Whitehaven Coal Limited

Delivering Growth

Full Year FY 2011 Results

Sydney, Australia
23 August 2011

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Qualifications and Statement

Information in this report that relates to Coal Resources and Reserves is based on and accurately reflects reports prepared by the Competent Person named beside the respective information. All these persons are consultants for Whitehaven Coal Limited. Mr Colin Coxhead is a private consultant. Mr Greg Jones is a principal consultant with JB Mining Services. Mr Tom Bradbury is a full time employee of Geos Mining. Mr Chris Turvey is a private consultant. Mr Graeme Rigg is a full time employee of Runge Limited. Mr Doug Sillar is a full time employee of Runge Limited. Mr William Dean is a full time employee of UGM Australia.

Named Competent Persons consent to the inclusion of material in the form and context in which it appears. This Coal Resources and Reserves statement was compiled by Mr Mark Dawson, Group Geologist, Whitehaven Coal Limited. All Competent Persons named are Members of the Australian Institute of Mining and Metallurgy and/or The Australian Institute of Geoscientists and have the relevant experience in relation to the mineralisation being reported on by them to qualify as Competent Persons as defined in the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, 2004 Edition).

WHITEHAVEN COAL

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Highlights - FY 2011

- **Net profit after tax (NPAT) of $9.9 million[1]**
- **Underlying NPAT (excluding significant items) of $73.3 million, up 33%**
- **Final fully franked dividend of 4.1 cents per share[2]**

- Average cash cost of sales slightly lower at $60.49 per tonne FOB
- EBITDA of $148.0 million, including $41.7 million loss from sales of purchased coal
- Cash generated from operations of $120.3 million
- Net cash flow of $66.6 million
- Strong financial position at 30 June with net assets of $1,040.5 million, including $207.6 million cash on hand and interest bearing liabilities of $178.6 million

Note 1. Including net loss after tax of $63.4 million from significant items
Note 2. Record date 16 September, payment date 30 September

WHITEHAVEN COAL

Operating highlights - FY 2011

- **Coal sales grew strongly, but with more purchased coal to meet legacy contracts**
  - up 45% to 6.647 million tonnes (Mt) (100% basis)
  - up 48% to 6.126 Mt (equity share)
- **Saleable coal production increased substantially, mainly in the second half**
  - up 19% to 4.687 Mt (100% basis)
  - up 20% to 4.168 Mt (equity basis)
- **Except for the impact of prolonged wet weather in the first half, all open cut operations performed well in terms of safety, environmental management, production and cost control**
- **Expansion of saleable open cut coal production capacity, including expansion of the Gunnedah CHPP, was achieved during the year with the open cut mines producing at a rate of 6 Mtpa in the June quarter**
- **Narrabri continued underground development for longwall installation, scheduled for February 2012. All capital works for Stage 2 are on track and within budget**

Business development highlights - FY 2011

- Coal Resources (JORC) increased by 8.5% to 1,771.5 Mt
- Marketable Coal Reserves (JORC) increased by 34% to 426.1 Mt
- Vickery Project progressed with opencut Coal Resources (JORC) now at 439.2 Mt and interim opencut Marketable Reserves (JORC) of 113.57 Mt
- Reached agreement with Idemitsu (Boggabri Coal) to extend the Tarrawonga Joint Venture and share new CHPP and rail infrastructure at Boggabri
- Further defined Whitehaven's business development plan, including re-development of Vickery, to grow saleable coal production to 15 Mtpa within 5 years
- NCIG Stage 1 continued to ramp up to planned capacity of 30 Mtpa
- NCIG Stage 2AA on time and budget for commissioning in June 2012
- Commitment and financing of the final stage of NCIG (Stage 2F) expected soon
- Concluded a long term rail access contract with ARTC
- Took delivery of a second new train under the PN long term rail haulage contract

