



WHITEHAVEN COAL LIMITED

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WHITEHAVEN COAL LIMITED (ASX: WHC)

ANNUAL RESULTS FOR THE YEAR ENDING 30 JUNE 2007

HIGHLIGHTS

- Net Profit After Tax of \$22.5M on sales of 1.46Mt
- EBITDA ¹ \$25.6M
- Successful IPO and listing on the ASX in June 2007
- Tarrawonga open cut mine successfully commissioned
- Owner operation introduced at Canyon and Tarrawonga with significant cost savings
- Environmental Assessments lodged for the Narrabri, Belmont and Sunnyside projects
- Additional 110Mt resources identified at Narrabri South
- Increasing demand for Whitehaven's low ash, low sulphur products

FINANCIAL PERFORMANCE

(A\$ millions)	FY 2007
Revenue	106.2
EBITDA ¹	25.6
EBITDA Margin	24%
Net Profit	22.5

¹ Proforma EBITDA

FINANCIAL PERFORMANCE - contd.

The following summary compares the performance of the Company with the prospectus published in May 2007 for the company's IPO.

<u>Pro-forma summary income statement</u>			
Year ending 30 June 2007	FY2007		
(\$ million)	Actual	Prospectus	Var
Coal Sales (Mt)	1.46Mt	1.5Mt	(0.04)Mt
Revenue	106.2	115.8	(9.6)
Foreign exchange gains	5.9	1.9	4.0
	112.1	117.7	(5.6)
Other income	1.1	2.2	(1.1)
Operating expenses	(87.6)	(96.5)	8.9
EBITDA	25.6	23.4	2.2
Depreciation and amortisation	(12.3)	(7.9)	(4.4)
EBIT	13.3	15.5	(2.2)
Net interest	(4.2)	(3.1)	(1.1)
Profit before tax	9.1	12.4	(3.3)
Income tax expense	(2.7)	(3.9)	1.2
Net profit after tax (\$m)	6.4	8.5	(2.1)
Reconciliation between pro forma and statutory income statement			
NPAT - pro forma	6.4	8.5	(2.1)
Pro forma adjustments			
Foreign exchange gains/(losses) ¹	9.7	1.7	8.0
Tax benefit ²	23.1	-	23.1
Impact of transaction costs	(2.0)	(1.1)	(0.9)
Ten month impact of post listing expenses	0.4	0.4	-
Employee share offer	(0.1)	(0.1)	-
Directors shares under Equity Participation and option deed	(15.0)	(15.0)	-
Net profit/(loss) after tax	22.5	(5.6)	28.1
<p>¹ Foreign exchange gains on FX options not qualifying for hedge accounting at the "mark to market" value of \$13.8m before tax at 30 June 2007</p> <p>² The company recognised a deferred tax asset relating to the future tax depreciation available on certain mining tenements, which were not fair valued for accounting purposes.</p>			

FINANCIAL PERFORMANCE - contd.

The Whitehaven consolidated group balance sheet at 30 June 2007 is very strong with a low gearing level of 18%. This positions the company with the financial capacity to deliver its program of new project development.

(A\$ millions)	FY 2007	FY 2006
Cash on Hand	21.2	1.8
Interest Cover Ratio ¹	3.2	12.4
Interest Bearing Liabilities	76.7	25.6
Net Debt	55.5	23.8
Net Assets	250.0	50.5
Gearing Ratio ²	18%	32%

¹ Proforma EBIT to Interest Expense

² Net Debt to Net Debt plus Equity

Consolidated Equity Production and Sales

(Thousand tonnes)	Year-to-Date*		
	FY 2007	FY 2006	% Variance
ROM Coal Production	1,731	1,069	62%
Saleable Coal Production	1,395	893	56%
Coal Sold **	1,460	1,083	35%
Coal stocks at end of period	251	56	349%

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

CORPORATE

Whitehaven Coal Limited successfully completed its Initial Public Offer and listed on the ASX on 1 June 2007 following strong demand from both retail and institutional investors. Under the offer, a total of 1.9 million shares were offered at \$1.00 per share. At the time of listing Whitehaven Coal had 978 shareholders, with approximately 87% of shares held by directors, management, and employees.

At 30 June 2007, WHC had 323.0 million shares on issue with a total of 1,235 shareholders.

