, the joint venture partners will prevent the business and assets of a joint venture from being developed, operated and managed in accordance with that preferred direction or strategy.

The Company also use contractors and other third parties for exploration, mining and other services generally, and is reliant on a number of third parties for the success of its current operations and for the development of its growth projects. While this is normal for the mining and exploration industry, problems caused by third parties may arise which may have an impact on the performance and operations of the Company. Any failure by counterparties to perform their obligations may have a material adverse effect on the Company and there can be no assurance that the Company will be successful in attempting to enforce its contractual rights through legal action.

HEALTH, SAFETY, ENVIRONMENT AND COMMUNITY COMPLIANCE

The Company has adopted policies to comply with occupational health, safety, environment and other laws. The Board has a Health and Safety Policy and an Environment and Community Relations Policy which apply across all areas of the business. In addition, each mine site has its own health, safety and environmental policies and procedures to deal with their particular health, safety and environmental issues. The Board has established a Health, Safety, Environment and Community Committee to assist it in overseeing the Company's health, safety, environmental and community responsibilities. The committee meets quarterly, with meetings generally held at one of the Company's mine sites, to provide the Committee with the opportunity of viewing the implementation of the policies in practice, to receive feedback from site operational representatives and to address any mine specific health, safety and environment issues.

Further information regarding the Health, Safety, Environment and Community Committee is outlined under the Board committees section above.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Board is responsible for preparing the financial statements and accounts of the Company. The Audit and Risk Management Committee plays a key role in helping the Board to oversee financial reporting, internal control structure, risk management systems and internal and external audit functions. The committee also enables the Board to maintain a transparent relationship with the Company's internal and external auditors.

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Further information regarding the Audit and Risk Management Committee is outlined under the Board committees section above.

CEO/ACTING CEO AND CFO CERTIFICATIONS ON FINANCIAL REPORTS

The persons who performed a chief executive function (or acting chief executive function (as applicable)) and chief financial officer function for the Company have declared in writing to the Board that in respect of the half year ended 30 June 2024 and the full year ended 31 December 2024, in their opinion, the financial records of the Company have been properly maintained and the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

Those persons have also confirmed that for the full year ended 31 December 2024, that the information disclosed in the consolidated entity disclosure statement required by subsection 295A(3A) of the Corporations Act is true and correct.

EXTERNAL AUDITOR

The Company's external auditor is SW Audit (formerly ShineWing Australia). Consistent with the requirements of the *Corporations Act 2001* (Cth) for listed entities, SW Audit has a policy of partner rotation every five years. The appointment, removal and remuneration (not including amounts paid for special or additional services provided by the auditor) of the auditor require shareholder approval.

The external auditor receives all papers and minutes of the Audit and Risk Management Committee. The external auditor also receives minutes of the Board and all Board subcommittees. The external auditor also attends the Company's AGM to answer questions from shareholders relevant to the Company's audit.

The statement of the external auditor, SW Audit, about reporting responsibilities on the financial statements of the Group is set out under the heading "Independent Auditor's Report To the Members of Yancoal Australia Ltd" in this annual report.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

An analysis of remuneration (including details of the amounts paid or payable) to the auditor for audit and non-audit services provided during the financial year ended 31 December 2024 are set out in the Directors' Report.

VERIFICATION OF PERIODIC CORPORATE REPORTS

Where a periodic corporate report is not required to be audited or reviewed by an external auditor, the Company conducts an internal verification process to confirm the integrity of the report to ensure that the content of the report is materially accurate, balanced and provides investors with appropriate information to make informed investment decisions. The verification process involves the reports being prepared and reviewed by relevant executives. Further details regarding the Company's disclosure and communications processes are set out below under paragraph titled "Make timely and balanced disclosure", and section titled "Communications with shareholders".

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5. DIVERSITY

The Company recognises that people are its most important asset and is committed to the maintenance and promotion of workplace diversity. The Company's Diversity and Inclusion Policy, approved by the Board, seeks to actively facilitate a more diverse and representative management and leadership structure. The Company has a strong commitment to diversity including to ensure the adequate representation of women in senior executive positions and on the Board.

Our commitment to diversity encompasses a number of different factors, including gender, race, colour, disability status, age, marital or family status, religious or cultural background, national origin or ancestry, sexual orientation, gender identity, pregnancy, educational experience and professional experience and other areas of potential difference.

We are committed to building an environment that provides access to equal opportunities at work based on merit. We aim to foster a culture that recognises, embraces and values diversity in its many forms so that our people feel included and heard, valued and respected.

We do not tolerate any form of discrimination, harassment, vilification and victimisation, and we act to protect all employees from discriminatory treatment that is unethical or unlawful. We are an equal opportunity employer and welcome people from a diverse set of backgrounds and at all life stages.

The Diversity and Inclusion Policy is available in the Corporate Governance section of the Company's website.

Annually, the Board establishes measurable objectives with the assistance of the Nomination and Remuneration Committee with a view to progressing towards a balanced representation of women at a Board and senior management level.

The measurable objectives and performance against them are reviewed annually by the Nomination and Remuneration Committee as part of its annual review of the effectiveness of the Diversity and Inclusion Policy.

The measurable objectives adopted for 2024 and the Company's performance against the measurable objectives are outlined in the table below:

Objective	Performance
• We will evaluate our gender balance and set a stretch target to improve the proportion of women in the Yancoal workforce to 17% or higher	The stretch target of 17% female representation across the business was not achieved despite efforts to improve our proportion of female employees. Representation of women in our workforce remaining steady overall at 15% in 2024 (15% was reported in 2023). Pleasingly the number of new hires of females into the business has increased from 101 in 2023 to 161 in 2024 representing 18% of all new hires. This will continue to be an area of focus in 2025.
• We will include at least one female candidate on the shortlist for new hire roles at Manager/Superintendent and above where a female candidate exists within the recruitment talent pool who meets the key criteria of the role	In 2024 Yancoal had 24 Superintendent (and above) positions vacant. 13 vacancies had zero female applicants (54%). 11 positions had at least one female applicant of which 8 positions had a female applicant shortlisted (73% shortlist rate). Of the 11 positions 3 (27%) were offered to new female candidates demonstrating the positive impact of applying this type of focus within our recruitment practice.
• We will benchmark and review the Yancoal parental leave policy with a view to improving our employee value proposition	Following a benchmarking review in 2024 the Yancoal Parental Leave Procedure was updated with an increase paid Primary Carers Leave from 18 to 20 weeks and an increase in paid Secondary Carers Leave from two to three weeks. A partnership with Grace Papers has also been introduced offering employees support and guidance on parental leave and return to work planning.
• We are committed to providing a workplace that is free from sexual harassment and promotes inclusivity. We will continue to educate our workforce on acceptable standards of behaviour and the responsibility of all employees as well as the Company to ensure we are providing a safe place of work	Yancoal has continued its efforts ensuring our workplace environment is supportive and inclusive. In 2024 our Workplace Behaviours training has been delivered face to face to over 2,800 employees. We will continue to apply a focus on this in 2025 with the development of a new suite of workplace behaviour material to be incorporated into our new starter induction and onboarding.

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• We will prioritise female participation in Yancoal leadership development and mentoring programs to support females progress their careers within the business	In accelerating job readiness for future female leaders Yancoal will continue to prioritise participation in leadership development opportunities for female employees. Our high potential talent program Ignite has had a female participation of 25% in 2020-2022 with 4 female participants being successfully promoted after completing the program. Yancoal is an annual Silver Sponsor for the NSW Women in Mining Mentorship program which offered 2 mentee opportunities in 2024. Our MCO site have an established mentoring program and had 8 females participate in 2024.
• We will apply a specific focus on female employees as part of our talent and succession process and aim at creating a stronger female talent pipeline for more senior positions. For reference in 2023 the proportion of internal promotions across Yancoal that were female employees was 20%.	While representation of females in the business sits at around 15% the percentage of females promoted is above this at 18% currently in 2024. Reviewing promotion readiness of females within the business particularly in leadership roles at Superintendent and above has been introduced into the talent and succession planning process. This has allowed the business to focus targeted initiatives at identified emerging female talent and create opportunities to fast track their promotion readiness status.
• We will monitor female exit data for salaried employees to actively address themes which contribute to female employees exiting the business	Of the female employees that responded to an exit survey 55% indicated Job Dissatisfaction as the key contributor to their reason to leave followed by Family/ Personal (27%). Lack of training and support and excessive workload were themes identified in those indicating job dissatisfaction. We will continue to understand reasons for resignations to implement targeted strategies that enhance job satisfaction, provide better support and training, and address workload concerns, fostering a more inclusive and supportive work environment.
• To aim to continually reduce the gender pay gap through conducting and actioning annual gender pay reviews	On 27 February 2024, the Workplace Gender Equality Agency (WGEA) released gender pay gap data for all non-public sector employers with 100 or more employees including Yancoal Australia. Australia's total median remuneration gender pay gap is 19%. Yancoal has a Gender Pay Gap of 11.4% which has reduced over the past three years and remains an area of focus for improvement. Yancoal remains committed to reducing the Gender Pay Gap by: • Increasing the proportion of female employees in the workforce • Increasing the proportion of females across all levels of the organisation, particularly senior roles • Ensuring females are paid fairly and in line with market

