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Operator: Good Day and thank you for standing by. Welcome to the Yancoal 2023 Full Year Financial Results.

I would now like to pass the call over to the Chief Executive Officer, David Moult.

[Slide 1]

David Moult: Thank you Carmen, and thank you to everyone for joining this briefing on Yancoal's 2023 performance.

I have the CFO, Kevin Su, and Company Secretary Laura Zhang here with me in Hong Kong and several of our executives have joined the call from our Sydney office.

I will provide an overview of Yancoal's 2023 performance, then we will open the webcast to questions.

The commentary provided is based on the 2023 Financial Results and associated materials published to the ASX and Hong Kong Stock Exchange on Friday.

[Slide 2 & 3]

Slides 2 and 3 contain notices and disclaimers relevant to today's presentation and the forward-looking statement it contains. Please make yourself familiar with the content of these two slides.

[Slide 4]

This first slide gives a snapshot of the successful year we had. The first aspect I want to highlight is our safety performance. Through constructive programs and concerted effort from all our people, key safety metrics improved sharply mid-year and have remained low.

As I said six months ago, strong operational and financial results are built on workplace culture and a positive safety mindset.

A 35% reduction in our Total Recordable Incident Frequency Rate is the result of our people embracing safety initiatives and working cohesively.

Compared to 2022, 100% ROM production volumes were up 19% and saleable production volumes were up 12%. We met out guidance, but more notable was the trend of the production rate throughout the year.

At the start of 2023, we said we needed to prioritise mine recovery plans and would increase output in each successive quarter. We delivered on these targets and in the fourth quarter we produced at our highest rate in three years.

We want to carry this momentum into 2024 and I'll talk more on this point when we discuss the 2024 outlook.

Our average realised coal price for the year was AUD$232 per tonne. Excluding 2022, this is double the average price received for the five years to 2021.

$96 per tonne cash operating cost conceals the cost trend throughout 2023. As production volumes increased, unit costs improved. Cash operating costs in the second half decreased to $86 per tonne. Many inflationary cost factors experienced over recent years are now embedded, making our three large-scale low-cost mines more valuable than ever.

An implied operating cash margin of $115 per tonne combined with our production recovery drove the strong financial outcomes.

For 2023 we are pleased to report $7.8 billion in revenue, $3.5 billion of operating EBITDA and $1.8 billion in after tax profit.

As we discussed at the half year result, we repaid the last of our loans in March and paid significant taxes on the record 2022 profit.

After returning $1.4 billion to shareholders during the year via dividends, we still held $1.4 billion of cash at the end of December.

On the topic of shareholder returns, the Board has elected to return a further $429 million to shareholders as a fully franked final dividend of $0.325 per share, combined with the $0.370 per share interim dividend, the 2023 total dividend is $0.695 per share. This is a 50% payout ratio and a 14% yield on the $4.95 year-end share price.

[Slide 5]

As I have mentioned, keeping our workforce safe is always our first consideration. The improvement in the total recordable injury frequency rate accelerated in the first half of the year, having established a new reference we worked hard to consolidate and maintain this level by embedding gains made across the mines.

It was gratifying to see our leaders and workforce efforts recognised through Yancoal being named a finalist in the 2023 Australian Workplace Health and Safety Awards.

[Slide 6]

Our focus on sustainability, as with safety, is continual and ongoing. This year we are moving beyond the Environment, Social and Governance Report published in past years and in April, we replaced it with our first Sustainability Report which integrates previous disclosures and begins our transition to align with international sustainability disclosures.

We will follow Australian sustainability reporting standards as they develop, as well as the requirements of the ASX and Hong Kong Stock Exchange.

Existing initiatives include upgrades to our mining fleets and actively exploring renewable energy opportunities.

[Slide 7]

Slide 7 summarises the operational drivers behind Yancoal's 2023 performance. Full year production volumes and the uplift of over 2022 output do not truly reflect the momentum that built throughout 2023. Most of the 19% increase in attributable ROM production and the 14% increase in attributable saleable production was delivered in the second half.

