

NARRABRI MINE

NEWSLETTER N⁰³

SUMMER 2014

FROM THE GENERAL MANAGER

Welcome to Whitehaven Coal's latest Narrabri Mine community newsletter.

Since the previous newsletter Narrabri Mine has completed the extraction of the first Longwall panel and we are now well advanced in the second. Extraction of the third panel should commence early in the New Year. Productivity has continued to improve such that the mine is now delivering its planned 6mtpa capacity. Unfortunately, the world coal market remains weak with low prices and high Australian dollar severely impacting profitability.

Recruitment through 2013 has remained strong. A significant number of FIFO contract jobs have now been filled by permanent employees living in the Narrabri/Gunnedah region. In total the mine has 225 permanent employees. You may have also seen the Whitehaven advertisements recently for the next round of cadetships, traineeships and apprentices to be offered at our operations in the north-west. This forms part of Whitehaven's commitment to training and retaining local people.

If you have any questions about the mine and its operations we encourage you to contact us directly or talk with the members of the Community Consultative Committee (CCC).

Contact details are provided on Page 2.

Regards,

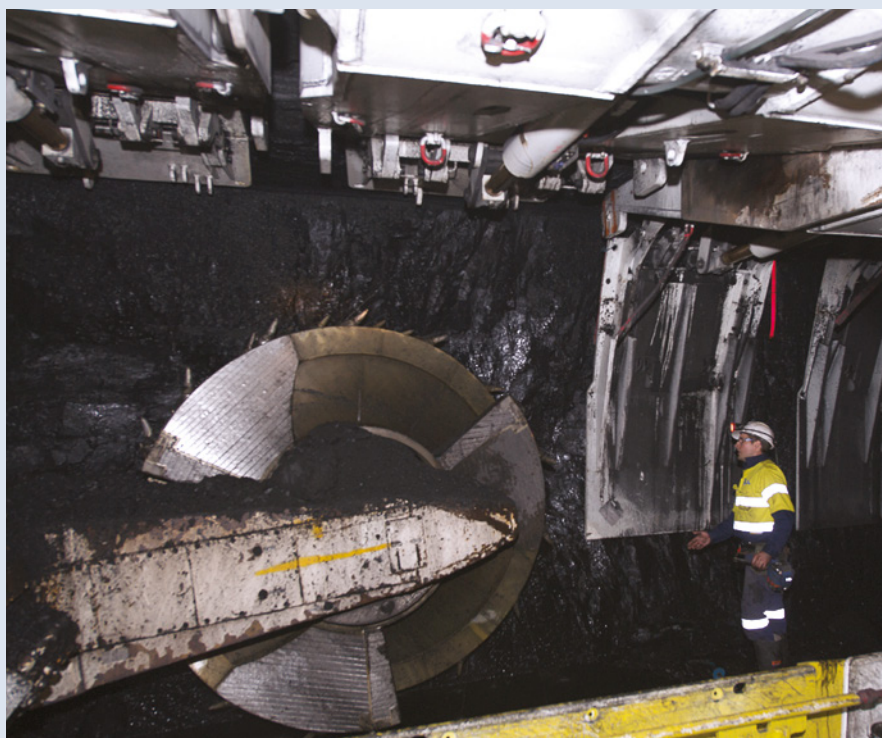
Steve Bow

General Manager — Narrabri Mine

CONSTRUCTION AND PRODUCTION UPDATE

The construction of all surface infrastructure is now complete with the expansion of the run-of-mine (ROM) coal pad to 300kt completed during early 2013. Narrabri Mine has also commissioned the Stage 1 crusher. The crusher has been upgraded to include a screen which allows an additional 1,000t/hr of coal processing.

The amount of ROM coal produced during FY 2013 was 3.68Mt and relates generally to the coal extracted from the first Longwall Panel (LW) 101. For life of mine to 30 November 2013 - 2.72Mt of ROM coal has been produced. On an annualized basis this equates to a production rate of approximately 6Mtpa which is the intended production rate for the Narrabri Mine.



SPONSORSHIP

Whitehaven Coal's Narrabri Mine continues to sponsor local events during the year with more than \$8,500 directed to projects which benefit the broader community, including a donation of \$5,000 to the Nosh on the Namoi. The Narrabri Mine is also a proud supporter of the 2013 Narrabri BEST Business Awards and The Courier's 'Live and Learn Locally' promotion.

These sponsorships are in addition to the community funding committed to under the approvals process, which included more than \$1.5M toward community assets such as the Narrabri Aquatic Centre. In FY 2013 Whitehaven's total sponsorships, including Narrabri and its other mines were well over \$130,000, and a further \$26 million was committed under Voluntary Planning Agreements.



SUBSIDENCE

Narrabri Mine has an extensive subsidence monitoring programme developed in consultation with the relevant Government agencies which is used to gain a better understanding of subsidence development at the Narrabri Mine. Subsidence monitoring lines consist of star pickets driven into the ground every 10m and then frequent surveys of these star pickets is undertaken during subsidence. A summary of the results of the monitoring undertaken for the first Longwall Panel is included below:

- Maximum subsidence, i.e. change in elevation, recorded was 2.606m;
- Maximum tilt, i.e. the rate of change of subsidence, recorded was 46.2mm/m;
- Maximum tensile strain, i.e. an increase in the distance between two points, recorded was 20.7mm/m;
- Maximum compressive strain, i.e. a decrease in distance between two points, recorded was 26.6mm/m; and
- Maximum angle of draw, i.e. angle from the extraction limits to the 20mm subsidence contour, recorded was 23.2°.

The maximum subsidence measured was within 10% of the predicted level for LW101 and the other parameters were within the predicted levels for LW101.

The subsidence referred to above is at the Narrabri Mine site and no other property was impacted.

Greylands Road, a public Road that traverses Longwall Panels 101 to 105, has been managed by Narrabri Mine in consultation with Narrabri Shire Council (NSC). The road is closed during periods of active subsidence then remediated as required and re-opened. Narrabri Mine intends to purchase this road from NSC as impacts will continue to occur for an extended period of time.

The only other public infrastructure within the subsidence area of Longwall Panels 101 to 105 is an 11kV power line that supplies electricity to two mine owned residences. This line is currently disconnected and alternative power is now used at these two properties.



CONTACT DETAILS

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COMMUNITY ENQUIRIES

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COMMUNITY CONSULTATIVE COMMITTEE MEMBERS

Mr Terry Miller (Independent Chair), Narrabri,

Mrs Sally Hunter, Boggabri;

Mr James Steiger, Baan Baa;

Mr Peter Webb, Baan Baa;

Mr Mark Foster, Baan Baa; and

Cr Catherine Redding, Narrabri Shire Council Representative.

GENERAL ENQUIRIES

(02) 6794 4755

COMPLAINTS HOTLINE

0447 934 755

FOR MORE INFORMATION PLEASE VISIT

www.whitehavencoal.com.au

