



Whitehaven Coal Limited

A Growth Company

UBS Australian Iron Ore & Coal Conference

Sydney, Australia
27 November 2013



WHITEHAVEN COAL

Disclaimer



Statements contained in this material, particularly those regarding the possible or assumed future performance, costs, dividends, returns, production levels or rates, prices, reserves, potential growth of Whitehaven Coal Limited, industry growth or other trend projections and any estimated company earnings are or may be forward looking statements. Such statements relate to future events and expectations and as such involve known and unknown risks and uncertainties. Actual results, actions and developments may differ materially from those expressed or implied by these forward looking statements depending on a variety of factors.

Agenda



Overview of Whitehaven

Narrabri Project Update

Maules Creek Project Update

Valuation

Outlook

History of Whitehaven Coal



1999	Whitehaven was established to develop the Canyon Mine (formerly Whitehaven Open Cut Mine)
2005	Werris Creek commenced construction
2006	Tarrawonga commenced production
2007	Remaining 60% of Werris Creek acquired
2007	ASX Listing of Whitehaven Coal
2008	Sunnyside commenced production
2008	Narrabri Mining lease granted
2008	Mining commenced at Rocglen
2009	Vickery Project acquired
2011	Merger with Aston Resources
2012	Longwall operations of Narrabri commences
2012	Acquisition of Coalworks (Vickery South, Ferndale etc.)
2013	Stable and supportive share register achieved
2013	Acquisition of Itochu's interest in Vickery South

Future of Whitehaven Coal



“Creating the Premier ASX Listed Independent Coal Company”

by transitioning from small open cut mines to large and highly productive Tier 1 coal mines



Founded on the Gunnedah Basin



Strong history of mining in the region

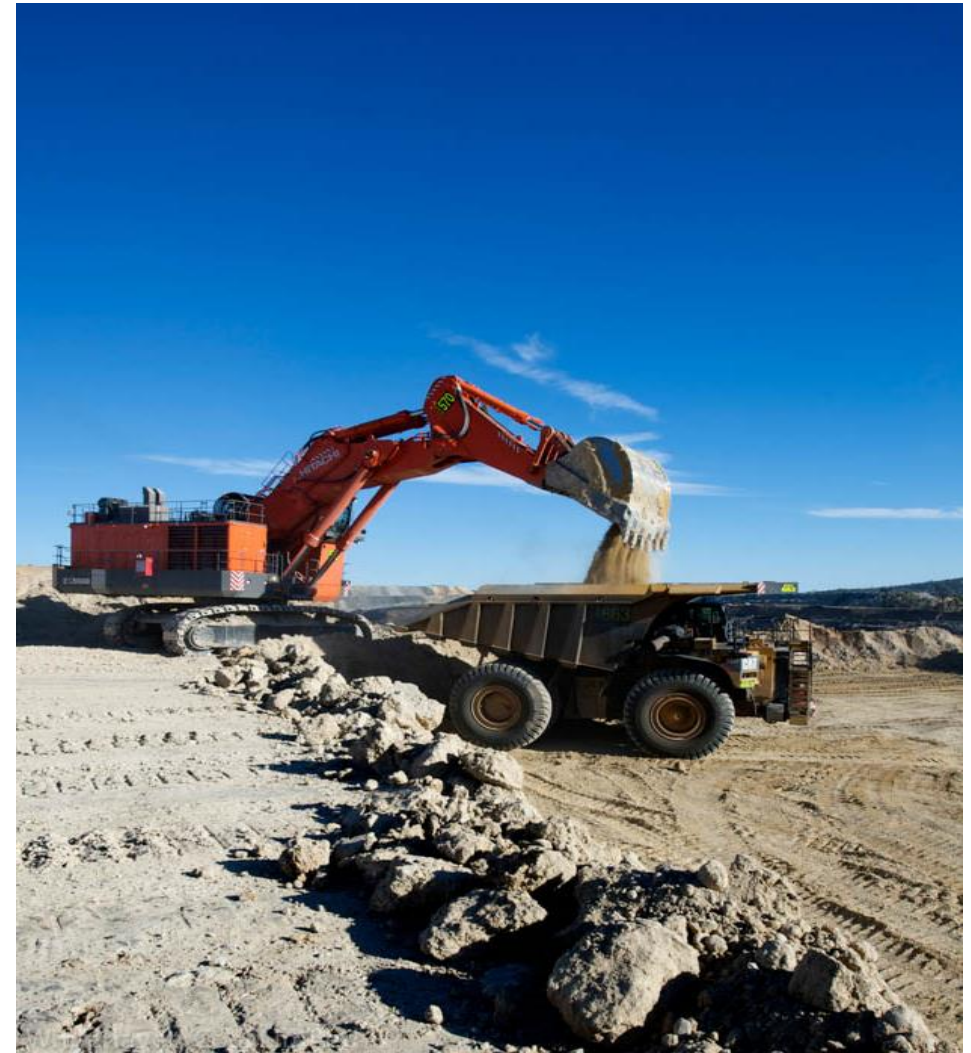
Existing infrastructure – rail connection to the largest coal export port in the world.