Attributable saleable production increased by 32%, from 14.4 million tonnes in the first half to 19 million tonnes in the second half. This production skew resulted in cash operating costs falling by more than 20% in the second half.

International coal market conditions were unprecedented in recent years. In all market settings, we optimise our position. This starts with our production profile and controllable costs. We continually seek to maximise our operational performance and product mix to meet our customers' needs.

[Slide 8]

Turning to the coal markets, a slowing global economy and mild winter in the northern hemisphere diminished demand during 2023. A supply-side recovery compounded the downward pressure on coal industries, notably with Australian and Indonesian exports rising by 22% and 12% respectively.

For the past year, we have considered the thermal coal markets remain relatively balanced but subject to the influence of short-term factors, such a seasonal demand drivers and supply disruptions, this still remains our view.

Coal indices are currently trending sideways on the current market conditions and price differentials between indices now effectively reflect the inherent value of different coal types.

[Slide 9]

North American supply disruptions lifted metallurgical coal indices mid-year before weak economic conditions set the tone for the remainder of the year. There were some localised bright spots in the met coal markets, demand from India for Low Vol. hard coking coal was good, which in turn was favourable for our Low Vol. PCI products.

[Slide 10]

Last year 86% of our sales were thermal coal with the balance being lower grade metallurgical coal. This product split varies a little year on year, depending on which coal seams we are mining at each mine. We aim to keep the mix stable and to maintain our reputation as a reliable supplier with our customers.

Our thermal coal volumes range in energy content and ash level. The resumption of Australian coal imports by China in 2023 was a welcome event with Chinese customers historically being a regular buyer of our higher ash thermal coal.

[Slide 11]

Turning to Slide 11 we show our customer split. China is once again a significant [uptake] partner, both on a volume and revenue basis.

Our Japanese customers purchased a significant portion of our high value coal, resulting in this market being our highest revenue generator, but only our fourth in terms of volume. Another observation is the decrease in sales to Europe to almost zero. This is not surprising given shipping coal from Australia to Europe is only economic under exceptional circumstances, like those we saw in 2023.

[Slide 12]

Total ROM coal on a 100% basis increased by 19% to just over 60 million tonnes as mine recovery plans took effect and productivity levels improved. This volume includes a 30% increase in the second half over the first half and during the fourth quarter we operated at an annualised run rate of over 72 million tonnes per annum on 100% basis.

Although the La Nina cycle is behind us, we still encounter wet weather events regularly. Our investment in recent years on additional water storage capacity and pumping equipment now gives us a far greater ability to resume operations if there are heavy rain events.

[Slide 13]

Our attributable saleable coal production increased 14% to 33.4 million tonnes. This also included a 32% uplift from first half to second half, a fourth quarter annualised run rate of almost 39 million tonnes per annum demonstrated that most of our mines were operating around capacity.

As expected, our three large scale Tier-1 open cut mines drove our production performance during 2023.

While we rebuilt much of the mining inventory in 2023, elements of the mine recovery plan still require further efforts over the coming months to ensure we continue operating around at our second half levels.

[Slide 14]

Cash operating costs were $96 per tonne, however as I mentioned earlier, they were down to $86 per tonne in the second half – a 21% improvement from the first half. While we are aiming for our cash operating costs to return to prior year levels, the days of producing coal with cash operating costs in the $60 to $70 per tonne range are behind us.

Cost inflation factors including labour, explosives, electricity and spare parts which we incurred over recent years and are largely embedded in our cost base and may only partially unwind, if at all.

Operating costs also escalate naturally as mines mature, typically resulting in higher strip ratios and increased haulage distances. That said, we have reestablished our position at the low-end of the operating cost curve where we see our natural competitive advantage.

[Slide 15]

Turning to Slide 15 we see the benefit of maintaining low cash operating costs. Our implied operating cash margins for the year was $115 per tonne. Excluding the record performance in 2022, this was a notable achievement.

Keeping costs under control during periods of elevated coal price is more challenging than when prices are low, although not readily apparent in the full year cash trading cost figure. It was a very good outcome with the context of the overall coal sector.

State royalties may have declined from 2022 in line with lower coal prices, but $21 per tonne on 33 million tonnes of sales, resulted in Yancoal paying almost $700 million to the New South Wales and Queensland State Governments.

