



**WHITEHAVEN COAL LIMITED**

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**14 August 2009**

The Manager, Listings  
Australian Securities Exchange  
Company Announcements Office  
Level 4  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

**Whitehaven Coal Limited (WHC) Presentation to NSW Mineral Exploration and Investment Conference**

Dear Sir,

Attached is a presentation being made today by the Managing Director at the NSW Mineral Exploration and Investment Conference.

Yours faithfully,

**Timothy Burt**  
Company Secretary



# Whitehaven Coal Limited

## Delivering Growth

### Presentation to DPI Conference

August 14, 2009





## 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.



# Contents



- **A snapshot**
- **Status of growth plans**
- **WHC Outlook**

# A snapshot



- ▶ ASX listed company “WHC”; market capitalisation ~A\$1.6 billion
- ▶ Large coal resources in the Gunnedah Basin (*refer ASX release 10<sup>th</sup> March 2009*)
- ▶ Superior coal quality: PCI + low-ash, low-sulphur, high energy thermal coals
- ▶ First mover and major coal producer/developer in the Gunnedah Basin
- ▶ Saleable production capacity of up to ~5 Mtpa (100%) from 4 opencut mines
- ▶ Narrabri underground mine (Stage 1 CMs, Stage 2 longwall) now in construction with production to commence in late 2009;
- ▶ Narrabri expected to increase WHC saleable production capacity to ~11 Mtpa (100%)
- ▶ Efficient mines & high product coal yields offset extra rail haulage distance to port
- ▶ Managed by experienced coal executives with proven track records
- ▶ Board & management own significant WHC equity
- ▶ Strong financial position

