



# ROCGLLEN / VICKERY UPDATE

## NEWSLETTER

SUMMER 2014

### VICKERY COAL PROJECT APPROVED

The Vickery Coal Project was approved by the NSW Department of Planning and Environment on 19 September 2014 with the Department imposing strict conditions of approval covering noise, dust, biodiversity and heritage controls.

The approval is for a project that can produce 4.5Mtpa ROM coal, with the coal to be transported along an existing haul road to Whitehaven's Gunnedah Coal Handling and Preparation Plant (CHPP). With infrastructure already in place, the Vickery project will become a low cost start-up for Whitehaven. Timing for start-up is still to be determined but is unlikely to occur before the company's flagship Maules Creek Project is fully ramped-up to its 13Mtpa ROM rate.

Terms have been agreed with both Narrabri and Gunnedah Shire Councils for Voluntary Planning Agreements which will see the operation pay \$7.5 million to fund community services and local infrastructure in both Local Government Areas, with these payments to be made prior to the commencement of construction.

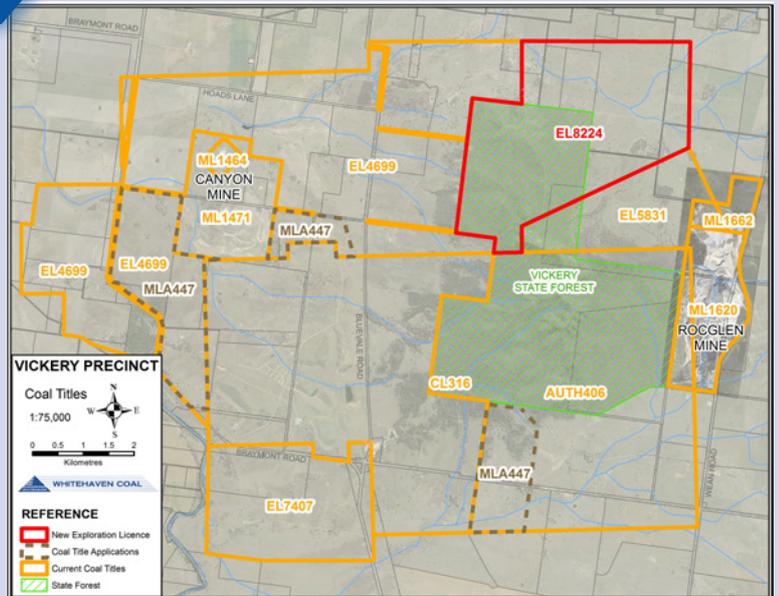
The approval by the Government followed the public exhibition of the Environment Impact Statement (EIS) and the consideration of the 23 public submissions provided in response to the EIS. The approval balances environmental, heritage and economic issues, as well as social considerations such as economic stimulus for the region and jobs for many of the region's families rely on mining and associated businesses for an income, with the overall view that the project is in the public interest.

The conditions imposed include a range of measures to reduce traffic impacts, including:

- The potential construction of a highway overpass, when combined haulage (with the Tarrawonga and Rocglen Coal Mines) exceeds 3.5Mtpa (million tonnes per annum), over the Kamilaroi Highway so that coal trucks would no longer need to cross the highway;
- The continuation of the road maintenance agreement with Gunnedah Shire Council; and
- Coal trucks are only authorised to utilise the existing haul route and will not be using other local roads.

The conditions of the consent require that a Community Consultative Committee (CCC) be formed for the Vickery Project. While there will be little to no activity at Vickery in the short-term, a CCC will still be formed. A requirement for this CCC will be that there is a common member with the Rocglen Coal Mine CCC. Whitehaven will initiate the process for the formation of the CCC shortly and in line with the Department of Planning and Environment's requirements.

Following the grant of the Vickery Coal Project Development Consent, a number of ancillary mining lease areas can also now be granted. These leases are for Mining Purposes only and will primarily be put in place to cover operations such as infrastructure locations and overburden emplacements. These are all within the boundaries of the Project and are covered by the Development Consent.



### WHITEHAVEN COAL FACTS AND FIGURES

Whitehaven is committed to building relationships with our local communities. We have a 15 year history in the Gunnedah region. Here are some facts and figures about the company and our role in the community:

We are an important local employer. Of our 655 full time employees, 75% live and work in the area of our operations in North West NSW.

Our workforce is set to grow further, surpassing 1,100 people in the next 5 years.

In 2014, our support for the local economy included paying over \$110.2m in salaries, wages, tax and superannuation to our employees (on a 100% joint venture basis).

Over the past year we have donated more than \$150,000 to local health and education activities along with multiple charitable and community groups.

In 2014, the Company paid \$70.8m in royalties to the NSW Government.



## ROCGLLEN UPDATE

Whitehaven's Rocglen Coal Mine has produced 0.28 million tonnes of ROM coal and 0.2 million tonnes of saleable coal for the quarter ending September 2014.

Importantly, more tonnes produced would not be appropriate if Whitehaven did not improve our safety performance. The company has achieved a 30% reduction in total recordable injury frequency rate (TRIFR) and a 42% reduction in lost time injury frequency rate (LTIFR) across all mines. At Rocglen the rate was zero for LTIFR and 5.23 for TRIFR, which is below the industry average.

To further improve these safety numbers, new Company-wide safety principles have recently been introduced, the Seven Safehaven Rules program, and all levels of leadership have been charged with driving awareness of these principles throughout mine operations.

An amendment to Rocglen's Mining Operations Plan was approved in September 2014. Work hours are unchanged in the plan. As part of the approved amendment, mining activity will be advancing south of the current area of operations enabling rehabilitation work to be completed on the northern waste areas. The mining area will also be reduced as part of an effort to reduce the mine's footprint.



## NEW EXPLORATION LICENCE GRANTED

In January 2014, an Exploration Licence (EL) to the north of the Vickery Project was granted to Whitehaven Coal Mining Limited by the Minister of Resources and Energy. EL8224 comprises 1,281 hectares. This tenement represents the northern extension of the Vickery underground coal resources identified in the late 1970's.

A Review of Environmental Factors, a Groundwater Monitoring and Modelling Plan and an Agricultural Impact Statement will be prepared and submitted for approval by the NSW Division of Resources and Energy before exploration can commence on the tenement. Once approved, exploration drilling is likely to occur over a number of three month campaigns.

## CONTACT DETAILS

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