From 1 July 2024, we will be subject to a 2.6% increase in New South Wales state government royalty rates on sales made by our New South Wales mines.

Reestablishing our large-scale low-cost production profile enables us to operate through all points in the coal price cycle.

[Slide 16]

Slide 16 has our operational guidance for 2024. We're aiming to produce at a level similar to the second half of 2023. Production will vary quarter to quarter due to mine plan sequences, longwall moves and planned maintenance, and there is likely to be a second-half skew to the production profile.

The 35 million to 39 million tonne attributable saleable production guidance allows for some downside disruption events, and as the year progresses, we may tighten the low-end of the range if nothing materialises.

We aim to bring the cash operating cost per tonne down from the full year 2023 level and are aiming for $89 to $97 per tonne. This range allows for ongoing cost inflation, the continued use of additional temporary equipment to complete mine recovery plans as well as scheduled equipment life-cycle maintenance activities.

Our capital expenditure guidance is $650 million to $800 million dollars and includes some of the 2023 budgeted activities that slipped into 2024.

Throughout the year we will continually balance volume, product quality, efficiency metrics, operating costs and capital expenditure to deliver the best possible outcome.

[Slide 17]

Slide 17 provides an overview of Yancoal's 2023 financial performance. While key items in the income statement are lower compared to 2022, it must be remembered that 2022 was an exceptional year. When looking at the cash flow statement, initially the 81% fall in the operating cash flow stands out, but as I pointed out at the Half-year results, this is after a tax payment of $1.4 billion due to our record earnings in 2022. In 2023 we made monthly tax payments on our earnings rather than one large tax payment.

As noted at the start of the call, we held $1.4 billion in cash at the end of the year. We also have accrued $1.8 billion in tax franking credits. I'll speak to the franked dividend payment in a coming slide.

[Slide 18]

The two charts on this slide show the correlation between realised price, revenue, operating EBITDA and the operating EBITDA margin. Given our production and operating cost profile, realised coal prices will almost always be the primary driver of our financial results. $3.5 billion of operating EBITDA and a 46% EBITDA margin are excellent outcomes and puts Yancoal on the 12-month trailing [EV] to EBITDA ratio of about 2 times.

[Slide 19]

The Profit After Tax and operating cash flow tend to replicate the revenue and EBITDA profiles. The stepdown in the operating cash flow incorporates the large one-off tax payment I mentioned earlier, the cost and aspect of paying cash acts as franking accumulation, also mentioned a moment ago.

[Slide 20]

The Board elected to repay the last of our interest-bearing loans during the first half of 2023 and in total we have repaid more than US$3 billion of loans since late 2021. The loan repayments made over recent years have saved us almost $300 million in finance costs this year alone.

The small difference between the cash position of $1.4 billion and the net cash position of $1.25 billion primarily relates to lease liabilities recognised on mining equipment.

[Slide 21]

Once again Yancoal will be returning cash to shareholders via a fully franked dividend. Franking credits eliminate withholding tax from distribution to shareholders outside Australia.

The Board has allocated $429 million to the 2023 final dividend. This is $0.325 per share, combined with the $0.370 per share interim dividend, this is a 50% payout ratio for 2023 and represents a notional 14% yield when calculated on the ASX year end share price of $4.95.

Including the final dividend we have distributed to shareholders $2.5 billion of unfranked and $1.8 billion of franked dividends, a total of $4.4 billion. This total is 67% of our $6.5 billion year end market capitalisation or closer to 80% if you add back the franking credits.

The remainder of the slides contain appendices and additional information for reference, which I do not intend to speak to.

I will now hand back to Carmen so that we can commence the question-and-answer session. Thank you.

Operator: Thank you. A reminder to our audience if you have a question, please press star one one to get in the queue. To remove yourself from the queue press star one one again. One moment.

Brendan Fitzpatrick: Thank you, Carmen. I'll start taking some of the questions submitted via the webcast.

One of the first questions we have asks if we have any comment on the 2024/2025 forecast for coal price and how it relates to our cost profile.