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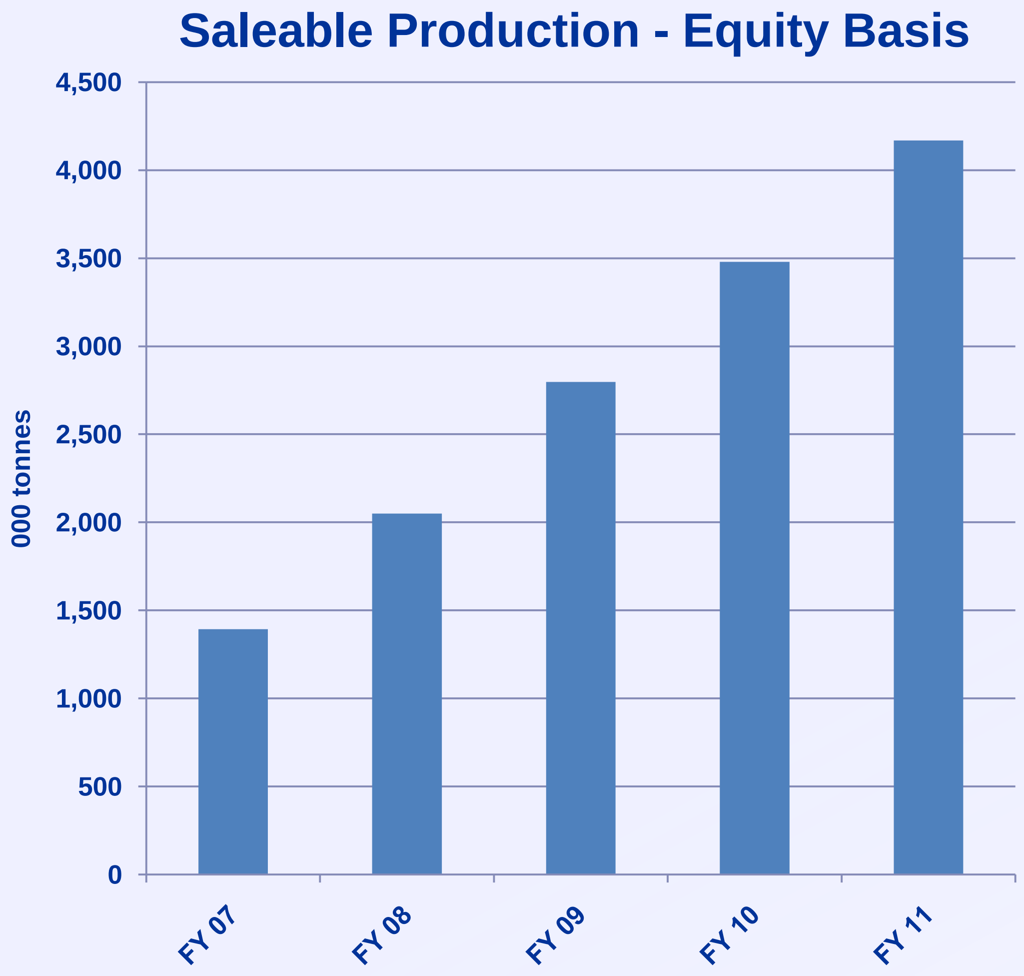
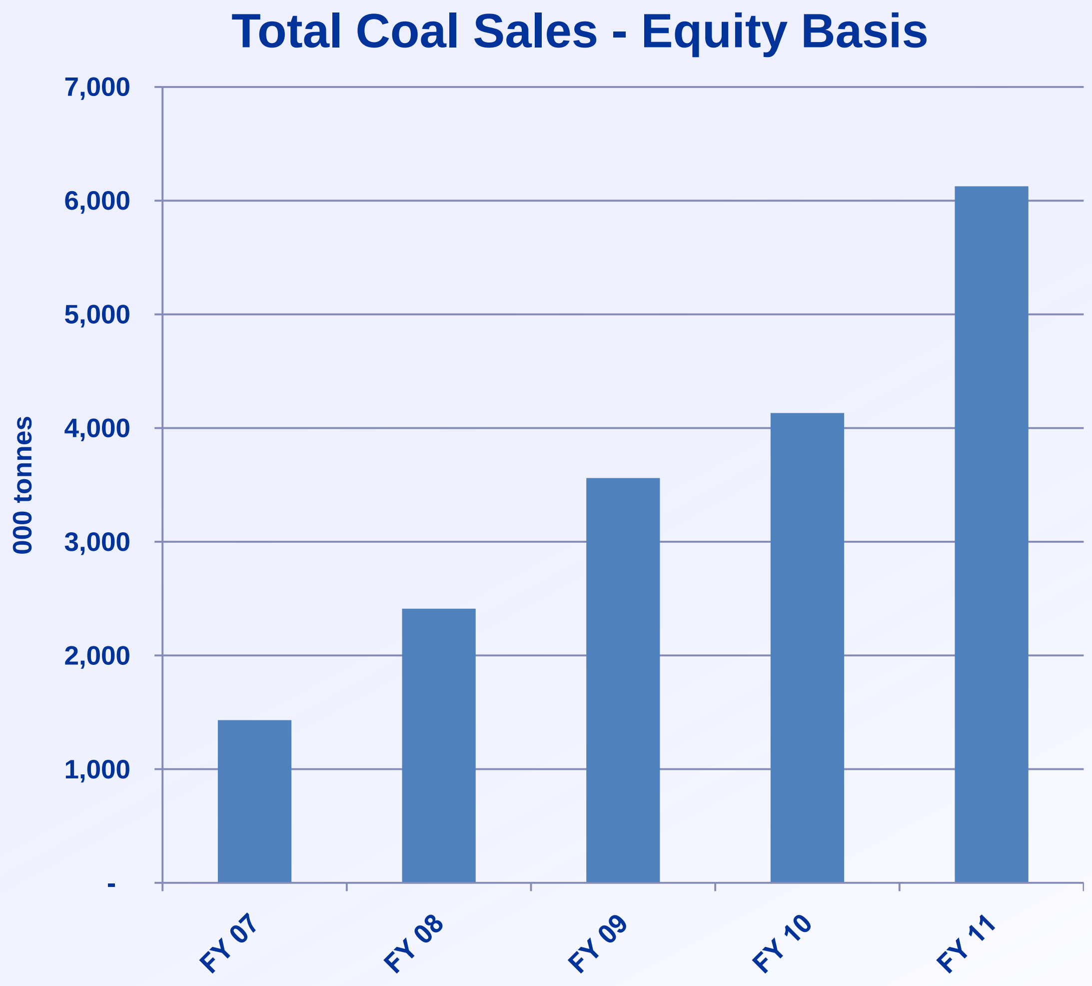
Growth of coal production and sales continues
Saleable coal production has trebled in 5 years