Local workforce and supportive communities

High quality coals compared to other emerging coal basins

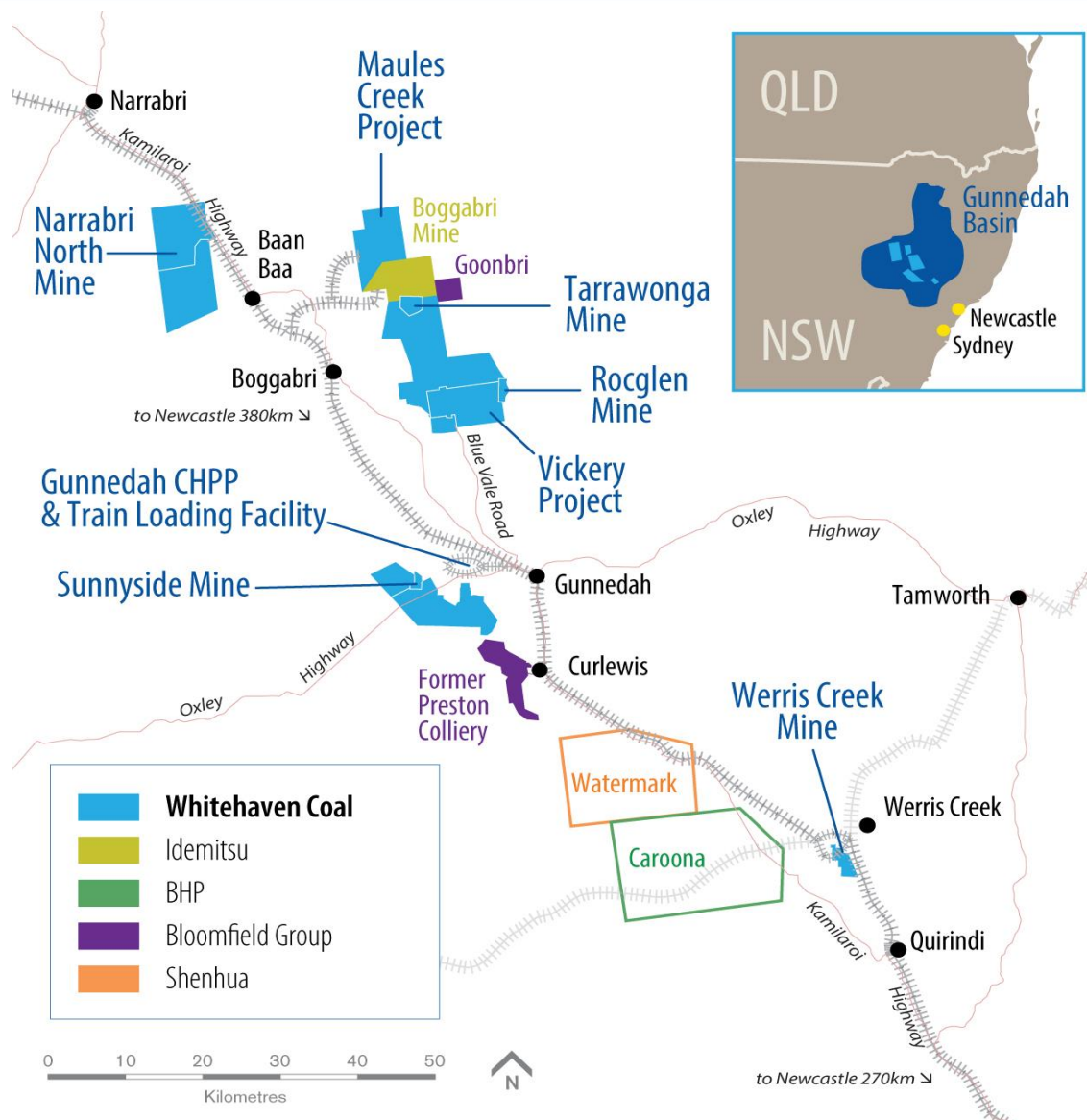
- High CV
- Low ash
- Low phosphorus
- Low sulphur
- Low washing losses
- Metallurgical properties

Whitehaven has consolidated the dominant position in the Basin



High quality coal in developed basin

Gunnedah Basin Assets



Maules Creek (75%)

- Reserves to support ~ 30 years
- Permitted & Planned : 13 Mtpa ROM
- SSCC and high energy thermal

Narrabri North (70%)

- Reserves to support ~ 25 years
- Permitted : 8 Mtpa ROM
- Planned : 6 Mtpa ROM
- PCI & low ash thermal coals

Tarrawonga (70%)

- Reserves to support > 20 years
- Permitted : 3 Mtpa ROM
- Planned : 2 Mtpa ROM
- SSCC and high energy thermal

Rocglen (100%)

- Reserves to support ~ 4 years
- Permitted & Planned to 1.5 Mtpa ROM
- Mainly thermal coals

Vickery (100%)

- Reserves to support ~ 30 years
- SSCC and high energy thermal
- Approval process commenced for 4.5 Mtpa ROM

Gunnedah CHPP (100%)

- Permitted to 4 Mtpa

Werris Creek Mine (100%)

- Reserves to support ~ 8 years
- Permitted & Planned to 2.5 Mtpa
- PCI and thermal coals