David Moult: Yes. Thank you for that question and I might get Mark Salem to comment as well.

The coal market, as we said during the presentation, we believe is fairly balanced. It has come back from its exceptional highs a couple of years ago, but we still see the market is strong, the demand is still strong across the Asia Pacific region, so we think there is significant support there to maintain coal prices at reasonable levels throughout 2024 and 2025.

What I might do is ask Mark if you'd like to comment and add any other comments on your view on the coal price.

Mark Salem (Executive General Manager – Marketing and Sales): Yes, thank you David. Look, I support all the comments you just made, David, that we have strong demand. I think the big concern is going to be the supply coming through in terms of everyone improving their production following the 2022 and 2023 years. That's something that we've just got to watch very carefully and that's why, at the moment, the prices have flattened out and that's likely to continue as the market remains relatively balanced.

Brendan Fitzpatrick: Thank you, Mark. Thank you, David. The next question we have asks us to reconfirm the dividend yield.

Perhaps Kevin, I could ask you to comment on the dividend yield. Thank you.

Kevin Su: Thanks. As we mentioned in the presentation, the payout ratio is 50% and notional yield is 14% when benchmarked against the $4.95 share price at the end of 2023.

Brendan Fitzpatrick: Thank you, Kevin. A follow up question. Can we provide a comment on Yancoal's intentions for the cash that remains on the balance sheet. Do we have any observation on the prospects for M&A, whether it be coal or other commodities?

David Moult: Thanks. I'll pass a comment to start with, and again I'll hand over to Kevin to comment further.

On your last point on the M&A our team is very active and working extremely hard and we're looking at opportunities all the time. Having cash available to support that is always useful, so we're working very hard on that side of it.

I'll let Kevin comment on capital management, but it's like everything else, we repaid all our debt, we've returned significant funds back to shareholders, we've taken a prudent position at the moment in balancing our finances and our cash because as we go forward, as you know, we're a cyclic market and sometimes things change and we could very quickly be in a market where our margins are squeezed very, very tightly. Kevin, Do you want to add any further comments to that?

Kevin Su: Thanks David. I just want to confirm the our position about the cash balance of $1.4 billion at the end of 2023, which is very high, we agree, and we can confirm we never intend to have very lazy balance sheet.

As David mentioned, normally the capital management covers three areas, where we pay our debt, we distribute our dividend to our shareholders and then we fund our growth projects. Now we've fully repaid our loans, we believe we still provide a very decent yield to the shareholders, but we have to realise there's a challenge funding market for a coal companies like Yancoal, so that's why with the growth scenarios, for the management to pursue the other opportunities, we think it is prudent to keep a good cash balance in our balance sheet. Thank you.

Brendan Fitzpatrick: Kevin, we have a follow up question on dividend policy. You mentioned we've paid out to the policy. The question from Alan is, has the Board considered any modification to the dividend policy?

Kevin Su: Thanks Alan. First of all, we confirm we paid the dividends as per the policy, but so far, as we know at the Board level, for now, I don't think we've been talking about changing the current practice.

Brendan Fitzpatrick: Moving on to another question. Looking at the production profile, what percentage of coal was linked to the Newcastle 6000 kilocalorie benchmark in 2023 and will that vary going into 2024?

David Moult: I think that's one for you Mark.

Mark Salem: Yes, thanks David, thanks Brendan. The variation will depend on production, but they'll be very mild variations. At the end of the day, approximately 40%

of the thermal coal production we have is linked to GC Newc or based off GC Newc and the balance is linked to API5.

Brendan Fitzpatrick: Thank you, Mark. Continuing on the concept of coal markets and product, is there a thinking that Yancoal will have to increase its met coal production or assets as a portion of total coal produced and how will the Company possibly achieve this if they wanted to move in that direction?

David Moult: Thanks Alan. I think we've always had a stated target of increasing met coal percentage and that's still the same and we would still be very interested to add further met coal assets to our portfolio.

We monitor very closely what's going on and what is available; and we look at the opportunities as they arise. If there was the opportunity, then we would be looking very closely at it, so our position has not changed on that. Yes, it would suit us to increase that percentage of met coal.