The Board has set the following measurable objectives in relation to gender diversity for 2025:

1. We will continue our efforts attracting and retaining females to our business and set a stretch target to improve the proportion of women in the Yancoal workforce to 17% or higher
2. We will include at least one female candidate on the shortlist for new hire roles at Manager/Superintendent and above where a female candidate exists within the recruitment talent pool
3. We will prioritise developing our female talent pipeline, aiming for 35% of our new graduate positions to be filled by women
4. We will leverage the Work180 recruitment platform to increase exposure of our job vacancies in the market and increase the number of female applicants
5. We are committed to providing a workplace that is free from sexual harassment and promotes inclusivity. We will continue our education and awareness effort focused on Yancoal workplace behaviours and positive duty

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6. Flexible work is seen as a crucial factor for attracting and retaining female employees. We will review flexible work arrangements across our business to determine opportunities to improve access to flexible work (subject to operational considerations)

7. We will provide career growth opportunities including leadership development and mentoring programs for women to progress their careers with Yancoal

8. We will work to embed the Yancoal Lead the Way framework as a focus for improving inclusive leadership behaviours

On and from 30 January 2018 and as at 31 December 2024, one female Non-Executive Director sits on the Board which is comprised of 7 directors in total as at 31 December 2024[59]. The Board targets to maintain at least the current level of female representation. In considering the Board's succession, the Nomination and Remuneration Committee would identify and select the potential candidates for Directors in accordance with the Committee's Charter and may engage independent professional search firms to identify potential candidates for Independent Non-executive Directors as and when appropriate. The Board will continue to strive to increase the proportion of female members over time in line with any measurable objectives set by the Board for gender diversity.

PROPORTION OF WOMEN IN THE COMPANY

Gender has been identified as a key area of focus for the Company. On an annual basis, the Nomination and Remuneration Committee reviews the proportion of women employed by the Company and submits a report to the Board outlining its findings.

At the end of FY24, the relative proportion of males and females at Board, Senior Management and all levels is detailed below:

	Male	Female	% change in female workforce from FY23
Board	85.7%	14.3%	1.8% increase
Senior Management*	87.5%	12.5%	2.0% increase
Company-wide	84.8%	15.2%	0.2% increase

** Senior Management includes EGMs, Senior GMs, GMs, Operations Managers*

[59] Mr Jiuhong Wang, Mr Zhiguo Zhao and Mr Ang Li were appointed as Non-Executive Directors after the reporting period on 20 February 2025 and Mr Changyi Zhang resigned on the same date.

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6. COMMUNICATIONS WITH SHAREHOLDERS

The Company has an investor relations program that is aimed at facilitating two-way communications with investors. The Company's policy is to promote effective two-way communication with shareholders and other investors so that they understand how to assess relevant information about the Company and its corporate direction. The Company aims to keep shareholders, potential investors and other stakeholders informed of all major developments affecting the state of affairs of the Company. The Company facilitates the investor relations program by communicating information regularly to shareholders, potential investors and other stakeholders by:

- posting announcements on the ASX and HKEX platforms in accordance with its continuous disclosure obligations and also making these announcements available on the Company's website under the sections marked 'Investors', 'Sustainability', 'Corporate Governance', 'Media & News' and 'Boards';
- keeping its website up to date on important information about the Company, including its Constitution, Board and Board Committee Charters, core corporate governance policies and financial information about the Company; and
- publishing company presentations made to analysts or investors on the ASX and HKEx platforms within the Investor section of the Company's website.

The Board considers one of its key responsibilities to be communication with shareholders. The Company generally encourages shareholders to attend and participate in all general meetings including AGMs and EGMs and will use a variety of technological solutions, where appropriate, to facilitate such participation of shareholders to allow shareholders to attend and vote in person or by proxy, this may include, for example, making meetings available to view by live telecommunications. To ensure that the views of as many shareholders as possible are represented, it is the Company's standard practice at an AGM (and any other general meeting) for all resolutions to be decided by a poll rather than by a show of hands.

Shareholders are entitled to ask questions about the management of the Company and of the auditor as to its conduct of the audit and the preparation of its reports. Any shareholders who cannot attend any general meetings can also participate via lodgement of their proxies. In addition, shareholders have the option of receiving communications from and sending communications to the Company and the Company's principal and branch share registries, Computershare Investor Services Pty Limited and Computershare Hong Kong Investor Services Limited, electronically.

The Company's Shareholder Communication Policy can be found within the Corporate Governance section of the Company's website.

Paragraph 44 of the Hong Kong Joint Policy Statement Regarding the Listing of Overseas Companies, jointly issued by the Securities and Futures Commission of Hong Kong and HKEX in March 2007 and updated in April 2018, requires that members holding a minority stake in an overseas company must be allowed to convene an extraordinary general meeting and add resolutions to a meeting agenda. The minimum level of members' support required to convene a meeting must be no higher than 10%.Under section 249D of the *Corporations Act 2001* (Cth), shareholders with at least 5% of the votes that may be cast at a general meeting may request the Directors to call a general meeting or may convene a general meeting themselves at their own expense under section 249F of the *Corporations Act 2001* (Cth). Any such request must be in writing, must state any resolution to be proposed at the meeting, must be signed by the shareholder making the request and must be given to the Company.

Under section 249N of the *Corporations Act 2001* (Cth), shareholders representing at least 5% of the total votes that may be cast on the resolution or at least 100 shareholders who are entitled to vote at a general meeting may give the Company notice requiring resolutions to be put before a general meeting. The notice must be in writing, must set out the wording of the proposed resolution and must be signed by the shareholders proposing to move the resolution.

Apart from the general meetings, the Company's website provides an effective means of communication with shareholders.

The Company's Shareholder Communications Policy sets out the Company's commitment of maintaining an ongoing dialogue with shareholders and the investment community. This Policy is reviewed by the Board on a regular basis as required to ensure its effectiveness. The Company is committed to facilitating the two-way communication with shareholders, in particular, dealing with shareholder enquiries (whether an institutional investor or a retail investor) and any shareholders who have questions or comments on what the Company is doing are most welcome to contact the Company at any time through the website. Shareholders may raise enquiries to the Board by contacting the Company's General Manager - Investor Relations, including at shareholder@yancoal.com.au. Upon receipt of the enquiries, the General Manager - Investor Relations will forward the shareholders' enquiries and concerns to the Board, Board committees or management as appropriate.

7. AMENDMENTS TO THE COMPANY'S CONSTITUTION

There has not been any change to the Company's Constitution during the year ended 31 December 2024.

This Corporate Governance Statement has been approved by the Board and is current as at 20 February 2025.

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CONTINUING CONNECTED TRANSACTIONS

The Company has entered into certain transactions with connected persons of the Company, which constitute continuing connected transactions of the Company under the HK Listing Rules. These non-exempt continuing connected transactions are set out below.

SALE OF COAL BY THE GROUP TO YANKUANG ENERGY

From time to time, Yankuang Energy (the controlling shareholder of the Company who is interested in approximately 62.26% of the Shares in the Company) and/or its subsidiaries (excluding the Group) may purchase coal from the Group primarily for their own trading purposes.

On 14 September 2023, the Company entered into a framework agreement for coal sales with Yankuang Energy (the "2023 Yankuang Energy Framework Coal Sales Agreement") in relation to the sale of coal by the Group to Yankuang Energy and/or its subsidiaries (excluding the Group) commencing on 1 November 2023 and expiring on 31 October 2026. The 2023 Yankuang Energy Framework Coal Sales Agreement was approved by the Shareholders at the extraordinary general meeting of the Company held on 18 October 2023.

The 2023 Yankuang Energy Framework Coal Sales Agreement provides that all transactions in relation to the sale of coal by the Group to Yankuang Energy and/or its subsidiaries (excluding the Group) must be: (i) in the ordinary and usual course of business of the Group; (ii) on an arm's length basis; (iii) on normal commercial terms or better; and (iv) in compliance with, among other things, the HK Listing Rules and applicable laws.

The maximum annual transaction amount to be received by the Group from Yankuang Energy and/or its subsidiaries (excluding the Group) pursuant to the 2023 Yankuang Energy Framework Coal Sales Agreement, for the period from 1 November 2023 to 31 December 2023, for the years ending 31 December 2024 and 2025, and for the period from 1 January 2026 to 31 October 2026, will not exceed US$66.7 million, US$300 million, US$300 million, and US$233.3 million respectively.

During the year ended 31 December 2024, the transaction amount received by the Group was approximately US$200.5 million, which was below the annual cap under the 2023 Yankuang Energy Framework Coal Sales Agreement.