Largest coal producer in the Gunnedah Basin

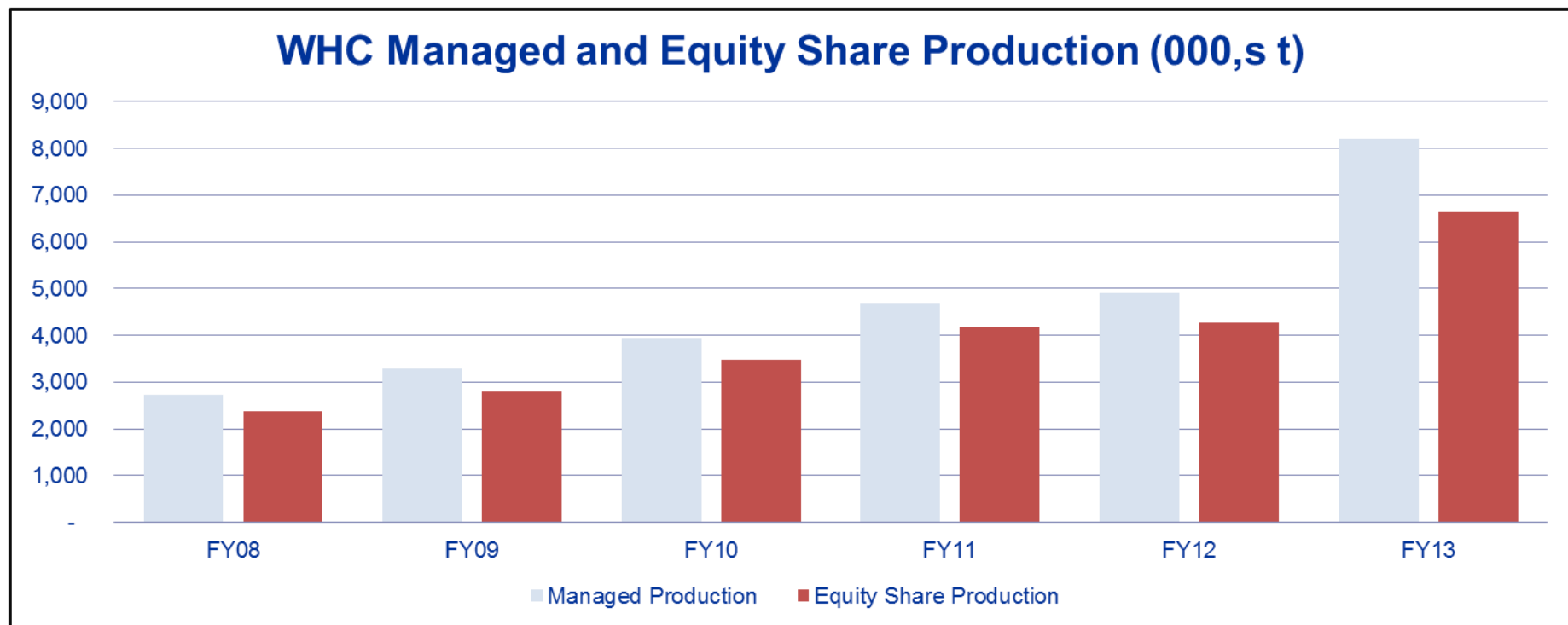
Historical Production Growth



Whitehaven has been growing its production for a number of years and expects further growth this year (FY2014) with managed saleable coal production expected to be about 10.7Mt (8.4Mt equity share)

The step up in FY2013 was due to the start of commercial production from the longwall at the Narrabri Mine

The loss of production from Sunnyside open cut mine (placed into care and maintenance) has been made up at other mines

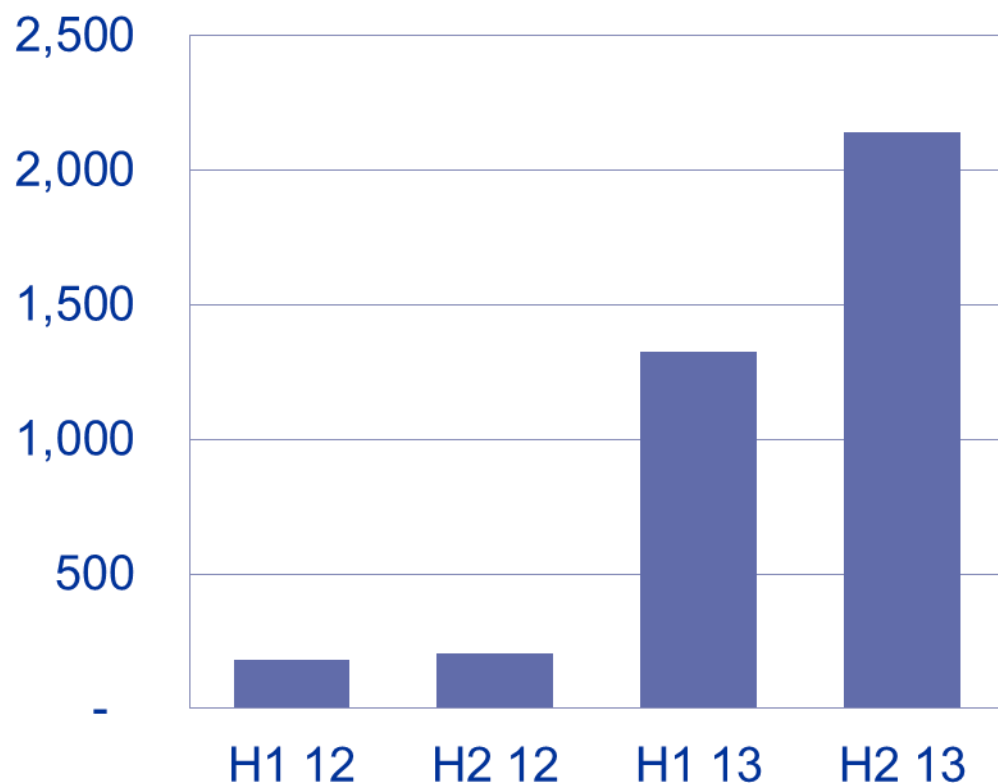


Production growth continues

Narrabri Achievements



Narrabri Half Year Production (000's t)



Oct 12	Longwall commissioned
Oct 12	CHPP mechanical completion and commenced trials of PCI into COREX markets
Feb 13	Sufficient mine development in advance facilitates the reduction in development units from 4 to 3
Apr 13	PCI coals successfully trial into COREX markets with term arrangements for ~ 1Mtpa
Apr 13	Achieved CHPP nameplate throughput of 1000tph
May 13	Achieved record weekly longwall production of ~ 160kt (annualised ~7.4Mt)
May 13	Achieved record mine development rates of 1400m in the month
Jun 13	Re-commissioning of the bypass circuit for thermal blending capability, doubling product handling throughput
Jun 13	First year of contract Joint Venture off-take agreements were fully delivered into
Jul 13	First longwall bypass coal sold
Jul 13	Following the completion of mining the 1 st longwall panel, the scheduled change-out into the 2 nd longwall panel was completed safely and on time and budget
Aug 13	Confirmation of achieving Newcastle Global Coal index coal specifications