Brendan Fitzpatrick: Thank you, David. On that topic of production profile and assets in the portfolio, a question asks where Yancoal sits on the cost curve in relation to peers at home and abroad.

David Moult: Thanks Stewart. I haven't seen the latest figure, but I do see what other companies announce publicly and their cost guidance; and this would suggest we are, if not the lowest cost producer in Australia, certainly one of the lowest cost producers or very close to being the lowest cost producer. That's purely based on what we can see – the same as you would do, from what's publicly available.

It's very difficult to benchmark yourself with overseas producers for lots of different reasons and I mean, Australia is not a low-cost environment when it comes to employment and labour and everything else that goes with it, so it's very different, but we, from a seaborne coal producing company that produces a good quality coal – I'm not now talking about Indonesian type coal. We're now talking about GC Newc coal, I would suggest we're still a very, very competitive producer, even if you look at us on a global scale, but certainly from an Australian scale, we are if not the lowest one of the lowest producers in Australia.

Brendan Fitzpatrick: Thanks David. Another question on the topic of the cost profile. This one from Sara Chan at Morgan Stanley. Sara's looking for some more insight on the cost guidance for lowering costs in 2024 relative to 2023 and an observation on that sequential trend through the second half of 2023, and how we carry that forward into 2024.

David Moult: Thanks Sara. What it shows you, I think, if you look at last year's performance, is how big an impact volume has on our operating costs and that's basically what happened. We came out of a high inflation period, or we're coming out of a higher inflation period, but the main driver of our efficiency is our volume and that's what really pushed our costs down to that $86 per tonne in the second half of 2023.

As we said earlier on, as we get into 2024 our object is to keep our minds operating at the upper performance level which we were doing during that second half of last year and we're looking to do that this year. We'll continue the drive to take real costs out of the business, but the main driver is to get our volumes up and keep driving productivity that we did in the second half of 2023 as we go through 2024.

Now, there is always the possibility of unforeseen events, like weather, and yes, we've been having some small weather events, but nothing compared to what we had a few years ago, so it's on the assumption that we have a normal type of year when it comes to weather, or external pressures and I would see that continual improvement coming through over 2024.

Brendan Fitzpatrick: Thank you, David. Carmen, could we take the opportunity to check for questions on the phone line?

Operator: All right, the line comes from Wayne Fung with CMBI. Please go ahead.

Wayne Fung: (CMBI, Analyst) Hi, thanks management. This is Wayne. My question is more on the cost side you just described. Can I say, regarding the guidance, is it largely related to the production volume change? And what about other factors, like the diesel price and other moving parts. What's your assumption for inflation in this guidance and also for the CapEx? There is expected to be an increase of up to 30% in the CapEx, so which projects would you spend the CapEx on? Thanks.

David Moult: Okay, thanks Wayne. On the costs one, just to reiterate what I said, yes, a lot of it is to do with volume, but also, we put on additional costs over the last year to recover our mines from the low inventory level we had after the bad weather.

As this year progresses, we'll be looking at removing some of those additional costs from our operations as well, so we've got a volume impact on unit costs, which I think will be very positive, but also as we start to get ourselves back to our normal operating inventory levels, then we'll be removing other costs from each mine and mainly from our big mines, because it at three big Tier-1 mines that we've put on additional equipment to achieve that recovery.

On the CapEx side, if you remember in 2023, we had a guidance higher than where we actually came in on our spend, so there is a rollover of capital expenditure from 2023 into 2024. The majority of that forecast is associated with updating our mining fleets. We change our equipment based upon operating hours on a time-based system and at our big mines – and I think we've talked about this at previous calls last year - at our big mines at Mount Thorley and Hunter Valley Operations, when we bought them, they'd had no capital spent on them for many, many years.

So, both we are in a process of upgrading equipment and that will continue in this year. It's sustaining capital, the majority of it is associated with refreshing our equipment and bringing new equipment in at our large Tier-1 operations.

Wayne Fung: (CMBI, Analyst) Thanks. Very clear, thank you.