# Experienced managers/owners

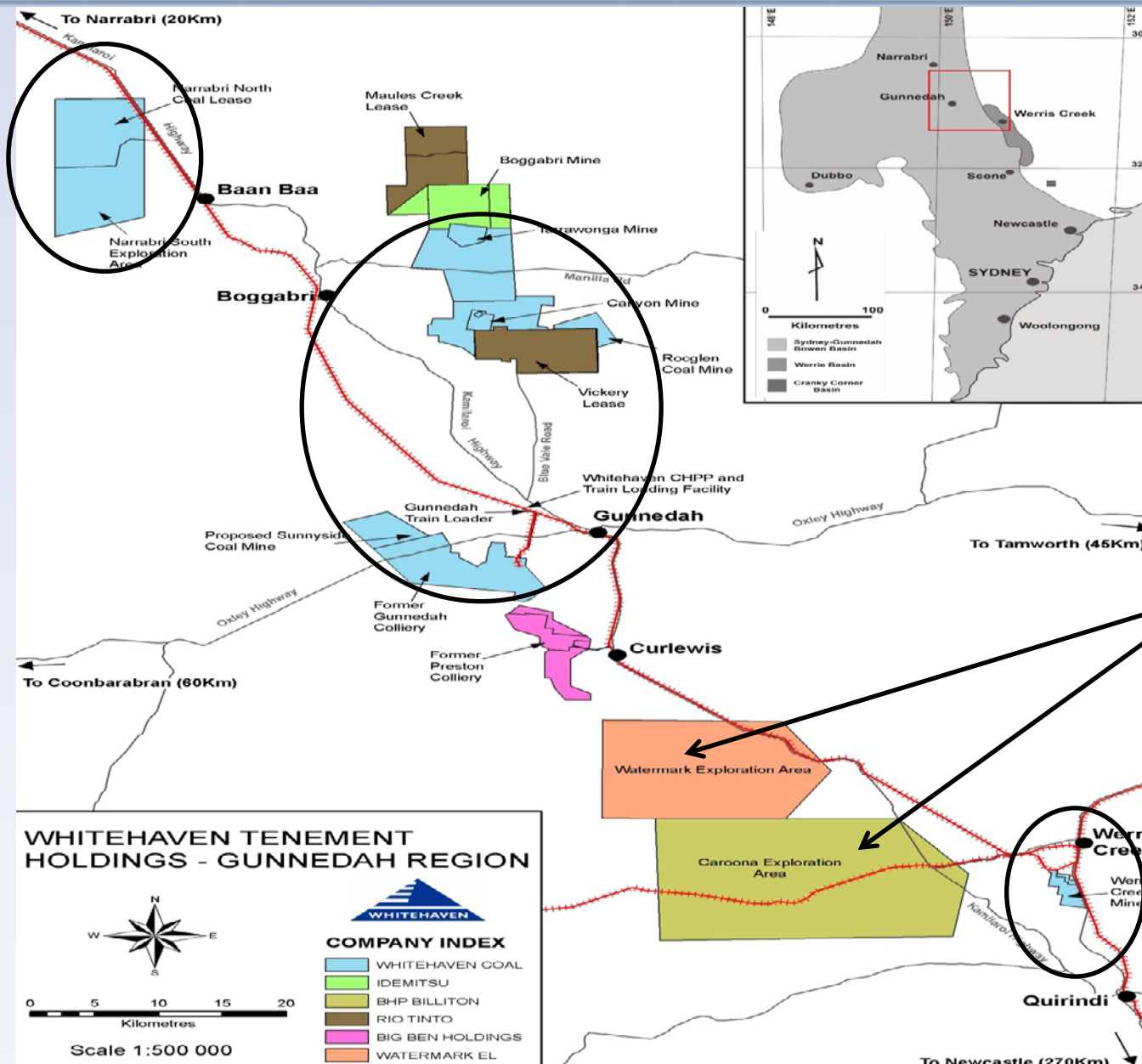


Director/Title	Experience
<b>John Conde AO</b> <i>Non-Executive Chairman</i>	+30 years commercial experience
<b>Neil Chatfield</b> <i>Non-Executive Director</i>	+25 years in transport and resources industries
<b>Allan Davies</b> <i>Executive Director - Operations</i>	+25 years coal industry experience
<b>Tony Haggarty</b> <i>Managing Director</i>	+25 years coal industry experience
<b>Alex Krueger</b> <i>Non-Executive Director</i>	+12 years of investment experience in coal and energy (First Reserve)
<b>Hans Mende</b> <i>Non-Executive Director</i>	+35 years of coal industry experience (AMCI)
<b>Andy Plummer</b> <i>Executive Director - Finance</i>	+30 years coal industry and finance experience

- ▶ Directors have extensive coal industry experience.
- ▶ Directors are proven mine developers and operators.
- ▶ Directors and senior management own significant WHC equity
- ▶ First Reserve Corporation and AMCI are the largest shareholders
- ▶ Directors are focused on profitability, adding value & dividends.



# Whitehaven is the leading coal producer and developer in the Gunnedah Basin



- ▶ Whitehaven recognised the value of Gunnedah Basin coal early and has been building its large resource base for 10 years
- ▶ Narrabri was one of the last large Exploration Licences (EL) issued under the old NSW system, i.e. without competitive tender
- ▶ Subsequent EL tenders have highlighted the value now being placed on Gunnedah Basin coal resources, with BHPB being the successful bidder for the Caroonia EL and Shenhua the successful bidder for the Watermark EL

# Whitehaven has a solid, low-risk, existing OC business with up to 5 Mtpa saleable capacity



## ► Gunnedah Operations – 3 OC Mines

### ► Tarrawonga Mine (WHC 70%)

- Resources to support 15 – 20 year LOM
- Permitted to 2.0 Mtpa ROM
- PCI & high quality thermal coals
- Saleable coal yield >90%

### ► Rocglen Mine (WHC 100%)

- Resources to support 8 year LOM
- Permitted to 1.5 Mtpa ROM
- PCI and thermal coals
- Saleable yield ~85%

