



## WHITEHAVEN COAL LIMITED

ABN 68 124 425 396  
 Ground Floor, Ann Place  
 895 Ann Street  
 Fortitude Valley QLD 4006  
 PO Box 2440  
 Fortitude Valley BC  
 QLD 4006  
 Ph: 07 3000 5690  
 Fax: 07 3000 5699  
 Web: [www.whitehaven.net.au](http://www.whitehaven.net.au)

### WHITEHAVEN COAL LIMITED

### QUARTERLY REPORT TO 30 JUNE 2008

#### HIGHLIGHTS

Production performance for the quarter reflected the substantial growth of the company in the past 12 months with outstanding performance at Tarrawonga. The pace of development of the Narrabri project picked up substantially with major site works underway. Port and rail constraints continued to adversely affect coal sales, but the financial impact was largely offset by increasing coal prices and the renegotiation of legacy coal sales contracts starting to have a positive impact.

- Saleable coal production of 0.627 million tonnes (Mt) for the quarter was up 62% over the previous corresponding period and saleable coal production for the 12 months ending June 2008 (FY 2008) of 2.05 Mt was 47% above the previous year;
- Coal sales (including traded coal) of 0.793 Mt for the quarter was up 101% over the previous corresponding period and FY 2008 coal sales of 2.41 Mt was 69% above the previous year;
- Construction of the Narrabri project progressed very well during the quarter and is on track to produce first coal in Q1 FY 2010;
- The mining lease for the RocGlen mine was granted by the NSW Government in June. Mining has now commenced and first coal is expected in Q2 FY 2009;
- Whitehaven's JORC coal resources have increased by 77.6 Mt to 712.9 Mt, with marketable coal reserves increased by 19.9 Mt to 137.9 Mt.

Production results for the fourth quarter of FY 2008 for Whitehaven Coal Limited (ASX: WHC) and its controlled entities are set out below.

#### **Consolidated Equity Production and Sales**

(Thousand tonnes)	June Quarter*			Year-to-date*		
	FY08	FY07	Δ	FY08	FY07	Δ
ROM Coal Production	715	449	59%	2,275	1,731	31%
Saleable Coal Production	627	386	62%	2,050	1,394	47%
Coal Sold **	793	395	101%	2,413	1,432	69%
Coal stocks at end of period	212	251	(15%)	212	251	(15%)

\* All figures are on an equity basis, \*\* Includes purchased coal

## OPERATIONS

### Whitehaven Mining Precinct (WMP)

The WMP includes the Canyon (100% owned by Whitehaven), Tarrawonga (70% owned by Whitehaven) and RocGlen (100% owned by Whitehaven) open cut mines and the Whitehaven Coal Handling and Preparation Plant and train load-out facility ("CHPP") (100% owned by Whitehaven).

<b>WMP</b> (Thousand tonnes)	June Quarter*			Year-to-date*		
	FY08	FY07	Δ	FY08	FY07	Δ
ROM Coal Production	543	431	26%	1,876	1,388	35%
Saleable Coal Production	437	366	19%	1,613	997	62%
Coal Sold	443	397	12%	1,582	1,021	55%
Coal stocks at end of period	198	286	(31%)	198	286	(31%)

*\* All figures are on an 100% basis, \*\* Includes purchased coal*

- FY08 saleable coal production of 1.613 Mt was 62% above the previous year.
- The increase in WMP production reflects the increasing production at Tarrawonga (+80%), partially offset by reduced production at Canyon (-33%) due to a higher strip ratio as the mine comes to the end of its life.
- Overburden removal has now commenced at RocGlen and first coal is expected from this new mine in Q1 FY 2009.
- Planning approval was granted for work to expand the CHPP to increase annual washing capacity from 2 Mt per annum (Mtpa) to 3 Mtpa and to lift annual train loading capacity from 3 Mtpa to 4 Mtpa. The work will be completed in FY09.

### Werris Creek (100% owned by Whitehaven)

<b>WERRIS CREEK</b> (Thousand tonnes)	June Quarter*			Year-to-date*		
	FY08	FY07	Δ	FY08	FY07	Δ
ROM Coal Production	293	214	37%	1,116	1,289	(13%)
Saleable Coal Production	291	209	39%	1,111	1,291	(14%)
Coal Sold **	364	222	64%	1,255	1,294	(3%)
Coal stocks at end of period	69	56	23%	69	56	23%

*\* All figures are on an 100% basis, \*\* Includes purchased coal*

- The improved coal performance at Werris Creek for the quarter was due to the introduction of a new mine plan and the impact of operational improvements;
- Notwithstanding productivity improvements in the last quarter, further gains are required and options to significantly improve productivity are being investigated;
- Additional drilling and mine planning have been completed to enable preparation of revised JORC resource and reserve statements.

## **DEVELOPMENT PROJECTS**

### **NARRABRI**

- The project is progressing well, but a delay in gaining approvals to commence construction has resulted in the date for producing first coal to be revised to Q1 of FY 2010;
- Works are well advanced on the site access road, office and workshop area, boxcut, dams and rail loop;
- Contracts have now been awarded for more than 60% of the Stage 1 work. Recent awards include: transmission substation; drift conveyor; train load out facility; rail track components, skyline stackout conveyor and drift construction;
- Higher costs of materials have caused some increase in project cost, which has absorbed some contingency, but Stage 1 is still expected to come within budget;
- A drill program has been completed to undertake a detailed evaluation of coal seam gas in the first two longwall panels.

### **ROCLEN**

- The Mining Lease was granted during the quarter;
- Mining commenced in July 2008 with first coal production planned for Q2 FY 2009.