SALE OF COAL BY THE GROUP TO YIT

On 14 September 2023, the Company entered into a framework agreement for coal sales with Yancoal International Trading Co., Ltd. ("YIT") (the "2023 YIT Framework Coal Sales Agreement") in relation to the sale of coal by the Group to YIT and/or its associates (excluding the Yankuang Energy Group), commencing on 1 November 2023 and expiring on 31 October 2026. The 2023 YIT Framework Coal Sales Agreement was approved by the Shareholders at the extraordinary general meeting of the Company held on 18 October 2023.

YIT is a wholly-owned subsidiary of Shandong Energy, the controlling shareholder of Yankuang Energy. Accordingly, YIT is a connected person of the Company by virtue of being an associate of Yankuang Energy.

The 2023 YIT Framework Coal Sales Agreement provides that all transactions in relation to the sale of coal by the Group to YIT and/or its associates (excluding the Yankuang Energy Group) must be: (i) in the ordinary and usual course of business of the Group; (ii) on an arm's length basis; (iii) on normal commercial terms or better; and (iv) in compliance with, among other things, the HK Listing Rules and applicable laws.

The maximum annual transaction amount to be received by the Group from YIT and/or its associates (excluding the Yankuang Energy Group) pursuant to the 2023 YIT Framework Coal Sales Agreement, for the period from 1 November 2023 to 31 December 2023, for the years ending 31 December 2024 and 2025, and for the period from 1 January 2026 to 31 October 2026, will not exceed US$133.4 million, US$600 million, US$600 million, and US$466.6 million respectively.

During the year ended 31 December 2024, the transaction amount received by the Group was approximately US$417.6 million, which was below the annual cap under the 2023 YIT Framework Coal Sales Agreement.

PURCHASE OF COAL BY THE GROUP FROM YANKUANG ENERGY

The Group has purchased and may, from time to time, purchase coal from Yankuang Energy and/or its subsidiaries (excluding the Group), in particular Australian based subsidiaries of Yankuang Energy (excluding the Group) holding mines which are managed by the Group, for back-to-back on sale to end customers in order to fulfil customer requirements and maintain customer relationships.

The Company entered into a framework coal purchase agreement with Yankuang Energy (the "Yankuang Energy Framework Coal Purchase Agreement") on 8 October 2018 to govern all existing and future purchases of coal by the Group from Yankuang Energy and/or its subsidiaries (excluding the Group).

The Yankuang Energy Framework Coal Purchase Agreement provides that all transactions in relation to the purchase of coal by the Group from Yankuang Energy and/or its subsidiaries (excluding the Group) must be: (i) in the ordinary and usual course of business of the Group; (ii) on an arm's length basis; (iii) on normal commercial terms with the sale price being determined with reference to industry index prices and coal quality characteristics under the respective contracts; and (iv) in compliance with, amongst other things, the HK Listing Rules and applicable laws.

On 12 December 2023, the Board resolved to renew the Yankuang Energy Framework Coal Purchase Agreement for three years commencing from 1 January 2024, and to set the annual caps for the three years ending 31 December 2024, 2025 and 2026 at US$45 million, US$45 million and US$45 million, respectively. On 12 November 2024, the maximum annual transaction amounts for the years ending 31 December 2025 and 2026 were amended to US$110 million and US$110 million, respectively.

During the year ended 31 December 2024, the transaction amount paid by the Group was approximately US$36.3 million, which was below the annual cap under the Yankuang Energy Framework Coal Purchase Agreement.

PROVISION OF MANAGEMENT SERVICES BY THE COMPANY

Management and Transitional Services Agreement

As one of the conditions imposed by the Foreign Investment Review Board of the Australian Government in relation to the merger of the Company with Gloucester Coal Limited in 2012, a management and transitional services agreement (the "Management and Transitional Services Agreement") was entered into between the Company and the following entities (the "Existing Recipients"): (i) Yankuang Energy; (ii) Yancoal

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Technology Development Holdings Pty Ltd; (iii) Premier Coal Holdings Pty Ltd; (iv) Athena Holdings Pty Ltd; (v) Tonford Holdings Pty Ltd; (vi) Wilpeena Holdings Pty Ltd; and (vii) Yancoal Energy Pty Ltd, on 22 June 2012, pursuant to which the Company has agreed to provide to the Existing Recipients certain services in respect of certain assets owned by the Existing Recipients. Each of the Existing Recipients is a wholly owned subsidiary of Yankuang Energy (other than Yankuang Energy itself). Yankuang Energy is a Controlling Shareholder of the Company and is interested in approximately 62.26% of the Shares in the Company.

On 7 December 2016, a deed of variation, accession and termination to the Management and Transitional Services Agreement was entered into between the Company and the following entities (the "Recipients"): (i) the Existing Recipients, (ii) Yankuang Resources Pty Ltd ("Yankuang Resources"), and (iii) Yankuang (Australia) Metal Mining Pty Ltd ("Yankuang (Australia) Metal Mining"), pursuant to which Yankuang Resources and Yankuang (Australia) Metal Mining became parties to the Management and Transitional Services Agreement and became entitled to all of the rights and benefits of an Existing Recipient under the Management and Transitional Services Agreement. Yankuang Resources and Yankuang (Australia) Metal Mining are both wholly owned subsidiaries of Shandong Energy. As at 31 December 2024, Shandong Energy is, directly and indirectly, interested in approximately 52.83% of the shares in Yankuang Energy and is a controlling shareholder of the Company.

Details of the terms of the Management and Transitional Services Agreement, as amended pursuant to: (i) the deed of variation, accession and termination to the Management and Transitional Services Agreement on 7 December 2016,(ii) the deed of variation to the Management and Transitional Services Agreement on 12 November 2021, (iii) the letter of variation to the Management and Transitional Services Agreement on 22 November 2023, and (iv) the deed of variation to the Management and Transitional Services Agreement on 18 December 2024 are set out below.

Yankuang Energy Services

The services provided to each Recipient and each of their respective subsidiaries include:

- general corporate services, which comprise human resource services, treasury services, financial accounting/ reporting services, compliance services, marketing and logistic services, corporate communications services, government and industry relations services, business development services and other general corporate services;
- operations services, which comprise carrying out exploration programs, preparing business plans, monitoring and reporting on environmental issues, using all reasonable endeavours to meet business KPIs, preparing plans of operations as may be required by laws and other operational services; and
- IT services, which comprise the granting of permission to use the Company's hardware or software and the provision of IT support services.

(collectively, the "Yankuang Energy Services")

During the term, each party may request that the Company provide an additional service, or the Company may change or modify the provision of an existing service by notifying the parties in writing. Following receipt of the notice, representatives of each party must promptly meet to discuss in good faith the proposed new services or modified services.

Yankuang Energy Services Fees

The services fees for provision of the Yankuang Energy Services are charged on the basis of cost plus a 5% margin, except for any third-party charges attributable to the provision of the relevant services which are charged at cost.

The cost base upon which the 5% margin is to be applied is determined on the basis of management's reasonable estimate of such costs as may be defined in the budget of each calendar year having regard to certain principles set out in the Management and Transitional Services Agreement, including:

(i) in respect of coal-mining operations, the allocated portion of the Company's corporate administration costs based on the Company's corporate budget in respect of those corporate administration costs; and

(ii) in respect of non-mining operations, the estimated management time likely to be incurred in providing the Services and the allocated portion of the Company's corporate administration costs based on the Company's corporate budget in respect of those corporate administration costs.

The above costs are subject to re-calibration at the start of every year on the basis of the previous year's actuals and any anticipated changes.

At the end of each financial year (or such other times as the parties may agree), the parties will undertake a reconciliation of the services fees charged during that financial year against the actual cost and services provided. The Company will refund the excess charges, or the Recipients will pay the shortfall charges to the Company, in each case, within 14 days of determination of the fee adjustment required.

Payment of the Yankuang Energy Services Fees

The Company will invoice the Recipients each month for Yankuang Energy Services provided.

Notwithstanding that the term of the Management and Transitional Services Agreement may exceed three years, the Company will set annual caps for transactions under the Management and Transitional Services Agreement for no more than three years, and will re-comply with the applicable requirements of the HK Listing Rules after expiry of the initial term.

On 12 December 2023, the Board resolved to set the annual cap for the year ending 31 December 2024 at $20 million. During the year ended 31 December 2024, the transaction amount charged by the Group was approximately $13.9 million, which was below the annual cap.

On 18 December 2024, the Company and Yankuang Resources agreed that, on and from 31 December 2024, the Company would stop supplying Yankuang Energy Services to Yankuang Resources under the Management and Transitional Services Agreement.

On 18 December 2024, the Company and the Recipients (excluding Yankuang Resources) entered into a deed of variation to the Management and Transitional Services Agreement, pursuant to which services fees for provision of the Yankuang Energy Services were amended from cost plus a 5% margin, except for any third party charges attributable to the provision of the relevant services which will be charged at cost, to cost plus a margin, being the mid-point, on a post-tax and real basis, of the internal weighted average cost of capital of the Company as at 30 June immediately prior to the setting of annual caps, except for any third party charges attributable to

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the provision of the relevant Yankuang Energy Services which will be charged at cost. The margin for the three years ending 31 December 2025, 2026 and 2027 will be 8.25%. All other terms of the Management and Transitional Services Agreement remain unchanged.