### ► Sunnyside Mine (WHC 100%)

- Resources to support ~15 year LOM
- Permitted to 1.0 Mtpa ROM
- Thermal coals





# Gunnedah operations – CHPP and rail loader



## ► Gunnedah Operations CHPP (WHC 100%)

- Permitted to handle and rail 4.0 Mtpa
- Handles all coal from Tarrawonga, Rocglen and Sunnyside
- Approximately 50% of ROM coal washed
- Washed coal yield >80%
- Total saleable coal yield >90%





# Werris Creek open cut mine



## ► Werris Creek OC Mine (WHC 100%)

- Resources to support 15 – 20 year LOM
- Permitted to 2.0 Mtpa ROM
- PCI and thermal coals
- Saleable yield 100%
- Own crushing and rail load-out



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# Whitehaven has substantial, near-term growth with Narrabri UG - Stage 1 construction on track



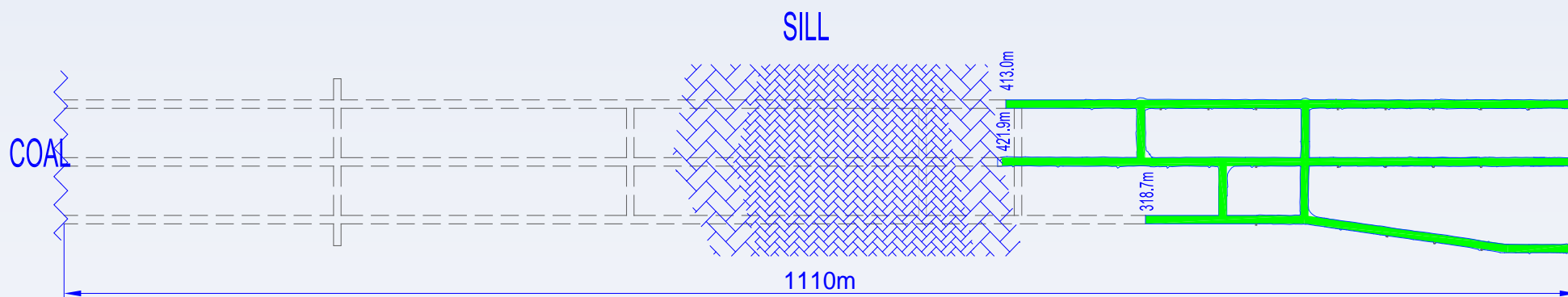
## ► Narrabri Project (WHC 70%)

- Low ash, high energy, low sulphur thermal coal for the export market
- Surface facilities are nearly finished with drift drivage well advanced
- Continuous miner operations expected to begin in late 2009
- Longwall (Stage 2) to be installed in early 2011
- Production of up to 6.0 Mtpa (100% basis) from 300m long x 4.2m high LW
- High productivity is expected due to the thickness and continuity of the coal seam
- Saleable yield > 90%