OPERATIONS

WHITEHAVEN MINING PRECINCT (Thousand tonnes)	Year-to-Date*		
	FY 2007	FY 2006	% Variance
ROM Coal Production	1,388	708	96%
Saleable Coal Production	997	563	77%
Coal Sold **	1,021	731	40%
Coal stocks at end of period	286	35	717%

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

The Whitehaven Mining Precinct currently includes the Canyon and Tarrawonga open cut mines and the Whitehaven Coal Handling and Preparation Plant and train load-out facility.

There were no Lost Time Injuries recorded in the Whitehaven Mining Precinct in FY 2007.

Saleable coal production of 1.0 Mt was 77% above the previous corresponding period.

The Tarrawonga mine commenced production in September 2006 and overburden removal had increased to budgeted rates by the end of FY 2007. There has been a large increase in coal stocks and overburden in advance.

WERRIS CREEK (Thousand tonnes)	Year-to-Date*		
	FY 2007	FY 2006	% Variance
ROM Coal Production	1,289	903	43%
Saleable Coal Production	1,291	824	57%
Coal Sold **	1,361	880	55%
Coal stocks at end of period	56	52	8%

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

There were no Lost Time Injuries recorded at Werris Creek in FY 2007.

Saleable coal production of 1.29 Mt was 57% above the previous corresponding period.

DEVELOPMENT PROJECTS

NARRABRI

Following the public display of the Environmental Assessment (EA), the Company has responded to submissions and is awaiting a determination from the Minister for Planning.

SUNNYSIDE

A draft EA has been lodged with the Department of Planning and is currently being assessed for adequacy.

DEVELOPMENT PROJECTS – contd.

BELMONT

A draft EA has been submitted and is expected to be put on public display during September 2007.

RESOURCES

Following further exploration, the Narrabri North and Narrabri South project resources have been upgraded in accordance with the JORC code ¹

The Narrabri North project measured and indicated resources have increased by 61.8Mt:

Narrabri North	JORC 29 August 07	Prospectus 3 May 07	Change
Measured	88.6	60.8	27.8
Indicated	81.0	57.0	34.0
Inferred	60.0	120.0	(60.0)
Total	229.6	237.8	(8.2)

The Narrabri South project measured and indicated resources have increased by 105.4Mt:

Narrabri South	JORC 29 August 07	Prospectus 3 May 07	Change
Measured	30.7	0.3.	30.4
Indicated	103.0	28.0	75.0
Inferred	75.0	70.0	5.0
Total	208.7	98.3	110.4

A mineable open cut resource ² called West Blue Vale has been identified on EL4699:

EL 4699	Measured	Indicated	Inferred	Total
Total (Mt)	2.76	1.49	0.71	4.95

¹ The information in this report that relates to Coal Reserves and Resources at Narrabri North and Narrabri South is based on information compiled by Mr Pat Hanna, who is a Member of the Australian Institute of Geoscientists. Mr Hanna FAusIMM, MAIG is a qualified geologist and is a full time employee of SRK Consulting (Australasia) Pty Ltd. Mr Hanna 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 Hanna consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

² The information in this report that relates to Coal Reserves and Resources at West Blue Vale is based on information compiled by Mr Greg Jones, who is a Member of the Australian Institute of Geoscientists. Mr Jones BSc (Hons) MAusIMM, MAIG is a qualified geologist and is a principal Consultant of JB Mining Services Pty Ltd. Mr Jones 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 Jones consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

THE ENVIRONMENT

Responsible management of the environment within which we operate remains a high priority for Whitehaven Coal directors, management, and employees. There is a strong focus on maintaining all of our operations within the very strict conditions imposed by the relevant authorities under our Development Consents.

INFRASTRUCTURE

Under an agreement completed with the NSW Government, Whitehaven has committed to underwrite 60% of the funding of a major upgrade of the Werris Creek to Narrabri rail infrastructure which will increase the capacity of that line to more than 10 million tonnes per annum over the next two years. The first stage is to be commissioned in the first quarter of calendar year ("CY") 2008 and will provide a 70% increase of the current capacity.

COAL PRICES & MARKETING

The current medium term outlook for thermal coal and semi-soft demand and price outcomes remains strong and it is expected that this will be reflected in higher US\$ prices for Whitehaven's products in the Japanese Financial Year ("JFY") 08 (commencing 1 April 2008).

At the end of July 2007, Whitehaven implemented a new foreign exchange risk management policy. For FY 2008, the company has hedged US\$84.3M of US\$ denominated sales receipts at an effective exchange rate of A\$1:00 = US\$0.86 using forward exchange contracts.

