

Clean Energy Regulator
GPO Box 621
Canberra ACT 2601

RE: Yarrabee Coal Mine (open cut) Surrender Carbon Unit Written Explanation

Dear Safeguard Team,

In response to the total amount of Australian Carbon Credit Units (ACCUs) being surrendered, including any that have already been surrendered for the monitoring period, being equal to or greater than 30% of the facility's baseline emissions number for the monitoring period we provide the following.

Currently there is no commercially viable or proven technology to abate fugitive emissions from open cut mines. Yancoal is working proactively with relevant industry bodies including Australian Coal Association Research Programme (ACARP) and Low Emission Technology Australia (LETA) in this regard.

We are exploring diesel emission reduction opportunities with our key suppliers.

Yancoal has purchased ACCUs, as one element of its approach to meeting its obligations under the Safeguard Mechanism. Yancoal will continue to assess options aiming to meet regulatory emission reduction obligations.

Yours sincerely,



Mark Jacobs

EGM, Environment & External Affairs