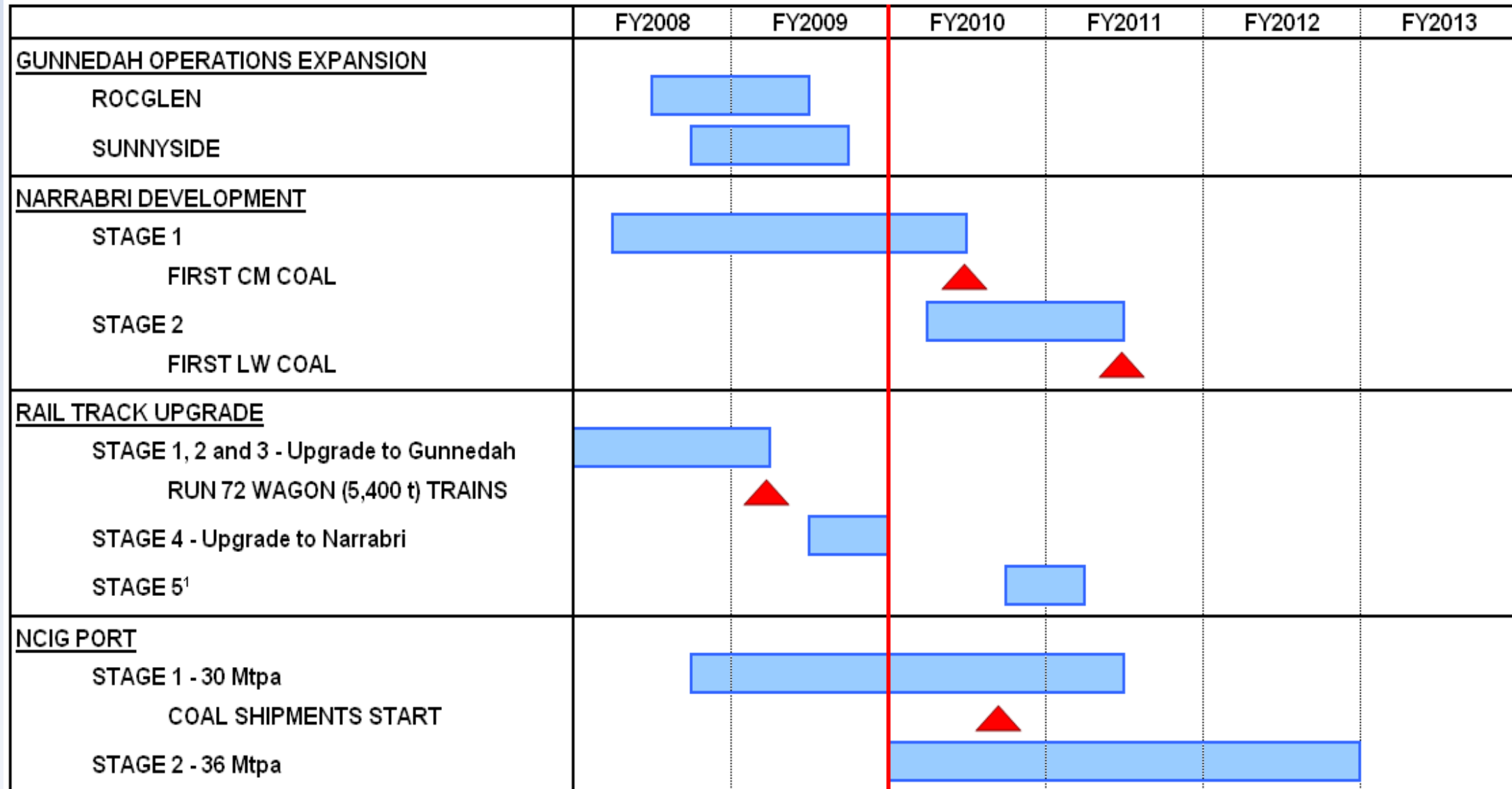




# Whitehaven has substantial, near-term growth with Narrabri UG - Stage 1 construction on track



# WHC growth profile is being coordinated with infrastructure development



1. Timing for stage 5 of the rail track upgrade is uncertain – it is expected that it will be completed in line with production requirements

# Rail infrastructure to meet Whitehaven growth



- ▶ Whitehaven (60%) and Idemitsu (40%) have sponsored ARTC and RIC investment to increase rail track capacity
- ▶ Current track capacity is 6-7 train paths per day to Narrabri
- ▶ 5,400 tonne trains give capacity of 11-12 Mtpa between Whitehaven and Idemitsu.....sufficient to meet short and medium term growth plans
- ▶ ARTC plans to further increase capacity to ~16 Mtpa to meet Whitehaven and Idemitsu requirements
- ▶ Increasing rail capacity beyond 16 Mtpa will require additional investment:
  - Rail capacity can be increased to 25 Mtpa by a new alignment either across or through (i.e. tunnel) the Liverpool Range
  - Such development capex will be shared by other major producers in the area e.g. Caroon (BHP), Watermark (Shenhua), Maules Creek (Rio Tinto)