OUTLOOK

- Productivity will continue at current high levels.
- Coal prices for JFY08 expected to increase in line with current spot prices.
- Production and sales will be limited by port constraints
- Production from Belmont and Sunnyside projects may not commence until FY 2009 due to processing delays in the approval process.
- Rail capacity to Gunnedah to increase by 70% with longer trains commencing in Q1 CY 2008.
- Planning approval for the Narrabri North Coal project expected to allow commencement of construction by the end of CY 2007.

For further information, please contact:

Keith Ross – Managing Director
Kate Kerrison – Kate Kerrison + Company

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Whitehaven Coal Limited and its controlled entities

ABN 68 124 425 396

Appendix 4E 30 June 2007

Results for announcement to the market:

	Whitehaven Coal Limited - Consolidated		
	Year Ended 30 June 2007		
	2007 \$000	2006 \$000	Movement %
Revenue	106,201	88,957	19.4%
Profit from ordinary activities after tax attributable to members	22,498	10,866	107.1%
Net Profit for the period attributable to members	22,498	10,866	107.1%
Earnings per share – basic	7.5	3.6	108%
Earnings per share - diluted	7.5	3.6	108%

Dividends

No dividends have been paid and none are proposed to be paid by Whitehaven Coal Limited in relation to the financial period ended 30 June 2007.

Brief explanation of any figures reported above or other items of importance not previously reported to the market:

Whitehaven Coal Limited was incorporated on 15 March 2007 and legally acquired Whitehaven Coal Mining Limited and its controlled entities on 29 May 2007. In accordance with AASB 3 Business Combinations, this acquisition was determined to be a "reverse acquisition". In a reverse acquisition, the legal acquirer becomes the accounting subsidiary and the legal acquiree becomes the accounting parent. Refer to Note 4 for details of the consolidated operating entities and to the annual results report for further explanation of the results.

Discussion and Analysis of the results for the year ended 30 June 2007:

Refer to the annual results report for commentary.

Whitehaven Coal Limited and its controlled entities
Income statement
For the financial year ended 30 June 2007

		Consolidated	
		2007	2006
	Note	\$000	\$000
Revenue		106,201	88,957
Cost of sales		(67,206)	(56,953)
Gross profit		38,995	32,004
Other income		1,135	405
Selling and distribution expenses		(28,231)	(19,074)
Administrative expenses		(6,823)	(2,057)
Other expenses		(15,163)	(9)
(Loss)/profit before financing income		(10,087)	11,269
Financial income		20,607	5,071
Financial expenses		(5,126)	(908)
Net financing income		15,481	4,163
Profit before tax		5,394	15,432
Income tax expense		17,104	(4,566)
Net Profit attributable to members of the parent		22,498	10,866
Earnings per share:			
Basic earnings per share (AUD)	3	7.5	3.6
Diluted earnings per share (AUD)	3	7.5	3.6

The income statement is to be read in conjunction with the notes of the financial statements set out on pages 6 to 9.

Whitehaven Coal Limited and its controlled entities
Statement of changes in equity
For the financial year ended 30 June 2007

Consolidated	Issued capital	Retained earnings	Hedge reserve	Total
	\$000	\$000	\$000	\$000
Opening balance at 1 July 2005	31,000	20,617	3,393	55,010
Amount recognised to income from transition gain recognised in equity	-	-	(3,393)	(3,393)
Net profit for the period	-	10,866	-	10,866
Total recognised income and expense for the period	-	10,866	(3,393)	7,473
Dividends paid	-	(12,000)	-	(12,000)
Closing balance at 30 June 2006	31,000	19,483	-	50,483

	Issued Capital	Retained earnings	Hedge reserve	Total
	\$000	\$000	\$000	\$000
Opening balance at 1 July 2006	31,000	19,483	-	50,483
Net profit for the period	-	22,498	-	22,498
Total recognised income and expense for the period	-	22,498	-	22,498
Share based payments (net of tax)	-	15,163	-	15,163
Shares issued	162,046	-	-	162,046
Share issue costs	(163)	-	-	(163)
Closing balance at 30 June 2007	192,883	57,144	-	250,027

The statement of changes in equity is to be read in conjunction with the notes set out on pages 6 to 9.