On 18 December 2024, the Company set the annual caps for the Management and Transitional Services Agreement for the three years ending 31 December 2025, 2026 and 2027 at $18.5 million, $18.5 million and $18.5 million, respectively.

Shandong Energy Management Services Agreement

On 18 December 2024, a management services agreement (the "Shandong Energy Management Services Agreement" was entered into between the Company and the following entities (the "Shandong Energy Recipients"): (i) Shandong Energy Australia Pty Ltd, (ii) Queensland Coal Exploration Pty Ltd, (iii) Rocklands Richfield Pty Ltd, (iv) HLM Coal Australia Pty Ltd, (v) Yankuang Resources, and (vi) Yankuang Bauxite Resources Pty Ltd for a term of three years commencing on 1 January 2025 and expiring on 31 December 2027, pursuant to which the Company has agreed to provide to the Shandong Energy Recipients certain services in respect of certain assets owned by the Shandong Energy Recipients. Each of the Shandong Energy Recipients is a wholly owned subsidiary of Shandong Energy, the controlling shareholder of Yankuang Energy. Accordingly, the Shandong Energy Recipients are connected persons of the Company by virtue of being associates of Yankuang Energy.

Shandong Energy Services

The services provided to each Shandong Energy Recipient and their respective subsidiaries under the Shandong Energy Management Services Agreement include:

- general corporate services, which comprise HR services, treasury services, financial accounting/reporting services, compliance services, marketing and logistic services, corporate communications services, government and industry relations services, business development services and other general corporate services;
- operations services, which comprise carrying out exploration programs, preparing business plans, monitoring and reporting on environmental issues, using all reasonable endeavours to meet business KPIs, preparing plans of operations as may be required by laws and other operational services; and
- IT services, which comprise the granting of the permission to use the Company's hardware or software and the provision of IT support services.

Shandong Energy Services Fees

The services fees for the provision of the Shandong Energy Services are charged on the basis of cost plus a margin, being the mid-point, on a post-tax and real basis, of the internal weighted average cost of capital of the Company as at 30 June immediately prior to entry into or renewal of the Shandong Energy Management Services Agreement, except for any third party charges attributable to the provision of the relevant services which will be charged at cost. The margin for the three years ending 31 December 2025, 2026 and 2027 will be 8.25%.

Payment of the Services Fees

The Company will invoice the Shandong Energy Recipients each month for Shandong Energy Services provided.

On 18 December 2024, the Company set the annual caps for the Shandong Energy Management Services Agreement for the three years ending 31 December 2025, 2026 and 2027 at $1.5 million, $1.5 million and $1.5 million, respectively.

BANK GUARANTEES PROVIDED IN FAVOUR OF CERTAIN YANKUANG ENERGY SUBSIDIARIES

The Company manages certain mines, which are located in Australia, on behalf of certain Yankuang Energy subsidiaries outside the Group. In the ordinary and usual course of business, these subsidiaries, which hold the managed mines, may require credit support documents issued by commercial banks for their respective business operations.
Given that: (i) relevant commercial banks can issue credit support documents pursuant to existing facility agreements generally within five business days after receiving a request, which is a much shorter period of time, and simpler process, as compared to those required by other commercial banks to issue credit support documents without an existing facility agreement; and (ii) the relationship between the Company and the managed mines, as an integral part of the management services rendered by the Company in support of the operation of the managed mines, these subsidiaries, which hold the managed mines, will use the overall bank guarantee facilities entered or to be entered into by the Group, and pay the Company bank guarantee fees.

Australian Entities Framework Bank Guarantee Agreement

On 20 December 2023, the Company entered into a framework bank guarantee agreement (the "Australian Entities Framework Bank Guarantee Agreement") with Athena Holdings Pty Ltd, Tonford Holdings Pty Ltd, Wilpeena Holdings Pty Ltd and Yancoal Energy Pty Ltd (together, the "Australian Entities") for a term of three years commencing on 1 January 2024 and expiring on 31 December 2026, pursuant to which the Australian Entities and/or their subsidiaries may use overall bank guarantee facilities under the financing facilities entered or to be entered into by the Group, and pay the Company bank guarantee fees, which are equal to the bank guarantee fees to be paid by the Group to the relevant financiers plus a 5% margin within 20 Business Days after payment by the Company.

On 18 December 2024, the Company and the Australian Entities entered into a deed of variation to the Australian Entities Framework Bank Guarantee Agreement, effective from 1 January 2025, pursuant to which bank guarantee fees for use of overall bank guarantee facilities under the financing facilities entered or to be entered into by the Group were amended from bank guarantee fees to be paid by the Group to the relevant financiers plus a 5% margin, to bank guarantee fees to be paid by the Group to the relevant financiers plus a margin, being the mid-point, on a post-tax and real basis, of the internal weighted average cost of capital of the Company as at 30 June immediately prior to entry into or renewal of the Australian Entities Framework Bank Guarantee Agreement. The margin for the two years ending 31 December 2025 and 2026 will be 8.25%. All other terms of the Australian Entities Framework Bank Guarantee Agreement remain unchanged.

The aggregate maximum daily outstanding principal and the bank guarantee fees to be received under the credit support documents issued by the financiers in favour of the Australian Entities and/or their subsidiaries for the three years ending 31 December 2024, 2025 and 2026 will not exceed $60 million, $60 million, and $60 million, respectively.

During the year ended 31 December 2024, the aggregate maximum daily outstanding principal and the bank guarantee

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fees was approximately $50.3 million, which was below the annual cap under the Australian Entities Framework Bank Guarantee Agreement.

Premier Coal Framework Bank Guarantee Agreement

On 20 December 2023, the Company entered into a framework bank guarantee agreement (the "Premier Coal Framework Bank Guarantee Agreement") with Premier Coal Holdings Pty Ltd ("Premier Coal") for a term of one year commencing on 1 January 2024 and expiring on 31 December 2024, pursuant to which Premier Coal and/or its subsidiaries may use overall bank guarantee facilities under the financing facilities entered or to be entered into by the Group, and pay the Company bank guarantee fees, which are equal to the bank guarantee fees to be paid by the Group to the relevant financiers plus a 5% margin within 20 Business Days after payment by the Company.

The aggregate maximum daily outstanding principal and the bank guarantee fees to be received under the credit support documents issued by the financiers in favour of Premier Coal and/or its subsidiaries for the year ending 31 December 2024 will not exceed $35 million.

During the year ended 31 December 2024, the aggregate maximum daily outstanding principal and the bank guarantee fees was approximately $29.8 million, which was below the annual cap under the Premier Coal Framework Bank Guarantee Agreement.

On 18 December 2024, the Company entered into a new framework bank guarantee agreement (the "New Premier Coal Framework Bank Guarantee Agreement") with Premier Coal for a term of one year commencing on 1 January 2025 and expiring on 31 December 2025, pursuant to which Premier Coal and/or its subsidiaries may use overall bank guarantee facilities under the financing facilities entered or to be entered into by the Group, and pay the Company bank guarantee fees, which are equal to the bank guarantee fees to be paid by the Group to the relevant financiers plus a margin of 8.25% within 20 Business Days after payment by the Company.

The aggregate maximum daily outstanding principal and the bank guarantee fees to be received under the credit support documents issued by the financiers in favour of Premier Coal and/or its subsidiaries for the year ending 31 December 2025 will not exceed $35 million.

SALE OF COAL BY THE GROUP TO GLENCORE

From time to time, Glencore Coal Pty Ltd ("Glencore") and/or its subsidiaries and/or related entities may purchase coal from the Group for on sale to end customers, in order to maintain customer relationships or to meet specific customer requirements. The Company entered into a framework coal sales agreement with Glencore (the "Glencore Framework Coal Sales Agreement") on 29 June 2018 to govern all existing and future sales of coal by the Group to Glencore and/or its subsidiaries and/or related entities.

The Glencore Framework Coal Sales Agreement provides that all transactions in relation to the sale of coal by the Group to Glencore and/or its subsidiaries and/or related entities must be: (i) in the ordinary and usual course of business of the Group; (ii) on an arm's length basis; (iii) on normal commercial terms with the sale price being determined with reference to the prevailing market price for the relevant type of coal; and (iv) in compliance with, amongst other things, the HK Listing Rules and applicable laws. The Company will take into account relevant industry benchmarks and indices when determining the market price.

Glencore wholly owns Anotero Pty Ltd ("Anotero"). Anotero is a substantial shareholder of subsidiaries of the Company under the HK Listing Rules. Glencore is a connected person of the Company by virtue of being a substantial shareholder of the Company's subsidiary (through Anotero).