### **SUNNYSIDE**

- The Environmental Assessment came off Public Exhibition on 19th May 2008 and Whitehaven has responded to all submissions received. Planning Approval is expected around mid August.
- The Mining Lease for Sunnyside should be approved promptly following Planning Approval.
- Granting of the Mining Lease in September will enable first coal production from Sunnyside in Q2 FY 2009.

### **BONSHAW**

- Agreement has been reached for the purchase of the 1/3<sup>rd</sup> share of the Bonshaw project in northern NSW from Republic Coal Pty Ltd. This brings Whitehaven to 100% ownership of the project;
- Whitehaven will pay Republic Coal a total of \$2.87M for the acquisition in two tranches. The first tranche of \$1.87M will be paid on transfer of the tenements and the balance is payable on the earlier of development consent being granted or Whitehaven selling or transferring a majority interest in the tenements.

## RESOURCES AND RESERVES (100% Basis)

- Whitehaven's coal resources and reserves statements have been updated for both Werris Creek and Sunnyside;
- At Werris Creek, further exploration and mine planning has increased coal resources from 26 Mt to 38 Mt, with marketable reserves of 19.9 Mt;
- This increase in resources and reserves provides Whitehaven with the potential to extend the life of Werris Creek up to 13 years, at the planned production rate of 1.5 Mtpa;
- At Sunnyside, additional exploration has allowed the reclassification of 0.8 Mt from inferred to indicated status, and 4.1 Mt from indicated to measured. A further resource of 65.9 Mt has been identified within the Sunnyside EL area;
- Whitehaven's JORC Coal Resources total 712.9 Mt<sup>1</sup>, an increase of 77.6 Mt (12%), with JORC Marketable Reserves of 137.9 Mt<sup>2,3</sup>, an increase of 19.9 Mt (17%).

Mine/Project	Owner-ship	Status	Measured	Indicated	Inferred	Total
Canyon	100%	Operating	TBD	TBD	TBD	<b>TBD</b>
Tarrowonga Opencut	70%	Operating	8.3	11.0	24	<b>43.3</b>
Tarrowonga Seam Underground	100%	Feasibility	2.7	8.0	5	<b>15.7</b>
Tarrowonga Underground - other	100%	Exploration	7.3	26.0	53	<b>86.3</b>
Belmont Opencut	100%	Project	-	14.2	-	<b>14.2</b>
Sunnyside Opencut	100%	Project	4.1	2.2	-	<b>6.3</b>
Sunnyside – EL 5183 other	100%	Exploration	3.4	23.5	39	<b>65.9</b>
Canyon West	100%	Exploration	TBD	TBD	TBD	<b>TBD</b>
Blue Vale	100%	Exploration	2.8	1.5	0.7	<b>5.0</b>
<b>WMP Total</b>			<b>28.6</b>	<b>86.4</b>	<b>121.7</b>	<b>236.7</b>
Narrabri North	92.5%	Project	88.6	81.0	60.0	<b>229.6</b>
Narrabri South	92.5%	Exploration	30.6	103.0	75.0	<b>208.6</b>
<b>Narrabri Total</b>			<b>119.2</b>	<b>184.0</b>	<b>135.0</b>	<b>438.2</b>
Werris Creek Opencut	100%	Operating	30.0	5.4	2.6	<b>38.0</b>
Bonshaw – Arthur's Seat	66.67%	Exploration	TBD	TBD	TBD	<b>TBD</b>
<b>Total</b>			<b>177.8</b>	<b>275.8</b>	<b>259.3</b>	<b>712.9</b>

<sup>1</sup> The coal resources and reserves have not been amended to reflect any coal extracted since the date of the relevant JORC report

<sup>2</sup> The JORC marketable reserves are based on geological modeling of the anticipated yield from recoverable reserves

<sup>3</sup> The JORC reserves are included in the JORC resources.

## RESOURCES AND RESERVES (100% Basis) contd.

Mine/Project	Recoverable Reserves (Proved+Probable) (Mt)	Marketable Reserves (Mt)		
		From Proved	From Probable	Total
Canyon	-	-	-	
Tarrowonga Open Cut	8.9	-	7.7	<b>7.7</b>
Tarrowonga Seam Underground	-	-	-	-
Tarrowonga Seam-other	-	-	-	
RocGlen (Belmont)	10.8	-	7.6	<b>7.6</b>
Sunnyside	-	-	-	-
Canyon West	-	-	-	-
West Blue Vale	-	-	-	-
<b>WMP Total</b>	<b>19.7</b>		<b>15.3</b>	<b>15.3</b>
Narrabri North	112.0	51.1	51.6	<b>102.7</b>
Narrabri South	-	-	-	-
<b>Narrabri Total</b>	<b>112.0</b>	<b>51.1</b>	<b>51.6</b>	<b>102.7</b>
Werris Creek	19.9	17.6	2.3	<b>19.9</b>
Ashford – Arthur’s Seat	-	-	-	-
<b>TOTAL</b>	<b>151.6</b>	<b>68.7</b>	<b>69.2</b>	<b>137.9</b>

### RESOURCES AND RESERVES STATEMENT

The information in this report that relates to Coal Resources and Reserves of the Whitehaven Group is based on information compiled by Mr David West, who is a Member of the Australasian Institute of Mining & Metallurgy. Mr West MAusIMM is a qualified geologist and is a full time employee of Whitehaven Coal Mining Ltd. Mr West has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration results, Mineral resources and Ore Reserves’. Mr West consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

#### For further information, please contact:

Rob Stewart – Managing Director

Tel: 02 8248 1263

Kate Kerrison – Kate Kerrison + Company

Tel: 0413 946 704

Email: [kate@katekerrison.com.au](mailto:kate@katekerrison.com.au)