Strong performance from Narrabri

Narrabri – Industry Leading Development



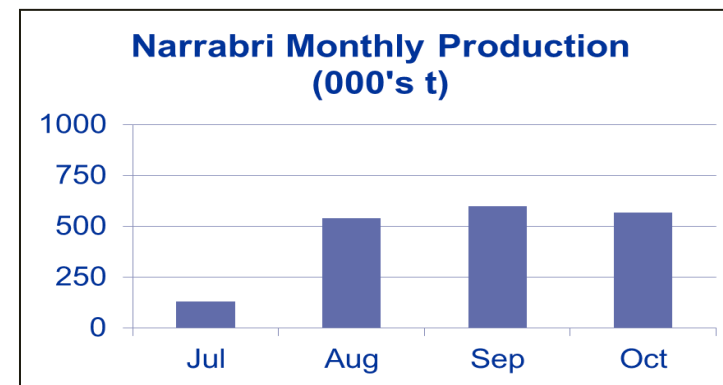
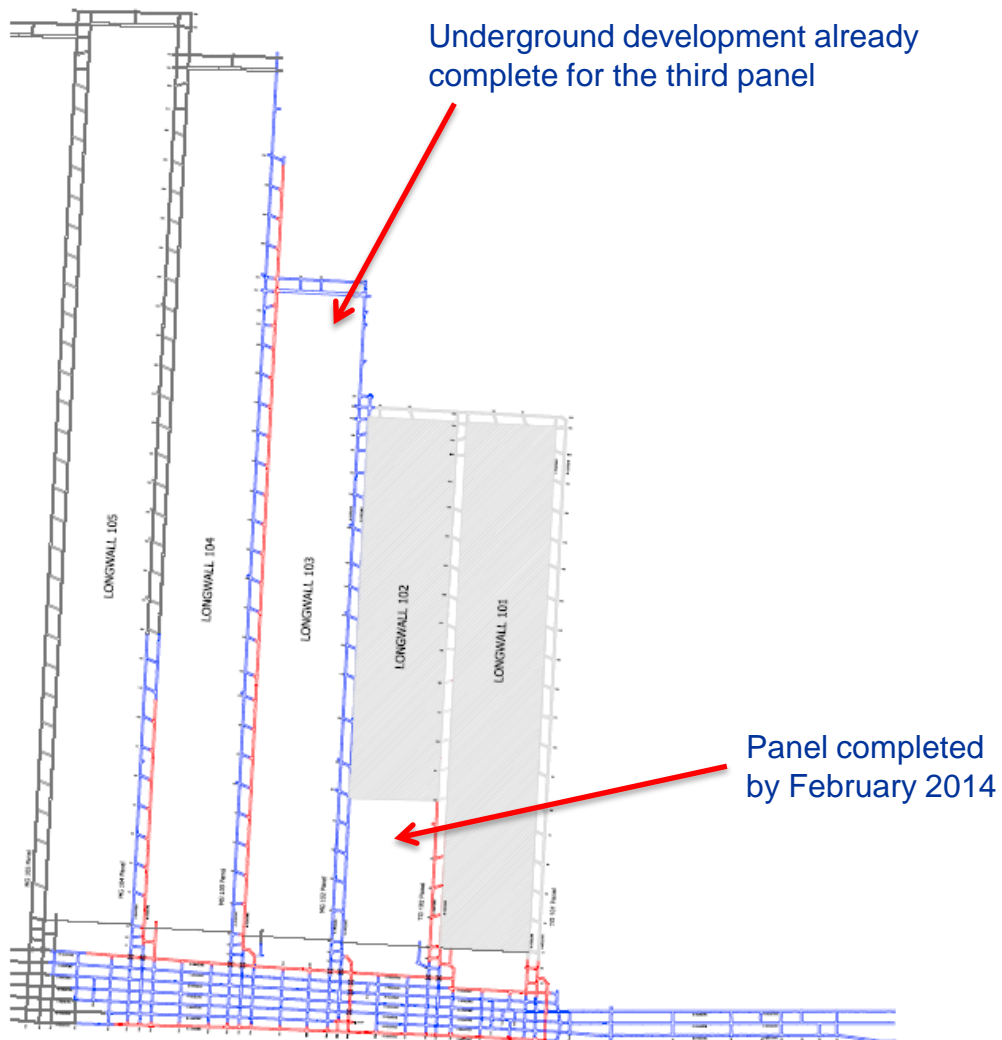
First longwall panel completed in June 2013

Mining in longwall panel 102 due to be finished in February 2014 with a 6 week changeout

Monthly production has averaged 570kt in the second panel (annualised 6.8Mt) and FOB costs for FY 2014 are expected to be less than \$67/t

Following resolution of the low energy levels in the thermal coal product, PCI production should increase to 850kt in FY 2014

Increasing panel length will limit longwall changes to one per year and lead to increased production from the mine in the future



LW panel 3 fully developed

Maules Creek the next Tier 1 Asset



Formal approval received in July 2013.

High quality Resources and Reserves can be mined at relatively low cost.

