

1 October 2026

Market Release:

Yancoal successfully completes the acquisition of an 80% interest in the Kestrel Coal Mine

Yancoal Australia Ltd (ASX: YAL) (“Yancoal” or the “Company”) is pleased to announce it has today successfully completed the transaction with EMR Capital Advisors Pty Ltd, Kestrel Coal (EMR) Limited, Adaro Capital Limited (“ACL”) (collectively the “Vendors”) and EMR Capital Management Limited¹. As announced on 14 April 2026, Yancoal will acquire the entire share capital of Kestrel Coal Group Pty Ltd (“KCG”), which holds an 80% interest in the Kestrel Coal Mine (“Kestrel”), a large-scale, long-life metallurgical coal asset located in Queensland’s Bowen Basin (the “Acquisition”).

The upfront cash consideration paid on completion was US\$1.85 billion subject to customary completion adjustments². The consideration was funded through a combination of available cash and an initial utilisation of the five-year syndicated US\$1.2 billion acquisition loan facility³. A US\$200 million, five year committed working capital facility to support Yancoal’s liquidity requirements remains undrawn at this time.

Payment of the contingent cash consideration up to a maximum total of US\$550 million remains dependent upon the relevant benchmark coal price exceeding US\$225/tonne (nominal) in any of the first five years following completion.

Yancoal will recognise its interest in the attributable Kestrel production, revenue and earnings from 1 October 2026.

¹ The Vendors, EMR Capital Advisors Pty Ltd, Kestrel Coal (EMR) Limited and ACL, are sellers of shares in KCG. ACL and EMR Capital Management Limited are sellers of warrants in KCG.

² Adjusted to deduct the US\$40 million deposit paid on signing and other provisional adjustments for net debt and working capital at completion.

³ A portion of the US\$1.2 billion facility is expected to be utilised post completion to retire existing debt within the KCG Group.

As disclosed in the announcement on 14 April 2026, Yancoal expects to dispatch to shareholders for their information a circular containing, including further details of the Acquisition and accountants' reports, competent person's report and valuation report on KCG by 23 November 2026.

Mr Sharif Burra, CEO of Yancoal, said:

"The acquisition of an 80% interest in the Kestrel Coal Mine represents a strong strategic fit for Yancoal and adds a high-quality, long-life metallurgical coal asset to our portfolio. Kestrel delivers increased scale and diversification to Yancoal's portfolio; it adds a premium metallurgical coal to our product mix. The acquisition positions us to deliver greater value to our shareholders and consolidates Yancoal's position as a leading Australian coal miner. We have worked closely with EMR, Adaro and KCG management over the past months to facilitate integration of Kestrel into the Yancoal portfolio. We look forward to working closely with the committed Kestrel employees, and Mitsui, our joint venture partner and owner of 20% of Kestrel, to continue to add value to the mine, local communities and stakeholders".

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This announcement has been approved for release by the Disclosure Committee of Yancoal Australia Limited.
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Additional information about the Company is available at www.yancoal.com.au