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Higher prices + lower costs = better EBITDA margins

A$/t FOB	FY 2010	FY 2011
Coal Sales - 000t (equity basis, excl. purchased coal)	3,310	4,243
Average revenue - (excl. purchased coal & net of NSW royalties)	99.14	103.00
Average cash cost of sales	**61.78**	**60.49**
EBITDA	37.36	42.51
EBITDA Margin - %	38%	41%

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Full year profitability – FY 2011

Reported Financial Performance - A$ millions	FY 2010	FY 2011
Revenue	406.8	622.2
NPAT before Significant Items	55.1	73.3
NPAT	114.9	9.9
Earnings per share (cents per share - diluted)	24.0	2.0
Final dividend (cents per share - fully franked)	2.8	4.1

Underlying Financial Performance - A$ millions	FY 2010	FY 2011
Revenue excluding sales of purchased coal & net of NSW royalties	328.2	437.0
Operating costs excluding coal purchases	204.5	256.7
EBITDA from own coal sales	123.7	180.3
Pre-tax loss from sales of purchased coal	20.2	41.7
Revenue not related to coal sales	(5.3)	(9.3)
Depreciation & Amortisation	32.0	40.9
EBIT	76.8	107.0
Interest	(1.9)	8.6
Tax	23.6	25.1
NPAT before Significant Items	55.1	73.3
Net profit after tax on sale of Narrabri JV interests	80.0	-
Other Significant Items after tax	(20.2)	(63.4)
NPAT	114.9	9.9

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Cash flow – FY 2011

A$ millions	FY 2010	FY 2011
Cash generated from operations	69.3	120.3
Interest and tax payments	(108.8)	(40.9)
Net cash provided by/(used) in operating activities	**(39.5)**	**79.4**
Proceeds from sale of assets	100.8	191.8
Capital investment	(245.7)	(225.3)
Other investing activities	(1.9)	(20.0)
Net cash provided by/(used) in investing activities	**(146.8)**	**(53.5)**
Proceeds from issue of share capital	221.3	0.2
Proceeds/(repayment) of borrowings	17.2	70.6
Dividends paid	(42.4)	(30.1)
Net cash provided by/(used) in financing activities	**196.1**	**40.7**
Net increase/(decrease) in cash and cash equivalents	**9.8**	**66.6**
Cash and cash equivalents at 1 July	131.2	141.0
Cash and cash equivalents at 30 June	**141.0**	**207.6**

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30 June financial position

A$ millions	June 30 – 2010	June 30 – 2011
Cash	**141.0**	**207.6**
Current receivables	289.2	92.4
Other current assets	72.0	162.3
Current assets	**502.2**	**462.3**
Non-current receivables	37.2	2.7
Other non-current assets	811.9	997.4
Total assets	**1,351.3**	**1,462.4**
Current payables	128.4	154.3
Current tax payable	37.5	-
Current interest bearing loans and borrowings	37.3	49.4
Other current liabilities	22.0	21.3
Current liabilities	**225.2**	**225.0**
Non-current payables	-	-
Non-current interest bearing loans and borrowings	57.6	129.2
Other non-current liabilities	45.3	67.7
Total liabilities	**328.1**	**421.9**
Net assets	**1,023.2**	**1,040.5**
Share capital	591.2	591.3
Retained earnings	411.2	391.1
Reserves	20.8	58.1
Total equity	**1,023.2**	**1,040.5**

Full year capex – FY 2011

Capital Investment - $ million	FY 2010	FY 2011
Tarrawonga [1]	2.4	2.3
Werris Creek	45.3	8.3
Rocglen	2.0	2.4
Sunnyside	2.2	1.9
Gunnedah CHPP	12.9	16.4
Total Open-cuts [1]	**64.8**	**31.3**
Narrabri [1, 2]	**126.6**	**104.4**
New coal train	35.5	3.7
Exploration	1.5	4.1
Vickery	31.9	-
Land/other	7.7	16.3
Total Whitehaven [1]	**268.0**	**159.8**