Note: Capacity based on current payloads of 3,300 tonnes per train

# Port infrastructure to meet Whitehaven growth



## ► Existing PWCS Terminal

- Ongoing capacity constraints at PWCS
- PWCS has expansion plans to 145 Mtpa

## ► Newcastle Coal Infrastructure Group (“NCIG”)

- Whitehaven owns 11% of NCIG....Stage 1 due to be commissioned in Q1 2010, in line with first Narrabri production
- Stage 1 capacity of 30 Mtpa due to be available to NCIG members pro-rata to shareholding
- Stage 2 capacity of a further 36 Mtpa expected to become available in 2012, of which 12 Mtpa to be made available to non-NCIG shippers

## ► Producer Agreement for port access

- Implementation Memorandum between Newcastle Ports Corporation (NPC), PWCS and NCIG agreed and submitted to the ACCC in early April 2009
- This provides Whitehaven with 3.6 Mtpa from PWCS, 3.3 Mtpa from NCIG Stage 1 and 2.6 Mtpa from NCIG Stage 2.....a total of 9.5 Mtpa
- Whitehaven will have access to additional port capacity from PWCS/T4, following commitment by NCIG to Stage 2

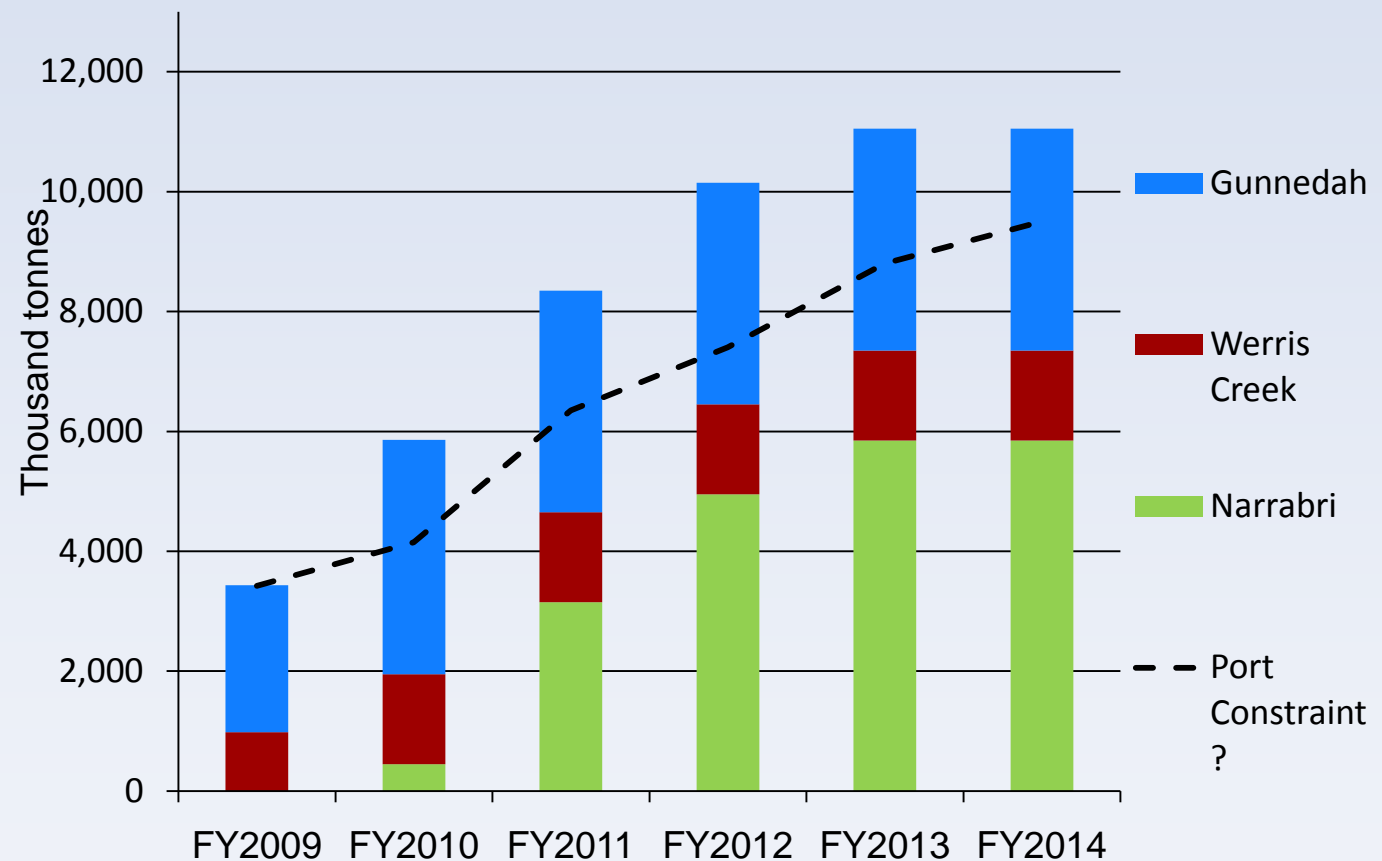


# Existing low-risk open cut production base with substantial organic growth from Narrabri project



- ▶ Four open cut mines producing 4 Mtpa, capacity up to ~5 Mtpa
- ▶ WHC has invested in rail track capacity upgrades to support growth plans
- ▶ Narrabri Stage 1 under construction
- ▶ Growth will be significant, but may be constrained in the medium term by port capacity
- ▶ 11% ownership of NCIG an important asset
- ▶ Total production capacity for Whitehaven could be up to ~11Mtpa by FY2013 (up to ~5 Mtpa from existing mines and up to ~6 Mtpa from Narrabri)

**WHITEHAVEN GROWTH - SALEABLE PRODUCTION CAPACITY <sup>1</sup>.**



*1. 100% basis. These estimates relate to planned future events and expectations and as such involve known and unknown risks and uncertainties. Please refer to Disclaimer*