Whitehaven Coal Limited and its controlled entities
Balance sheet
As at 30 June 2007

	Consolidated	
	2007	2006
	\$000	\$000
Assets		
Cash and cash equivalents	21,185	1,756
Trade and other receivables	14,336	18,467
Inventories	10,768	1,520
Deferred Stripping	11,424	4,708
Derivatives	5,202	116
Total current assets	62,915	26,567
Receivables	2,214	256
Biological assets	80	80
Investments	37	37
Property, plant and equipment	267,612	78,012
Exploration and evaluation	1,672	1,880
Intangibles	920	
Deferred Tax Assets	6,722	-
Derivatives	8,870	186
Total non-current assets	288,127	80,451
Total assets	351,042	107,018
Liabilities		
Trade and other payables	16,136	13,020
Interest-bearing loans and borrowings	22,294	6,761
Employee benefits	1,380	1,119
Income tax payable	1,248	988
Unearned revenue	61	-
Provisions	708	1,384
Total current liabilities	41,827	23,272
Interest-bearing loans and borrowings	54,401	18,833
Deferred tax liabilities	-	12,455
Unearned revenue	262	-
Provisions	4,525	1,975
Total non-current liabilities	59,188	33,263
Total liabilities	101,015	56,535
Net assets	250,027	50,483
Equity		
Issued capital	192,883	31,000
Retained earnings	57,144	19,483
Total equity attributable to equity holders of the parent	250,027	50,483

The balance sheet is to be read in conjunction with the notes to the financial statements set out on pages 6 to 9

Whitehaven Coal Limited and its controlled entities
Statement of cash flows
For the financial year ended 30 June 2007

	Consolidated	
	2007	2006
	\$000	\$000
Cash flows from operating activities		
Cash receipts from customers	111,497	95,051
Cash paid to suppliers and employees	(105,219)	(69,010)
Cash generated from operations	6,278	26,041
Interest paid	(66)	(158)
Income taxes (paid)/received	(1,739)	310
Net cash provided by operating activities	4,473	26,193
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	-	105
Acquisition of property, plant and equipment	(53,459)	(31,610)
Acquisition of intangible	(920)	-
Exploration and evaluation expenditure	(604)	(110)
Loans to related entities	(2,514)	(5,166)
Net cash used in investing activities	(57,497)	(36,781)
Cash flows from financing activities		
Proceeds from the issue of share capital	19,465	-
Transaction costs paid on issue of share capital	(163)	-
Proceeds from the issuance of borrowings	67,855	20,832
Repayment of borrowings	(11,226)	-
Payment of finance lease liabilities	(3,478)	(1,382)
Dividends paid	-	(9,500)
Net cash provided by financing activities	72,453	9,950
Net increase in cash and cash equivalents	19,429	(638)
Cash and cash equivalents at 1 July	1,756	2,394
Cash and cash equivalents at 30 June	21,185	1,756

The statement of cash flows is to be read in conjunction with the notes to the financial statements set out on pages 6 to 9.

Whitehaven Coal Limited
Notes to the ASX Appendix 4E financial report

1. Basis of preparation of preliminary final report

The report has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Accounting Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001 for the purpose of fulfilling the Group's obligation under Australian Securities Exchange (ASX) listing rules. The consolidated financial report of the Group also complies with the IFRSs and interpretations adopted by the International Accounting Standards Board. The report is presented in Australian Dollars.

The accounting policies adopted have been applied consistently to all periods presented in the consolidated financial report.

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- derivative financial instruments are measured at fair value
- financial instruments at fair value through profit or loss are measured at fair value

A full description of the accounting policies adopted by the Group may be found in the consolidated entity's full financial report.

2. Segment reporting

Business and geographical segments

The consolidated entity operates predominantly within the coal industry in Australia.

3. Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 30 June 2007 was based on the profit attributable to ordinary shareholders of \$22,498,000 (2006: \$10,866,000) and a weighted average number of ordinary shares outstanding during the year of 300,930,000 (2006:300,000,000) calculated as follows:

Profit attributable to ordinary shareholders

	Consolidated	
	2007	2006
	\$000	\$000
Net profit attributable to ordinary shareholders	22,498	10,866

Weighted average number of ordinary shares

	Consolidated	
	2007	2006
	000's	000's
Issued ordinary shares at 1 July	300,000	300,000
Effect of shares issued at 29 May 2007	930	-
Weighted average number of ordinary shares at 30 June	300,930	300,000
Basic earnings per share attributable to ordinary shareholders (cents)	7.5	3.6

Whitehaven Coal Limited
Notes to the ASX Appendix 4E financial report

Diluted earnings per share

The calculation of diluted earnings per share at 30 June 2007 was based on the profit attributable to ordinary shareholders of \$22,498,000 (2006: \$10,866,000) and a weighted average number of ordinary shares outstanding during the year of 300,946,000 (2006:300,000,000) calculated as follows:

Profit attributable to ordinary shareholders (diluted)