On 12 December 2023, the Board resolved to renew the Glencore Framework Coal Sales Agreement for three years from 1 January 2024, and to set the annual caps for the three years ending 31 December 2024, 2025 and 2026 at US$350 million, US$350 million and US$350 million, respectively.

During the year ended 31 December 2024, the transaction amount paid by the Group was US$213.3 million, which was below the annual cap under the Glencore Framework Coal Sales Agreement.

SALE OF COAL BY THE GROUP TO POSCO

From time to time, POSCO Australia Pty Ltd (previously known as Pohang Steel Australia Pty Ltd) ("POSCO") and/ or its associates may purchase coal from the Group for their own utilisation in the manufacturing of steel or generation of electricity. As POSCO is interested in 20% of the Mount Thorley JV, a subsidiary of the Company under the HK Listing Rules, POSCO is a connected person of the Company by virtue of being a substantial shareholder of the Company's subsidiary.

On 22 December 2021, each of Ashton Coal Mines Pty Ltd, Miller Pohang Coal Company Pty Limited, Yarrabee Coal Company Pty Ltd and Stratford Coal Pty Ltd (each a subsidiary of the Company) formally agreed to enter into a coal sales agreement with POSCO (collectively, the "POSCO Coal Sales Agreements") pursuant to which POSCO and/or its associates have agreed to purchase coal from the Group during the three years ending 31 December 2022, 2023 and 2024.

The maximum annual transaction amounts to be received by the Group from POSCO and/or its associates for the sale of coal pursuant to the POSCO Sales Agreements for the three years ending 31 December 2022, 2023 and 2024 (as amended on 1 September 2022 and 20 April 2023) will not exceed US$450 million, US$510 million and US$510 million, respectively.

During the year ended 31 December 2024, the transaction amount received by the Group was US$308.1 million, which was below the annual cap under the POSCO Coal Sales Agreements.

On 12 November 2024, the Company entered into a coal sales framework agreement (the "POSCO Framework Coal Sales Agreement") with POSCO pursuant to which POSCO and/or its associates have agreed to purchase coal from the Group for a term of three years commencing on 1 January 2025 and expiring on 31 December 2027.

The POSCO Framework Coal Sales Agreement provides that all transactions in relation to the sale of coal by the Group to POSCO and/or its associates must be (i) in the ordinary and usual course of business of the Group, (ii) on an arm's length basis, (iii) on normal commercial terms; and (iv) in compliance with, amongst other things, the Listing Rules and applicable laws.

The maximum annual transaction amounts to be received by the Group from POSCO and/or its associates for the sale of coal pursuant to the POSCO Framework Coal Sales Agreement for the three years ending 31 December 2025, 2026 and 2027 will not exceed US$510 million, US$510 million and US$510 million, respectively.

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PURCHASE OF COAL BY THE GROUP FROM GLENCORE

From time to time, the Group may purchase coal from Glencore and/or its subsidiaries and/or related entities for on sale to end customers, in order to maintain customer relationships or to meet specific customer requirements. The Company entered into a framework coal purchase agreement with Glencore (the "Glencore Framework Coal Purchase Agreement") on 6 August 2018 to govern all existing and future purchase of coal by the Group from Glencore and/or its subsidiaries and/or related entities.

The Glencore Framework Coal Purchase Agreement provides that all transactions in relation to the purchase of coal by the Group from Glencore and/or its subsidiaries and/or related entities must be: (i) in the ordinary and usual course of business of the Group; (ii) on an arm's length basis; (iii) on normal commercial terms with the sale price being determined with reference to the prevailing market price for the relevant type of coal; and (iv) in compliance with, amongst other things, the HK Listing Rules and applicable laws. The Company will take into account relevant industry benchmarks and indices when determining the market price.

Glencore wholly owns Anotero which is a substantial shareholder of subsidiaries of the Company under the HK Listing Rules. Glencore is a connected person of the Company by virtue of being a substantial shareholder of the Company's subsidiary.

On 12 December 2023, the Board resolved to renew the Glencore Framework Coal Purchase Agreement for three years from 1 January 2024, and to set the annual caps for the three years ending 31 December 2024, 2025 and 2026 at US$250 million, US$250 million and US$250 million, respectively.

During the year ended 31 December 2024, the transaction amount paid by the Group was US$82.3 million, which was below the annual cap under the Glencore Framework Coal Purchase Agreement.

PURCHASE OF COAL BY SALESCO FROM ANOTERO

As part of the Glencore Transaction, Coal & Allied Operations Pty Ltd ("CNAO"), a wholly-owned subsidiary of the Company, HVO Coal Sales Pty Ltd (the "SalesCo") and Anotero entered into a sales contract on 4 May 2018 (the "HVO Sales Agreement"). The relevant mining and exploration licences of HVO are held directly by CNAO and Anotero as tenants in common in proportion to their respective participating interest in the Hunter Valley Operations Joint Venture ("HVO JV"). Pursuant to the HVO Sales Agreement: (i) each of CNAO and Anotero agrees to sell all of its entitled portion of finished coal product in saleable form that is produced by the tenements held by the HVO JV to the SalesCo only, and the SalesCo agrees to purchase each of CNAO's and Anotero's entitled portion of coal product (other than coal product to be sold to Glencore and/or its subsidiaries); (ii) the amount payable to each of CNAO and Anotero by the SalesCo shall be the total amount received by the SalesCo for that portion of product under each sales contract entered into between the SalesCo and its customers; and (iii) payment by the SalesCo to CNAO and Anotero shall be no later than 3 business days after receipt by the SalesCo of payment from its customers.

In respect of any sales to Glencore and/or its subsidiaries that fall within the Glencore Framework Coal Sales Agreement, each of CNAO and Anotero agrees that SalesCo will be treated as if it has entered into the sale as agent for and on behalf of CNAO and Anotero in proportion to their respective participating interests in the HVO JV.

Anotero is a substantial shareholder of subsidiaries of the Company under the HK Listing Rules. Anotero is a connected person of the Company by virtue of being a substantial shareholder of the Company's subsidiary.

The HVO Sales Agreement shall commence on the date of the HVO Sales Agreement and terminate upon the termination of the joint venture agreement in relation to the HVO JV in accordance with its terms.

Notwithstanding that the term of the HVO Sales Agreement may exceed three years, the Company has set the estimated maximum annual transaction amounts for the transactions under the HVO Sales Agreement for a term of three years and will re-comply with the applicable requirements of the HK Listing Rules after the expiry of the that three year term.

On 12 December 2023, the Board resolved to set the annual caps for the three years ending 31 December 2024, 2025 and 2026 at US$1.3 billion, US$1.3 billion and US$1.3 billion, respectively.

During the year ended 31 December 2024, the transaction amount paid by the Group was US$726.8 million, which was below the annual cap under the HVO Sales Agreement.

PURCHASE OF COAL FROM POSCO

The participants of the unincorporated joint venture in relation to Mt Thorley (the "MT JV"), namely POSCO and Mount Thorley Operations Pty Ltd (previously known as R. W. Miller & Co. Pty Limited) ("MT Operations"), a wholly-owned subsidiary of the Company holding the relevant mining and exploration licences of Mount Thorley on behalf of the MT JV, sell coal through Miller Pohang Coal Co. Pty Limited (the "MT SalesCo"). MT SalesCo is a company jointly controlled by MT Operations and POSCO, with MT Operations and POSCO holding 80% and 20% of its interest, respectively.

Both the MT SalesCo and the MT JV are subsidiaries of the Company under the HK Listing Rules. As POSCO holds more than 10% of the interest in the MT SalesCo, and has more than 10% participating interest in the MT JV, POSCO is a connected person of the Company by being a substantial shareholder of the subsidiaries of the Company. Accordingly, the transaction between the MT SalesCo and POSCO constitutes a continuing connected transaction of the Company under the HK Listing Rules.

POSCO and MT Operations sell all of their entitled portions of finished coal product in saleable form to which they are entitled through the MT JV to the MT SalesCo only. The amount payable to each of POSCO and MT Operations shall be the total amount received by the MT SalesCo for that portion of product under each sales contract entered into between the MT SalesCo and its customers. Payment by the MT SalesCo to POSCO and MT Operations occurs after receipt by the MT SalesCo of payment from its customers.

The MT Sales Agreement was entered into on 10 November 1981 and will last during the economic life of the Mount Thorley coal mine.

Notwithstanding that the term of the MT Sales Agreement may exceed three years, the Company has set maximum annual transaction amounts for the purchase of POSCO's portion of finished coal product by MT SalesCo for a term of three years, and will re-comply with the applicable requirements of the HK Listing Rules after the expiry of that three year term.

On 12 December 2023, the Board resolved to set the annual caps for the three years ending 31 December 2024, 2025 and

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2026 at US$107 million, US$100 million and US$85 million, respectively.

During the year ended 31 December 2024, the transaction amount paid by the Group was US$76.8 million, which was below the annual cap under the MT Sales Agreement.