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# Outlook and positioning



- **Coal Demand – Cyclical slowdown, but structural uptrend**
  - ▶ Global demand growth for thermal coal remains strong
  - ▶ China currently importing much larger tonnages of Australian thermal coal, India following
- **Coal Supply – Constrained by infrastructure, general trend to higher production costs, slower and more difficult mine development, “red tape and green tape”**
- **Major Asian power utilities and steel mills look to Australia as a reliable, long term supplier of high quality coals**
- **Whitehaven is well positioned**
  - ▶ 4 efficient, relatively low risk open cut mines and a world class underground project
  - ▶ High quality coals produced from very competitive mines
  - ▶ Flexibility to vary production at OC mines to meet additional port capacity
  - ▶ Fully sold in FY2010 - matrix of coal sales contracts to quality customers minimises counter-party risk
  - ▶ Increased rail and port capacity with 11% share of NCIG
  - ▶ Narrabri North development remains on schedule and budget
  - ▶ Narrabri South is contiguous with Narrabri North, with similar geological properties



# Near and medium term objectives

- ▶ Continue to manage existing open cut operations efficiently
- ▶ Deliver Narrabri on schedule and budget
- ▶ Active exploration within Gunnedah lease/EL areas
- ▶ Increase coal reserves and extend mine life at Werris Creek and Tarrawonga
- ▶ Look for bolt-on acquisitions
- ▶ Grow earnings and dividends per share, maintain financial stability and create shareholder value
- ▶ Industry consolidation will continue and Whitehaven will play its part