Situated 17km from the main railway line and 380km from Newcastle

Low strip ratio of 6.4:1 during the first 20 years

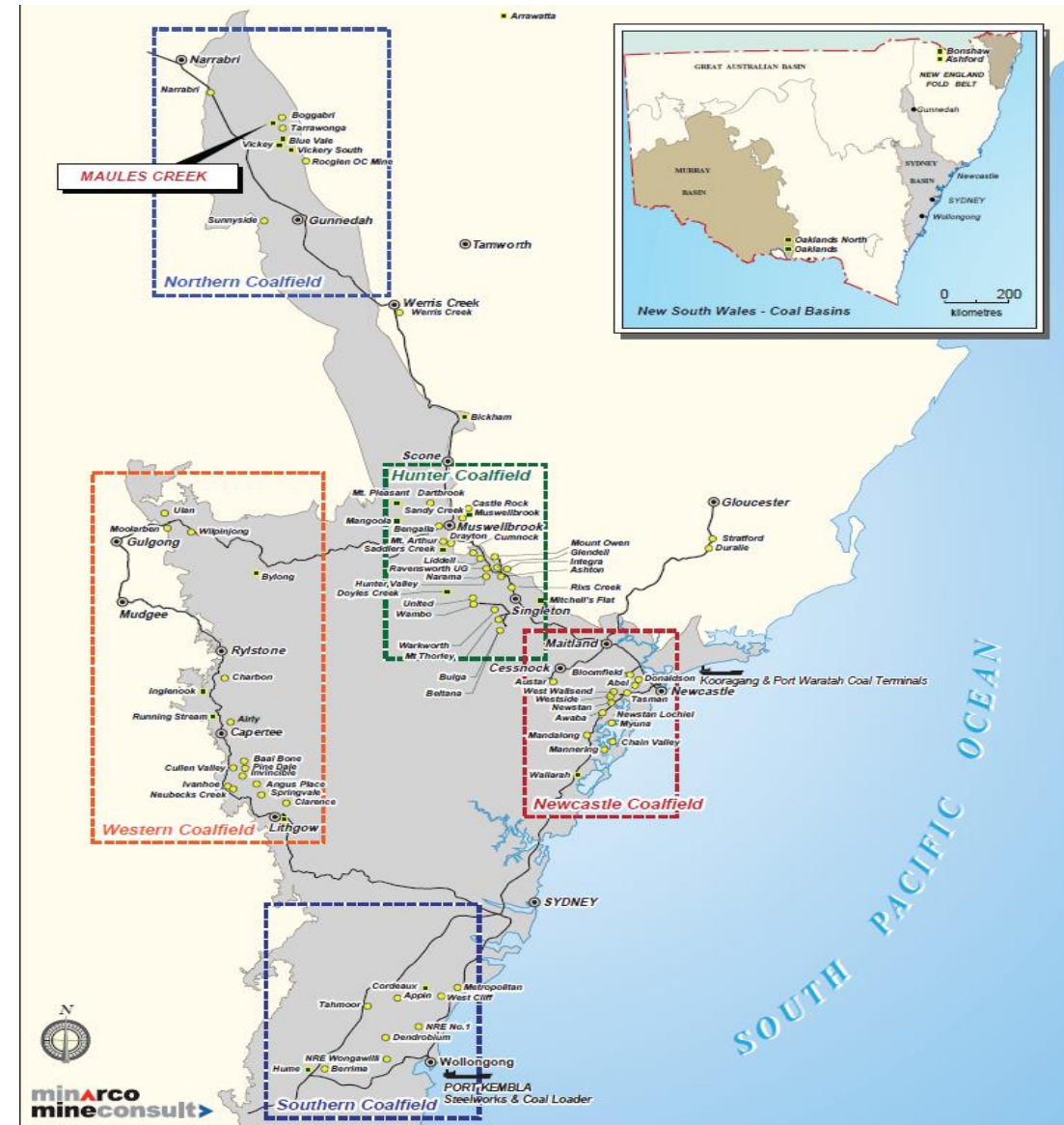
Simple geology with multiple shallow coal seams with no significant faulting identified