PURCHASE OF DIESEL FUEL FROM GLENCORE

On 8 December 2023, HV Operations Pty Ltd ("HV Operations"), a subsidiary of the Company, entered into a diesel fuel supply agreement with Glencore Australia Oil Pty Ltd ("GAO"), pursuant to which HV Operations has agreed to purchase diesel fuel from GAO during the period from 1 January 2024 to 31 December 2026 (the "Diesel Fuel Supply Agreement").

As GAO is a subsidiary of Glencore plc, which is the holding company of Anotero Pty Ltd, a substantial shareholder of HV Operations, GAO is a connected person of the Company by virtue of being an associate of a substantial shareholder of the Company's subsidiary.

Pursuant to the Diesel Fuel Supply Agreement, HV Operations agrees to purchase, and GAO agrees to sell diesel fuel at a price agreed and applicable to the monthly quantity delivered as measured in accordance with the agreement. HV Operations will generate a purchase order prior to the month of delivery. GAO will deliver the volume of fuel in the purchase order by the date specified in that purchase order and HV Operations will make the payments after the delivery of the fuel. The basis for calculating the payments to be made is based on the volume delivered and the price determined following the tender process or with reference to the price assessment published in the S&P Global Platts Oilgram Price Report for 10ppm Sulphur Gasoil FOB Singapore, and in accordance with the Diesel Fuel Supply Agreement.

The maximum transaction amount to be paid by HV Operations to GAO for the purchase of diesel fuel for the three years ending 31 December 2024, 2025 and 2026, will not exceed US$220 million, US$220 million, and US$245 million respectively.

During the year ended 31 December 2024, the transaction amount paid by the Group was approximately US$147.9 million, which was below the aggregate cap for the year.

Review on continuing connected transactions

Pursuant to Rule 14A.55 of the HK Listing Rules, the Directors (including independent non-executive Directors) have reviewed the above continuing connected transactions in the year ended 31 December 2024. The independent non-executive Directors hereby confirmed that the above continuing transactions have been entered into:

1. in the ordinary and usual course of business of the Group;
2. on normal commercial terms or better; and
3. in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interest of Shareholders as a whole.

In accordance with the requirement of Rule 14A.56 and 14A.71(6)(b) of the HK Listing Rules, the Company has engaged the independent auditor of the Company to report on the continuing connected transactions of the Group.

Based on the results of procedures performed and in accordance with the aforesaid HK Listing Rules, the independent auditor has provided a letter to the Board confirming that nothing has come to their attention that cause them to believe that the continuing connected transactions:

(i) have not been approved by the Board;

(ii) were not, in all material respects, in accordance with the pricing policies of the Group;

(iii) were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and

(iv) have exceeded their respective annual caps for the financial year ended 31 December 2024 set out in the announcements of the Company.

The Company confirms that it has complied with the requirements of Chapter 14A of the HK Listing Rules in relation to all connected transactions and continuing connected transactions to which any Group member was a party during the year ended 31 December 2024. Please refer to Note E2 to the financial statements for a summary of the related party transactions entered into by the members of the Group for the year ended 31 December 2024. Other than those transactions disclosed in the section headed "Continuing Connected Transactions" above, none of these transactions constitutes a disclosable connected transaction as defined under the HK Listing Rules.

COAL RESOURCES AND COAL RESERVES

The Coal Resources and Coal Reserves presented in this report are extracted from an announcement made on 20 February 2025. The original report was produced in accordance with the Australasian Code for reporting of Mineral Resources and Ore Reserves 2012 Edition (the JORC Code).

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.

Coal Resources and Coal Reserves are reported in 100 per cent terms (unless otherwise stated). Coal Resources are reported inclusive of the Coal Resources that have been converted to Coal Reserves (i.e., Coal Resources are not additional to Coal Reserves).

The attributable share is the total coal resources or coal reserves, when Yancoal's ownership percentage (as at 31 December 2024) is applied. Coal resources and coal reserves have been rounded in line with the JORC Code and the Yancoal reporting standards to reflect the relative uncertainty of the estimates.

On an attributable basis the Yancoal group total year-end 31 December 2024 position is as follows:

CATEGORY[1]	31 Dec 2024	31 DEC 2023	% Change
Measured, Indicated and Inferred Coal Resources	4,400Mt	4,857Mt	(9.6)%
Recoverable, Proved and Probable Coal Reserves	920Mt	970Mt	(5.2)%
Marketable, Proved and Probable Coal Reserves	680Mt	720Mt	(5.6)%

The following abbreviations are used throughout this section of the report.

AusIMM	Australasian Institute of Mining and Metallurgy
JORC	Joint Ore Reserves Committee
Met	Metallurgical coal
Semi	Semi-soft coking coal
Thermal	Thermal coal
PCI	Pulverised coal injection
Mt	Million tonnes
OC	Open Cut
UG	Underground

[1] Where required the component Coal Resource and Reserve numbers for each site making up this total have been depleted by production from the annual report date to 31 December 2024. 2024 Coal Resources and Coal Reserves have been rounded (significant figure) by the Competent Persons in line with the JORC Code and the Yancoal Coal Resource and Reserve reporting standards to reflect the relative uncertainty of the estimates where applicable.

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COAL RESOURCES AND COAL RESERVES

COAL RESOURCES FOR YEAR ENDING 31 December 2024

PROJECT	YANCOAL OWNERSHIP %	COAL TYPE	MOISTURE BASIS %	MEASURED COAL RESOURCES (MT)		INDICATED COAL RESOURCES (MT)		INFERRED COAL RESOURCES (MT)		TOTAL COAL RESOURCES (MT)
			2025	2025	2024	2025	2024	2025	2024	2025
Moolarben (OC & UG)	95%	Thermal	6.0%	590	640	155	150	200	200	945
Mt Thorley (OC & UG)	80%	Semi/Thermal	6 to 8%	200	200	150	150	75	75	425
Warkworth (OC & UG)	84.47%	Semi/Thermal	6 to 8%	490	510	230	230	165	165	885
HVO (OC)	51%	Semi/Thermal	6 to 8%	650	680	1,400	1,500	1,700	1,900	3,750
Yarrabee (OC)	100%	PCI/Thermal	5.5%	50	55	60	60	13	13	123
Gloucester (OC)[2]	100%	Met/Thermal	6.0%	0	4	0	145	0	80	0
Middlemount (OC)	50%	Met/Thermal	5.0%	72	76	55	55	21	21	148
Ashton (OC & UG)	100%	Semi/Thermal	6.5%	81	83	94	95	90	90	265
Ashton RUMEx (UG)[3]	100%	Semi/Thermal	6.5%	5	5	25	25	0	0	30
Total Coal Resources (100% Basis)				**2,140**	**2,253**	**2,170**	**2,410**	**2,260**	**2,544**	**6,570**
Yancoal Attributable Share										**4,400**

COAL RESERVES FOR YEAR ENDING 31 December 2024

PROJECT	YANCOAL OWNERSHIP	COAL TYPE	RECOVERABLE COAL RESERVE: PROVED COAL RESERVES (MT)		PROBABLE COAL RESERVES (MT)		TOTAL COAL RESERVES (MT)
			2024	2023	2024	2023	2024
Moolarben (OC)	95%	Thermal	156	173	3	3	159
Moolarben (UG)	95%	Thermal	16	21	13	13	29
Mount Thorley (OC)	80.0%	Semi/Thermal	2.8	3.0	17	17	20
Warkworth (OC)	84.47%	Semi/Thermal	137	154	72	72	209
HVO (OC)	51.0%	Semi/Thermal	231	249	541	539	772
Yarrabee (OC)	100%	PCI/Thermal	31	34	42	42	73
Gloucester (OC)	100%	Met/Thermal	0	0	0.0	0.4	0.0
Middlemount (OC)	50%	Met/Thermal	62	66	19	19	81
Ashton RUMEx (UG)	100%	Semi/Thermal	1	1	21	18	21
Ashton (UG)	100%	Semi/Thermal	11	13	8	7	18
Total Coal Reserves (100% Basis) - Rounded			**650**	**710**	**740**	**730**	**1,390**
Yancoal Attributable Share							**920**

[2] Gloucester comprises the Stratford, Duralie and Grant & Chainey deposits.
[3] Following the acquisition of the Rumex leases from Glencore Australia to Yancoal Australia Ashton Coal Operations, the Coal Resources are reported under the Ashton Rumex project.