	Consolidated	
	2007	2006
	\$000	\$000
Net profit attributable to ordinary shareholders	22,498	10,866

Weighted average number of ordinary shares (diluted)

	Consolidated	
	2007	2006
	000's	000's
Weighted average number of ordinary shares (basic)	300,930	300,000
Effect of share options on issue	16	-
Weighted average number of ordinary shares (diluted)	300,946	300,000
Diluted earnings per share attributable to ordinary shareholders (cents)	7.5	3.6

4. Acquisitions of subsidiaries

Whitehaven Coal Limited was incorporated on 15 March 2007 and legally acquired Whitehaven Coal Mining Limited and its controlled entities on 29 May 2007. In accordance with AASB 3 *Business Combinations*, this acquisition was determined to be a "reverse acquisition". In a reverse acquisition, the legal acquirer becomes the accounting subsidiary and the legal acquiree becomes the accounting parent.

As a result of the reverse acquisition, the Income Statement for the consolidated entity for the period ended 30 June 2007 comprises the following material trading results.

- Whitehaven Coal Limited for the period 29 May 2007 to 30 June 2007;
- Whitehaven Coal Holdings Pty Ltd for the period 16 April 2007 to 30 June 2007;
- Whitehaven Coal Mining Limited for the period 1 July 2006 to 30 June 2007;
- Betalpha Pty Ltd for the period 1 July 2006 to 30 June 2007; and
- Narrabri Coal Pty Ltd for the period 16 April 2007 to 30 June 2007.

The reverse acquisition had the following effect on the Group's assets and liabilities on acquisition date:

	Pre -acquisition carrying amounts	Fair value adjustments	Recognised values on acquisition
	\$000	\$000	\$000
Trade and other receivables	19	-	19
Cash and cash equivalents	17,179	-	17,179
Net identifiable assets and liabilities	17,198	-	17,198
Goodwill on acquisition			-
Consideration paid, satisfied in issuance of shares			17,198

Pre-acquisition carrying amounts were determined based on applicable AASBs immediately before the acquisition. The values of assets and liabilities recognised on acquisition are their estimated fair values.

Whitehaven Coal Limited
Notes to the ASX Appendix 4E financial report

Whitehaven Coal Mining Limited legally acquired Narrabri Coal Pty Ltd on 16 April 2007.

The acquisition had the following effect on the Group's assets and liabilities on acquisition date:

	Pre -acquisition carrying amounts	Fair value adjustments	Recognised values on acquisition
Property, plant and equipment	10,963	140,253	151,216
Trade and other receivables	103	-	103
Deferred tax liabilities	81	-	81
Trade and other payables	(11,400)	-	(11,400)
Net identifiable assets and liabilities	<u>(253)</u>		140,000
Goodwill on acquisition		-	
Consideration paid, satisfied in issuance of shares			<u>140,000</u>

Pre-acquisition carrying amounts were determined based on applicable AASBs immediately before the acquisition. The values of assets and liabilities recognised on acquisition are their estimated fair values.

5. Company capital and reserves

Share Capital

Ordinary shares fully paid

	2007	
	Nos of shares 000's	\$000
Beginning of the financial year	-	-
Increases		
- Issue of shares	3,250	2,396
- Acquisition of Whitehaven Coal Mining Ltd	300,000	300,000
- Issued for cash	16,900	16,900
- Issued to settle contract	2,750	2,750
- Issued to staff	107	-
- costs of securities issued	-	(163)
	<u>323,007</u>	<u>321,883</u>

6. Dividends

There were no Dividends paid or declared to members during or since the end of the financial year.

7. Subsequent events

In the interval between the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years.

Whitehaven Coal Limited
Notes to the ASX Appendix 4E financial report

8. Net tangible asset backing

	Consolidated 2007	2006
Net tangible assets per share	\$0.8278	\$0.1668

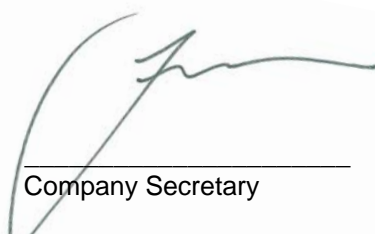
9. Changes in accounting policy

There are no changes in accounting policies from prior periods.

COMPLIANCE STATEMENT

This report is based on the financial statements of the Company and its controlled entities. The financial statements are in the process of being audited. The Group is not aware of any matters associated with the financial report for the year ended 30 June 2007 that are likely to be subject to dispute or qualification by the auditors.

Sign here:



Company Secretary

Print name: L.M. Whitton

Date: 30 August 2007