Estimated total capex of \$767 million with over \$160 million spent to date

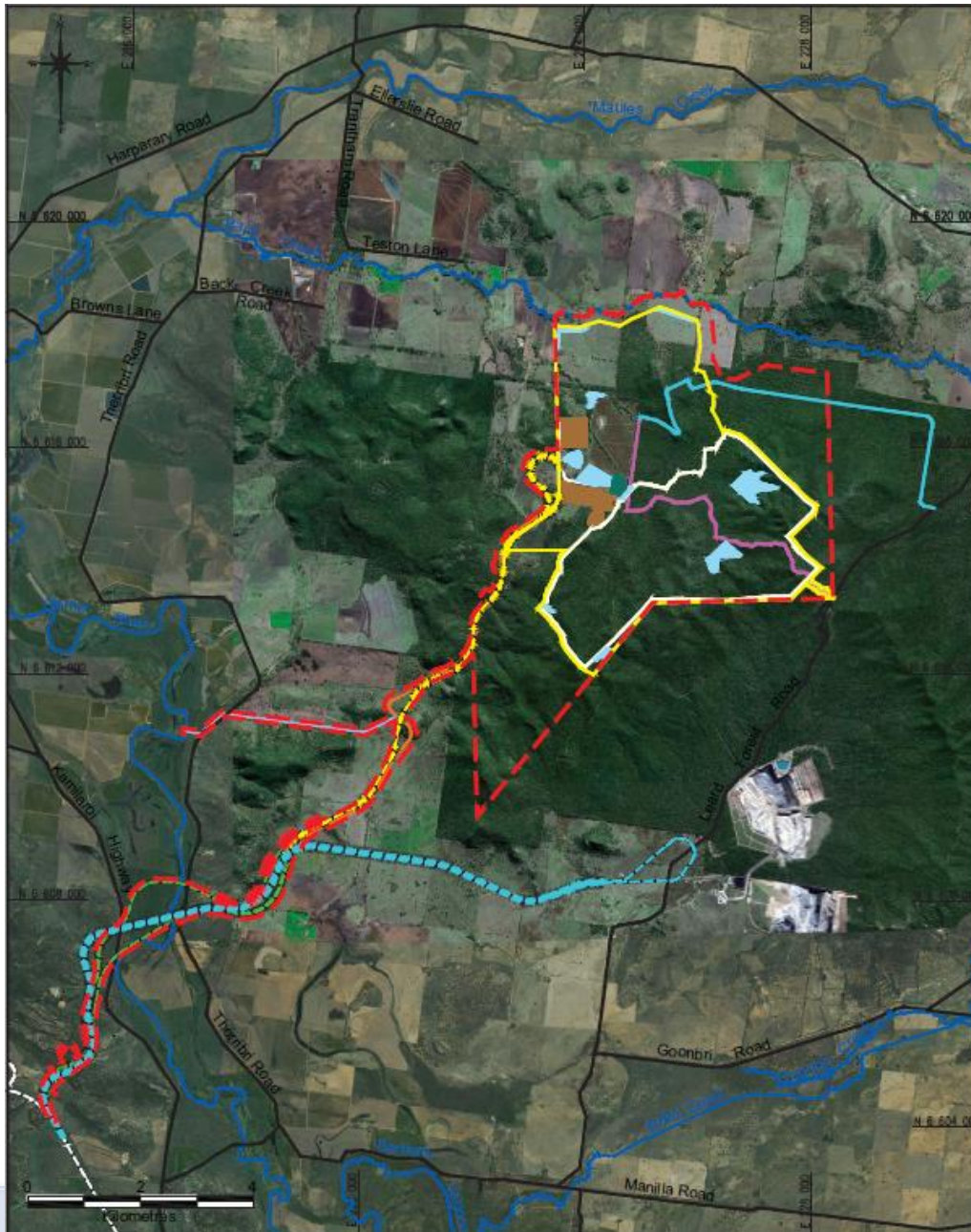
FOB cash costs estimated to be \$67/t

Leighton Contractors are mobilising to site with construction startup imminent

First coal sales are expected to commence in 1st quarter CY 2015.



Maules Creek – mine location



The Maules Creek project is located about 17 kilometres off the main rail line near the small town of Boggabri

A new rail line will be constructed by Leighton Contractors in about 13 months linking both the Boggabri Mine and Maules Creek Mine to the main line

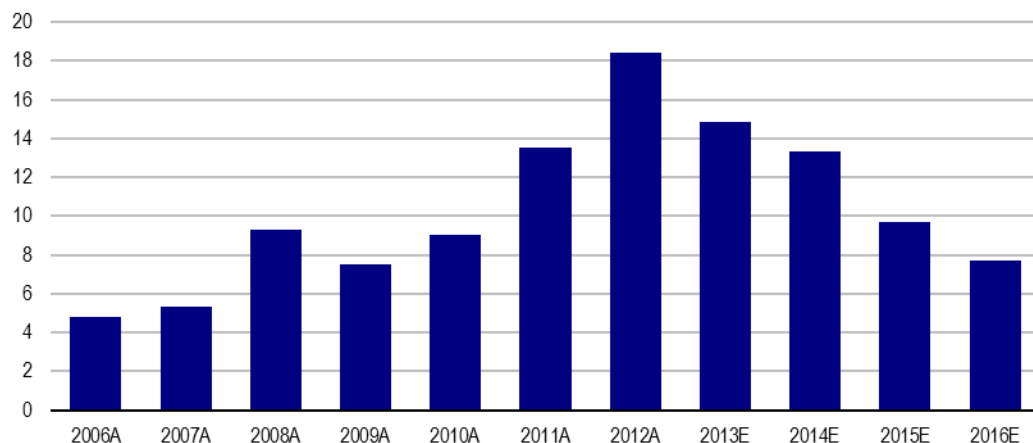
The Boggabri Mine owned by Idemitsu will share the first section of the rail line with a major bridge required to cross the Namoi River

Low risk construction project

Maules Creek – low capital cost

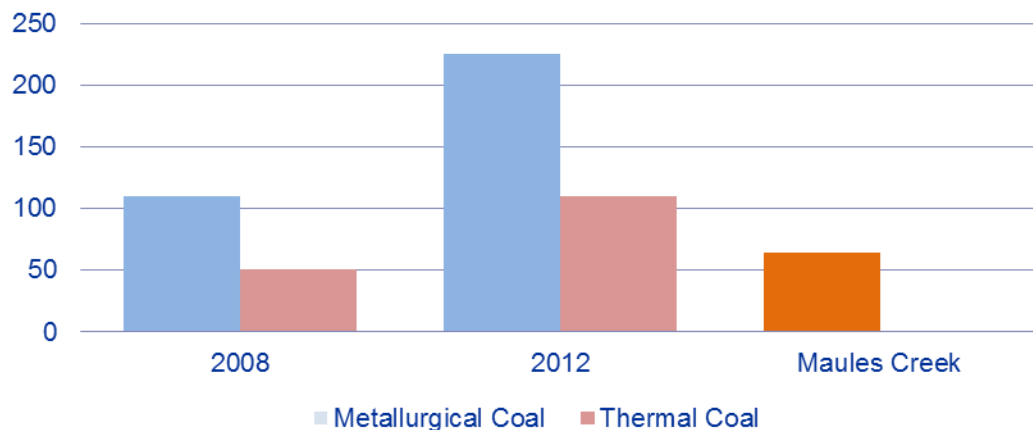


Total Coal Industry Capex (US\$B's)



Capital spending for both metallurgical and thermal coal expansions is falling from the peak in 2012 indicating that **coal markets should balance in the medium term**