Brendan Fitzpatrick: Going back to the webcast questions and the topics of dividend and capital management. There are two questions here. I'll combine them, Kevin. The first one is an observation that the second half dividend was lower than the first half. Could we comment on the split between the two dividends through the 2023 year? An extension on that topic of dividends, the question before was already asked about the change in the dividend policy to a higher level, but also the comparative options of dividends or buybacks for alternates uses of capital as we contemplate use for the balance sheet.

Kevin Su: First of all, the question relates to the first half and the second half and actually in 2023 this was very straightforward. It is simply based on 50% of NPAT, so the first half NPAT was higher due to better prices that we have received, as a result we distributed more in the first half and accordingly the second half also strictly followed the 50% NPAT payout ratio as I mentioned earlier.

Then, just to continue on this dividend distribution, one thing I want to remind here, Yancoal's commitment is not only 50% NPAT, we actually have a policy for 50% of NPAT or 50% of free cash flow, whichever is higher. In 2023, the year happened to be the NPAT is a lot higher than the free cash flow and as a result, we chose the higher option. In certain years Yancoal did distribute higher than 50% payout ratio because basically in that year free cash flow was higher.

As for the buyback, I think this question was asked to David previously. I will maintain the comment to the investors, Yancoal only has around 24% to 25% of freefloat across all the shareholdings, we were intending to avoid share buyback to try to back and improve our freefloat and our shareholder structure. Thanks.

Brendan Fitzpatrick: Thanks Kevin. One question is asking for confirmation with the dividends. Are they still withholding tax-fee and does our policy provide for fully franked dividends continue into the future?

Kevin Su: To confirm, yes, the dividend is fully franked. Of the whole 2023, $924 million dividend total distribution, all are fully franked. As well, when we have disclosed in this announcement that Yancoal has about a $1.8 billion credit balance and this franking credit balance is more than sufficient, to support very sizeable future of fully franked dividend distribution; and we confirm Yancoal still continuously pay tax to the Australian government, which means the franking credit will keep accumulating. Thanks.

Brendan Fitzpatrick: Returning to the topic of mergers and acquisitions, we mentioned that concept earlier. One of the shareholders is curious to know if we're primarily focused on coal assets, non-coal assets, or potential renewable energy scenarios.

David Moult: Thanks Ross. Regarding Renewables, at the moment we are actively looking at an organic site which and we're looking at building potentially a renewable energy hub on, so we're not actually out there looking to acquire energy companies, but we're looking at repurposing one of our sites for renewable energy.

On the other, which is met coal assets, coal assets and other minerals, Yancoal looking at both. Met coal, will be easier for us because it fits with our portfolio. We are coal mining company and we've got a lot of expertise in that area, and we'll continue to look for opportunities as they arise. We're also looking at our organic growth, and people may remember a few years ago we had a potential underground project that we're re-evaluating currently which would give us some more organic growth in the coal sector as well.

On other minerals, we've been building our knowledge base and understanding, and trying to really get that intelligence into building, and we'll continue to look. If opportunities arise, we would be interested and potentially would look at moving on them.

We're not intending to bite off more than we can chew. We are very sensible with what we're doing. It's really looking at a way of diversifying the Company in a sensible way to add value to shareholders, but as with all M&A it has to be accretive and really it has to be something that gives – that adds shareholder value.

Brendan Fitzpatrick: Thank you, David. Continuing on that theme, are any restrictions that would apply to Yancoal's potential growth scenarios, in the context of how our current portfolio of assets is positioned with regard to mine life from the existing reserves and resources.

David Moult: Okay. No, I don't see any restrictions. There are some countries in the world where their foreign investment review process may be easier than others. We do have a 60% majority shareholder, as you're aware, so we have to be aware of that consideration, but in Australia we don't think that is a major concern and certainly we don't see it as something that should stop us in the future.

What was the second one again?

Brendan Fitzpatrick: How does it relate in terms of our existing portfolio of assets, the reserves and resources in the mine life.

David Moult: Well, mine life, as with a lot of Australian companies, as we get towards 2040 the number of operating mines in Australia are going to shrink quite considerably. Not just Yancoal, I mean that's across the whole of the industry, because there are no new mines being developed at the moment and of course, if there were, the financing of new coal mines in Australia is very difficult as well.