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			MARKETABLE COAL RESERVE						
			PROVED COAL RESERVES (MT)		PROBABLE COAL RESERVES (MT)		TOTAL COAL RESERVES (MT)	MOISTURE BASIS, %	ASH %
PROJECT	YANCOAL OWNERSHIP %	COAL TYPE	2024	2023	2024	2023	2024	2024	2024
Moolarben (OC)	95%	Thermal	127	141	3	2	130	9%	24%
Moolarben (UG)	95%	Thermal	17	22	13	13	30	9%	17%
Mount Thorley (OC)	80%	Semi/Thermal	1.8	2	12	12	14	10%	13.9%
Warkworth (OC)	84.47%	Semi/Thermal	95	107	48	48	143	10%	13.3%
HVO (OC)	51%	Semi/Thermal	172	186	398	397	570	10%	12.9%
Yarrabee (OC)	100%	PCI/Thermal	23	25	32	32	55	10%	10.5%
Gloucester (OC)[4]	100%	Met/Thermal	0	0	0	0	0		
Middlemount (OC)[5]	50%	Met/Thermal	45	47	18	18	62	10% Coking 10.5% PCI	10% Coking 10.5% PCI
Ashton RUMEx (UG)[6]	100%	Semi/Thermal	0	0	12	11	13	8.5%	9.5%
Ashton (UG)	100%	Semi/Thermal	6	7	4	5	10	8.5%	9.5%
Total Coal Reserves (100% Basis) - Rounded			**490**	**540**	**540**	**540**	**1,030**		
Yancoal Attributable Share							**680**		

YANCOAL 2024 EXPLORATION DRILLING

Total payments for capitalised exploration and evaluation activities in 2024 was $13.2 million. There were no development activities related to mining structures or infrastructure undertaken in 2024. The reporting period is from 1 January to 31 December 2024. The drilling totals provided exclude pre-production drilling.

	MOOLARBEN		STRATFORD DURALIE		YARRABEE		HUNTER VALLEY OPERATIONS	
	NO. OF HOLES	TOTAL DRILLED (M)	NO. OF HOLES	TOTAL DRILLED (M)	NO. OF HOLES	TOTAL DRILLED (M)	NO. OF HOLES	TOTAL DRILLED (M)
Non-Core Holes	61	3,358	0	0	18	1,158	81	11,900
Core Holes	6	353	8	1,139	6	733	21	3,281

[4] Gloucester comprises the Stratford, Duralie and Grant & Chainey deposits.
[5] The project has two product types for Marketable Coal Reserves each with a different Moisture basis, Coking at 10%, PCI at 10.5% and Ash% of 10% for Coking & 10.5% for PCI.
[6] Following the acquisition of the Rumex leases from Glencore Australia to Yancoal Australia, the Coal Reserves are reported under the Ashton Rumex project.

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YANCOAL AUSTRALIA TENEMENTS

As at 31 December 2024

PROJECT	TITLE TENEMENT	TENEMENT TYPE
Moolarben	EL 6288	Exploration Licence
	EL 7073	Exploration Licence
	EL 7074	Exploration Licence
	ML 1605	Mining Lease
	ML 1606	Mining Lease
	ML 1628	Mining Lease
	ML 1691	Mining Lease
	ML 1715	Mining Lease
Mount Thorley/ Warkworth (MTW)	CCL 753	Consolidated Coal Lease
	CL 219	Coal Lease
	EL 7712	Exploration Licence
	EL 8824	Exploration Licence
	ML 1590	Mining Lease
	ML 1751	Mining Lease
	ML 1752	Mining Lease
HVO	AL 32	Assessment Lease
	AL 33	Assessment Lease
	AL 34	Assessment Lease
	Auth 72	Authorisation
	Part CCL 708 (sublease)	Sublease
	CCL 714	Consolidated Coal Lease
	CCL 755	Consolidated Coal Lease
	CL 327	Coal Lease
	CL 359	Coal Lease
	CL 360	Coal Lease
	CL 398	Coal Lease
	CL 584	Coal Lease
	CML 4	Consolidated Mining Lease
	EL 5291	Exploration Licence
	EL 5292	Exploration Licence
	EL 5417	Exploration Licence
	EL 5418	Exploration Licence
	EL 5606	Exploration Licence
	EL 8175	Exploration Licence
	ML 1324	Mining Lease
	ML 1337	Mining Lease
	ML 1359	Mining Lease
	ML 1406	Mining Lease
	ML 1428	Mining Lease
	ML 1465	Mining Lease
	ML 1474	Mining Lease
	ML 1482	Mining Lease
	ML 1500	Mining Lease
	ML 1526	Mining Lease
	ML 1560	Mining Lease
	ML 1589	Mining Lease
	ML 1622	Mining Lease
	ML 1634	Mining Lease
	ML 1682	Mining Lease
	ML 1704	Mining Lease
	ML 1705	Mining Lease
	ML 1706	Mining Lease
	ML 1707	Mining Lease
	ML 1710	Mining Lease
HVO (cont.)	ML 1732	Mining Lease
	ML 1734	Mining Lease
	ML 1748	Mining Lease
	ML 1753	Mining Lease
	ML 1810	Mining Lease
	ML 1811	Mining Lease
	ML 1840	Mining Lease
	ML 1841	Mining Lease
	ML 1849	Mining Lease
	ML 1867	Mining Lease
	ML 1869	Mining Lease
	ML 1870	Mining Lease
	ML 1871	Mining Lease
Yarrabee/Wilpeena	MDL 160	Mineral Development Licence
	ML 1770	Mining Lease
	ML 80049	Mining Lease
	ML 80050	Mining Lease
	ML 80096	Mining Lease
	ML 80104	Mining Lease
	ML 80172	Mining Lease
	ML 80195	Mining Lease
	ML 80196	Mining Lease
	ML 80197	Mining Lease
	ML 80198	Mining Lease
Gloucester Basin (Stratford/Duralie)	Auth 311	Authorisation
	Auth 315	Authorisation
	ML1360	Mining Lease
	ML1409	Mining Lease
	ML1427	Mining Lease
	ML1447	Mining Lease
	ML1528	Mining Lease
	ML1538	Mining Lease
	ML1646	Mining Lease
	ML1733	Mining Lease
	ML1787	Mining Lease
Middlemount	MDL 282	Mineral Development Licence
	ML 70379	Mining Lease
	ML 70417	Mining Lease
Ashton	ML1529	Mining Lease
	ML1533	Mining Lease
	ML1623	Mining Lease
	ML1696	Mining Lease
	EL4918	Exploration Licence
	EL5860	Exploration Licence
Ashton (RUMex)	ML1834	Mining Lease
	ML1835	Mining Lease
	ML1836	Mining Lease
	ML1837	Mining Lease

SHAREHOLDER STATISTICS

Yancoal Australia Limited – Ordinary Fully Paid as of 7 February 2025

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COMBINED ASX AND HKEX TOP 20 SHAREHOLDERS (at 7 Feb 2025)

RANK	NAME	UNITS	% UNITS
1	HKG REGISTER CONTROL A/C\C	670,123,766	50.75
2	YANKUANG ENERGY GROUP COMPANY LIMITED	322,157,715	24.40
3	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	53,758,959	4.07
4	HSBC CUSTODY NOMINEES <AUSTRALIA> LIMITED	49,737,948	3.77
5	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	44,208,172	3.35
6	CITICORP NOMINEES PTY LIMITED	37,467,154	2.84
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	7,210,914	0.55
8	CPU SHARE PLANS PTY LTD <YAL EST UNALLOCATED A/C>	6,578,230	0.50
9	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	5,818,505	0.44
10	BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS>	4,870,757	0.37
11	MR QINGNAN WEN	4,200,000	0.32
12	UBS NOMINEES PTY LTD	4,183,056	0.32
13	BNP PARIBAS NOMS PTY LTD	3,499,512	0.27
14	BKI INVESTMENT COMPANY LIMITED	2,545,000	0.19
15	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	2,522,373	0.19
16	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	2,043,153	0.15
17	WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	2,008,732	0.15
18	BNP PARIBAS NOMINEES PTY LTD <UOB KH PL>	2,003,250	0.15
19	BNP PARIBAS NOMINEES PTY LTD BARCLAYS	1,946,122	0.15
20	NATIONAL NOMINEES LIMITED	1,878,290	0.14
Totals: Top 20 holders of ORDINARY SHARES (Total)		**1,228,761,608**	**93.06**
Total Remaining Holders Balance		**91,677,829**	**6.94**
Total Shares on issue		**1,320,439,437**	

RANGE OF UNITS

ORDINARY SHARES (at 6 February 2025)

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	10,000	3,781,233	0.29
1,001 - 10,000	7,347	27,719,378	2.10
10,001 - 100,000	1,456	37,065,851	2.81
100,001 - 1,000,000	85	21,611,367	1.64
1,000,001 Over	21	1,230,261,608	93.17
Rounding			-0.01
Total	**18,909**	**1,320,439,437**	**100.00**

UNMARKETABLE PARCELS

ORDINARY SHARES (at 6 February 2025)

	MINIMUM PARCEL SIZE	HOLDERS	UNITS
Minimum $ 500.00 parcel at $ 6.5800 per unit	76	1,082	19,778

TRANSFER OF SHARES BETWEEN THE AUSTRALIAN AND HONG KONG SHARE REGISTERS

Shares in Yancoal can be moved between its Australian and Hong Kong share registers. Any shareholder interested in moving their shares between the two registers is encouraged to contact Computershare, using the contact details set out in the Corporate Directory.