Capex \$US/t Annualised Capacity



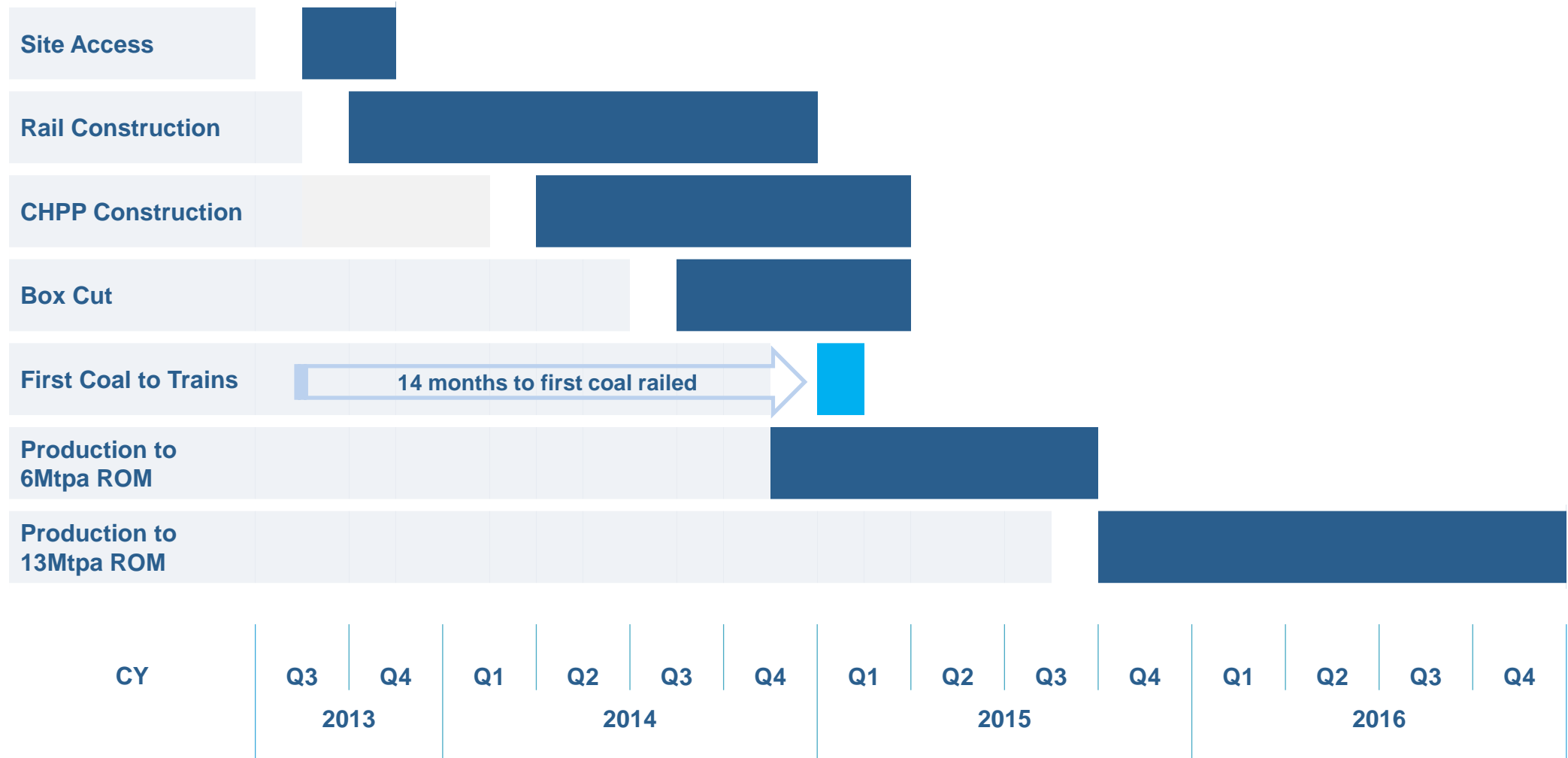
The cost of adding new coal production increased significantly from 2008 to 2012

The **capital cost of Maules Creek is about A\$64/t** making it one of the lowest cost new mines

Low cost new capacity

Source: UBS Investment Research

Maules Creek - project schedule



Unchanged schedule

Implied Valuation – Maules Creek



		Clermont	Maules Creek
Marketable Reserves	Mt	170	329
Coal Quality		Thermal	Thermal SSCC
Annual Production	Mt	12.2	12.0
Strip Ratio	Bcm/t	3.2	6.4
Project Capex (inc equipment)	A\$m's	1207	767
Capital Intensity	A\$/t	98	64
FOB Cash Costs	A\$/t	60*	67
Employees		380	450
Productivity	t/m/y	32,105	26,667
Clermont Asset Value (RIO transaction, 100% basis)	A\$m's	2,133	
Valuation of Reserves	A\$/t	12.54	
Implied Value of Maules Creek 100%	A\$m's		4,126

* Broker consensus

RIO TINTO recently sold its 50.1% interest in the Clermont Mine to GlencoreXstrata

Clermont and Maules Creek are similar in size in terms of production capacity

Maules Creek will produce high value and high margin semi soft coking coal and low ash high CV thermal coal

Potential for significant valuation uplift

Whitehaven valuation



Investment Bank	Maules Creek NPV \$m's	Whitehaven Valuation (\$/share)
UBS	\$1,400	3.83
Morgan Stanley	\$951	2.30
Citi	\$2,311	3.21
Deutsche Bank	\$1,515	2.63
Wilson HTM	\$1,347	2.11
CIMB	\$1,938	3.48
Bell Potter	\$1,449	3.15
Goldman Sachs	\$1,628	2.76
Credit Suisse	\$1,892	2.82
JP Morgan	\$2,040	2.16
Macquarie	\$1,307	2.99
RBC	\$1,742	2.65
Average	\$1,627	2.84
Whitehaven Share (75%)	\$1,220	
Valuation per Share	\$1.19	