With our own profile, Hunter Valley Operations is our longest life mine and has a life well past 2040. The other mines start to come towards the end of their reserve life as we get towards 2040.

One of the drivers for us, that's related to your question, is to get replacement capacity coming onstream so that we've got continuity of business going into the future.

That's what we're really looking for at the moment and that is really bringing on new opportunities as we can get them to ensure that as some of our older mines start to come to the end of their life, we're replacing that capacity to maintain and sustain Yancoal into the future.

Brendan Fitzpatrick: Thank you, David. Could you reiterate our focus for the coming 2024 year and our primary objectives?

David Moult: For the 2024 year our focus really is to re-establish all of our mines at their optimum production levels and we always push our mines to their capacity. When we're talking about optimum production levels, we're talking about either reaching our approval capacity or our operating capacity at our operations.

Our focus this year is really to get volume up and reestablish Yancoal exactly where it was prior to the rain events of the last couple of years.

Brendan Fitzpatrick: Thank you. On the topics of the dividend, one of our shareholders has made the observation that the franking balance would support a special dividend or an additional dividend. Do we have some comment on the utilisation of the franking credits at this time, or looking forwards?

Kevin Su: For year 2023 I think the position is very much confirmed at $924 million in total fully franked. For the future years, I can't make comments. It really depends on the future priorities.

We at Yancoal appreciate the kind of changing and difficult debt financing environment and we also focus on the growth opportunities. We believe that if the Company wants to grow we have to make sure we have sufficient liquidity to support such growth.

So, for that reason, for now I think the current distribution of dividends is prudent, but I will remind be open to all options in future. Thank you.

Brendan Fitzpatrick: We've got a question related to our production profile expansion and if the New South Wales Biodiversity Conservation Act of 2016 has impacted expansion in any of the New South Wales to a significant extent.

David Moult: Thanks for the question. I'll just pass a very quick comment, but I might ask Mark Jacobs, who is on the line, who looks after all our approvals and government relations to comment as well.

My answer is, no it hasn't, I don't believe, constrained any of our current operations and we've not seen any major impact. It's like all of these types of changes to legislation though, it puts another layer of difficulty in there when it comes to achieving approvals for new production.

So, Mark, is there anything you want to comment on?

Mark Jacobs (Executive General Manager – Environment and Community): Yes, I confirm that biodiversity changes have not impacted any of the current operations or any of the current approvals, but it adds a layer of complexity to forward looking approvals and is likely to be more time consuming to obtain those forward approvals. But we don't see any issue, any impacts, to current operations to operations in the near term.

David Moult: Thank you, Mark.

Brendan Fitzpatrick: I have one last question on the webcast; the question coming through relates to the renewable energy hub that's potentially considered. Is it too early to comment on a CapEx profile at this time given the stage of assessment?

David Moult: I think the easy answer is yes. We are half-way through the feasibility. We're still doing geotechnical drilling work. The details of that feasibility will ultimately drive the design which will ultimately drive the capital profile.

I think, yes, it is a bit early for me to comment on the capital profile for that project at the moment.

Brendan Fitzpatrick: Understandable. Thank you, David. I don't see any other questions coming through on the webcast. I have confirmation from Carmen no more questions on the phone line. David, could I hand back to you for closing comments?

David Moult: Thank you, Brendan. I'd like to thank everybody for your time this morning. I think listening to Yancoal's 2023 performance – it was a good year for us. It was a recovery year, we said it would be, but we achieved everything we said we were going to achieve and we go into 2024 with a momentum that I would see that we will continue to drive us back to that performance level that we had pre all the rain events of the previous year.

As always, Brendan Fitzpatrick is available to assist with further enquires, his details are on the presentation if you have any questions.

We had some good questions this morning and a good diversity of questions, so I'd like to thank everybody for your involvement and look at an excellent 2024.

Brendan Fitzpatrick: Thank you, David. Carmen, could I hand back to you to close the webcast please?

Operator: Thank you everybody for participating in today's conference. You may now disconnect.

End of Transcript