VICKERY EXTENSION PROJECT

OVERVIEW.

Vickery means more local jobs, growth and a stronger future for the North West.

Subject to approval, the Vickery Extension Project (Vickery) will entail the construction of a new open-cut mine and associated on-site infrastructure (new coal processing plant and rail spur) about 25 kilometres to the north of Gunnedah, near two of our existing mines at Tarrawonga and Rocglen, and along a seam that contains some of the best quality coal in the country.

The area has already been extensively mined and there is an existing approval covering the site. Coal produced from the mine will be a combination of metallurgical and thermal products (60:40 split).

Critically, even though the Vickery footprint covers an area only slightly larger than the currently Approved Project, it offers significant additional economic and community benefits in terms of making Vickery, and our neighbouring operations, more efficient and more sustainable over the longer term, including the hundreds of jobs these operations support.

With a capital cost of about $700 million, Vickery represents the largest and single most important economic investment underway in the local area, and will create approximately 500 jobs during its construction phase and 450 jobs during operations over its 25-year life.

As with other Whitehaven projects, there will be substantial direct economic benefits locally, including $271 million in incremental disposable incomes that will help stimulate and support the local economy and businesses.

We estimate it will generate approximately 170 new jobs in locally based businesses that will provide contracting and mine-support services.

Over its 25-year life, Vickery will contribute $1.2 billion in net benefits to NSW including royalties to the NSW Government – money that will help fund schools, hospitals, roads and other state government priorities.

• The mine strikes the right balance between economic and environmental considerations and it is important to note that the vast majority of the Project Area has previously been extensively mined.

• There is already an existing approval covering the site for a 4.5Mtpa operation. Our new development application seeks to increase the size of the Project to an average of 7.2Mtpa over the 25-year mine life.