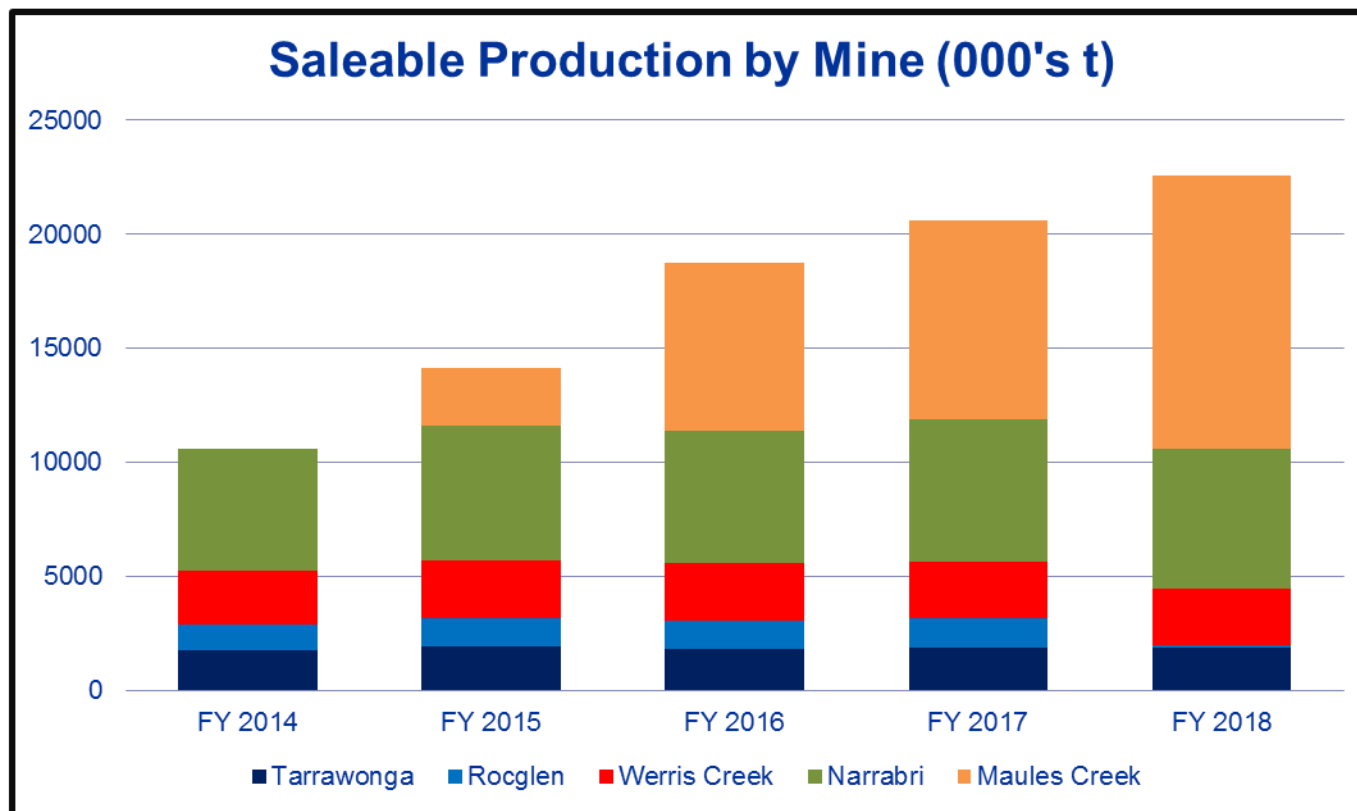
The average investment bank valuation for Whitehaven's interest in the Maules Creek project is \$1.19 per share

The estimated average valuation for Whitehaven is \$2.84 per share

The current Whitehaven share price is effectively discounting the entire valuation of the Maules Creek project

Significant upside potential

Outlook - production growth



Note: Graph depicts saleable coal on a 100% basis and excludes coal purchases
Data shown for the year ending 30 June. These estimates relate to planned future events and expectations and as such, involve known and unknown risks and uncertainties. The actual production is likely to vary on an annual basis as a function of supply, demand and other market conditions.

Following the development of the Maules Creek open cut mine **production will double** from the FY2014 level by FY2017

Additional port will be required in FY17 and beyond for Whitehaven to achieve its production targets

Rocglen will close in FY2018 following Reserve depletion however, the **Vickery project offers another growth opportunity of 8-9 Mtpa post FY 2018**

Strong and achievable production growth

Focus for FY 2014 and Beyond



Creating the premier ASX listed independent coal company

Focussed on improving safety and environmental performance across all of the operations

Narrabri to produce 850kt of PCI coal and Newcastle benchmark thermal coal in FY 2014 and increase production to 6 Mtpa ROM from FY 2015 and targeting 7 Mtpa for FY 2017.

Commence construction at Maules Creek after mobilisation in December

Operating and port costs will fall further in FY 2014 and take or pay costs to be eliminated with production from Maules Creek

Realign the banking covenants on the Company's debt facility to the new production profile from Maules Creek

Develop markets for the high margin SSCC from Maules Creek when production commences

Becoming a low cost and high growth coal miner

Creating the Premier ASX Listed Independent Coal Company



A low-cost and high quality coal producer

The fundamentals of coal as a long-term primary energy source are robust, driven by global population growth and increasing demand for steel and reliable low-cost energy in emerging economies

Future energy policies are shifting towards more efficient energy generation driven by environmental concerns. This will lead to a convergence of demand towards high quality thermal coal (i.e. low ash & low sulphur coals)

WHC's growth assets i.e. Narrabri, Maules Creek and Vickery, are high quality assets which are in position to meet the shift in energy policies

Investment in developing Tier 1 assets along with WHC's cost control is bringing significant reduction in the average FOB cash cost across WHC's portfolio of assets

Insulate WHC's shareholders from market turbulence due to coal prices and foreign exchange volatility by lowering the cost base across the portfolio of assets

By FY2017 85% of production from Whitehaven's mines is expected to be ~ A\$65/t FOB

Thank you

www.whitehavencoal.com.au