The process and fees for moving shares will differ depending on how a shareholder, or their broker/participant, holds their shares. Typically, the transfer of shares between the Australian and Hong Kong registers takes between three to six business days. Shareholders should not trade their shares until a transfer of shares is completed.

GLOSSARY

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ACCC	Australian Competition & Consumer Commission
ACCU	Australian Carbon Credit Units
ACH	Aboriginal Cultural Heritage
AGM	Annual General Meeting
ALRA	Aboriginal Land Rights Act 1983 (NSW)
AMI	Aurelia Metals Ltd
Aon	Aon Hewitt
APLMA	Asia Pacific Loan Market Association
API5	All Published Index 5 – 5,500 kCal coal index
ARMC	Audit and Risk Management Committee
ARTC	Australian Rail Track Corporation
ASIC	Australian Securities and Investments Commission
ASRS	Australian Sustainability Reporting Standards
ASX	The Australian Securities Exchange
ASX Recommendations	ASX Corporate Governance Council's Principles and Recommendations
AusIMM	Australasian Institute of Mining and Metallurgy
Board	Yancoal's board of directors
CEC	Chair of the Executive Committee
CEO	Chief Executive Officer
CER	Clean Energy Regulator
CFR	Cost and Freight contract
CFO	Chief Financial Officer
CGU	Cash-Generating Unit
CHPP	Coal Handling and Preparation Plant
China Cinda	China Cinda Asset Management Co., Ltd
Cinda	Cinda (HK) Holdings Company Limited Group
Coal & Allied	Coal & Allied Industries Ltd
CODM	Chief Operating Decision Makers
Coke (steel making)	A grey, hard, and porous fuel with a high carbon content and few impurities, made by heating coal or oil in the absence of air.
Continuing Connected Transactions	The Stock Exchange of Hong Kong requires disclosure of 'Continuing Connected Transactions' which are connected transactions involving the provision of goods or services, which are carried out on a continuing or recurring basis and are expected to extend over a period of time. They are usually transactions in the ordinary and usual course of business of the issuer. Connected transactions are transactions with connected persons, and specified categories of transactions with third parties that may confer benefits on connected persons through their interests in the entities involved in the transactions.
COP26	2021 United Nations Climate Change Conference of Parties
COP27	2022 United Nations Climate Change Conference of Parties
COP28	2023 United Nations Climate Change Conference of Parties
Costs Target Awards	Costs Target vesting condition
COVID-19	Novel Coronavirus
CVR	Contingent Value Right
Deferred Share Rights	Rights to Yancoal shares with no dividend equivalent payments that vest over time subject to remaining employed
DE&I	The Yancoal Diversity, Equity and Inclusion strategy
Directions	NSW Government domestic coal reservation directions
DFAT	Department of Foreign Affairs and Trade
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation
ECL	Expected Credit Losses
EGM	Executive General Manager
EPS	Earnings per share
EPS Awards	Earnings per share vesting condition
ESA	Executive Service Agreement
ESG	Environment, Social and Governance
Executive KMPs	Nominated members of the Executive Committee
Executives	Comprise the executive directors and Executive KMPs
FAR	Fixed Annual Remuneration
FAS	Free Alongside Ship

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GLOSSARY

FOB / FOB Cash Costs	Free On Board Cash Costs (excluding royalties)
FVTPL	Fair Value Through Profit or Loss
FVTOCI	Fair Value Through Other Comprehensive Income
GCNewc	GlobalCOAL Newcastle 6,000kCal NAR Index
GHG	Greenhouse gas
GiLTS	Gladstone Island Long Term Securities
HK Code	Corporate Governance Code in Appendix 14
HK Listing Rules	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
HKEx	The Stock Exchange of Hong Kong
HKExnews	Website for regulatory filings and disclosures of listed issuers on the Stock Exchange of Hong Kong
HSEC Committee	Health, Safety, Environment and Community Committee
HVO	The Hunter Valley Operations mine
HVO Entities	HVO Coal Sales Pty Ltd, HV Operations Pty Ltd and HVO Services Pty Ltd
IASB	International Accounting Standards Board
IEAA	Independent Environmental Assurance Audit
IFRS	International Financial Reporting Standards
ISSB	International Sustainability Standards Board
JORC	Joint Ore Reserves Committee
KMP	Key Management Personnel comprise the Directors of the Company and nominated members of the Executive Committees.
KPIs	Key Performance Indicators
LOM	Life of Mine
LPR	Loan Prime Rate
LTI/LTIP	Long-term incentive plan
LTIFR	The Lost Time Injury Frequency Rate is the number of lost time injuries occurring in a workplace per 1 million hours worked.
MCA	Minerals Council of Australia
Metallurgical coal	A collective term applied to coal used in the steel making process
Mineral Reserve	Parts of a Mineral Resource that can, at present, be economically mined. The two categories define an increasing level of geological confidence with Probable at the low end and Proved at the high end.
Mineral Resource	The concentration of material of economic interest in or on the earth's crust. The three categories define an increasing level of geological confidence with Inferred at the low end, then Indicated, and Measured at the high end.
Model Code	Model Code for Securities Transactions by Directors of Listed Issuers
MND	Monadelphous Group Ltd
Moolarben JV	Moolarben Coal Joint Venture
MTW	The Mount Thorley Warkworth Mine
NAR	Net As Received
NCIG	Newcastle Coal Infrastructure Group is a coal export terminal in Newcastle, New South Wales
NDC	Nationally Determined Contribution
NGER	National Greenhouse and Energy Reporting
NRC	Nomination and Remuneration Committee
NSW	New South Wales
NSWMC	New South Wales Mineral Council
PBT	Profit Before Tax
PCI Coal	Pulverised Coal Injection coal is used heat source and supplementary fuel in the steel making process to reduce coke consumption.
Performance Rights	Rights to Yancoal shares with no dividend equivalent payments that vest over time subject to meeting performance criteria and remaining employed
Period	The 12 months ending 31 December 2024
PRD	Performance Review and Development
Protocol	Board Performance Evaluation Protocol
PWCS	Port Waratah Coal Services is a coal export terminal in Newcastle, New South Wales.
QLD	Queensland
ROM Coal	Run Of Mine Coal, the coal volume initially extracted from the mine
ROM tonnes	Run of Mine tonnes
Saleable coal	Coal volume remaining after processing to remove non-coal material
Scope 1 emissions	Scope 1 covers direct emissions from owned or controlled sources; for example emissions released from coal during the mining process
Scope 2 emissions	Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company
Scope 3 emissions	Scope 3 includes all other indirect emissions that occur in a company's value chain; for example the emissions real during combustion of coal by the end users

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GLOSSARY

Semi-soft coking coal	Used to produce coke for the steel-making process, but it produces a low coke quality and more impurities compared to hard coking coal
Services	IT services, which comprise the granting of the permission to use the Company's hardware or software and the provision of IT support services
SFO	Hong Kong Securities and Futures Ordinance
Shandong Energy	Shandong Energy Group Co. Ltd
SMCs	Safeguard Mechanism Credits
STI/STIP	Short-term incentive plan
TCFD	The Taskforce on Climate-related Financial Disclosures was established by the Financial Stability Board to develop a set of voluntary, consistent disclosure recommendations for use by companies in providing information to investors, lenders and insurance underwriters about their climate-related financial risks.
tCO2-e	Emissions equivalent to a tonne of carbon dioxide emissions; it is the standard unit in carbon accounting to quantify greenhouse gas emissions.
The Company, parent entity or Yancoal	Yancoal Australia Ltd
The Group	Yancoal Australia Ltd and its controlled entities
Thermal coal	A collective term applied to coal suited to combustion to generate electricity or other purposes
Treasury Shares	Shares repurchased and held by an issuer in treasury, as authorised but the laws of the issuer's place of incorporation and its articles of association or equivalent constitutional documents which, for the purpose of the HK Listing Rules, include shares repurchased by an issuer and held or deposited in the HKEx Central Clearing and Settlement System for sale on HKEx.
TRI & DI	Total Recordable Injuries & Disease Injuries
TRIFR	The Total Recordable Injury Frequency Rate is the number of fatalities, lost time injuries, substitute work, and other injuries requiring treatment by a medical professional per million hours worked
UAE	United Arab Emirates
UNFCCC	United Nations Framework Convention on Climate Change
UOP	Units of Production
VWAP	Volume Weighted Average Price gives the average price a security has traded at throughout a period, based on both volume and price
Watagan	Watagan Mining Company Pty Ltd
WGEA	Australian Workplace Gender & Equality Agency
WICET	Wiggins Island Coal Export Terminal is a coal export terminal in at Gladstone, Queensland
WIPS	Wiggins Island Preference Shares
YLA	Yancoal Learning Academy
Yankuang	Yankuang Group Corporation Ltd
Yankuang Energy	Yankuang Energy Group Company Limited
Yanzhou	Yanzhou Coal Mining Company Ltd
YIT	Yancoal International Trading Company Limited

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CORPORATE DIRECTORY

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DIRECTORS[7]

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[7] At date of publication

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