Note 1. Equity share
Note 2. Excludes capitalised development costs

Fixed price coal contracts and fixed FX status

- “Legacy” thermal coal contracts of 1.77 Mt remain over next year, average price US$68.98/t. Otherwise, US$ coal prices are currently only fixed for the short term
- Whitehaven has a total FX fixed position of US$319.9m at an average exchange rate of 0.8850 US$:A$ as at 30 June 2011. Additional US$46.0m at an average exchange rate of 1.0287 US$:A$ fixed since year end
- Approximately 100% of FY 2012 fixed price sales are covered by FX contracts at ~0.90 A$/US$

	FY2012 – 1H		FY2012 – 2H		TOTAL	
	000 t	US$/t	000 t	US$/t	000 t	US$/t
Legacy contracts	1,542	69.86	230	63.07	1,772	68.98
Other fixed price contracts	535	176.00	-	-	535	176.00
Total fixed price Contracts	2,077	97.20	230	63.07	2,307	93.80

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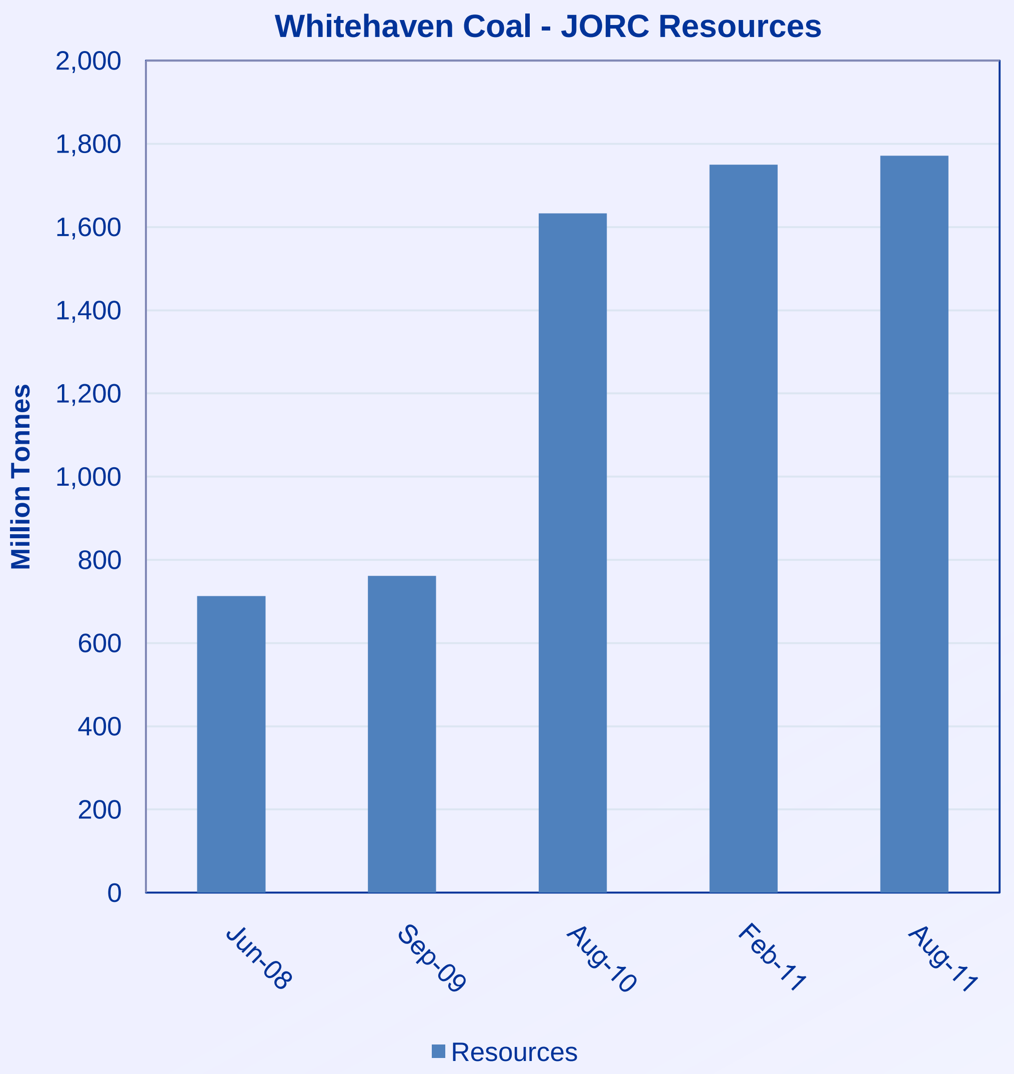
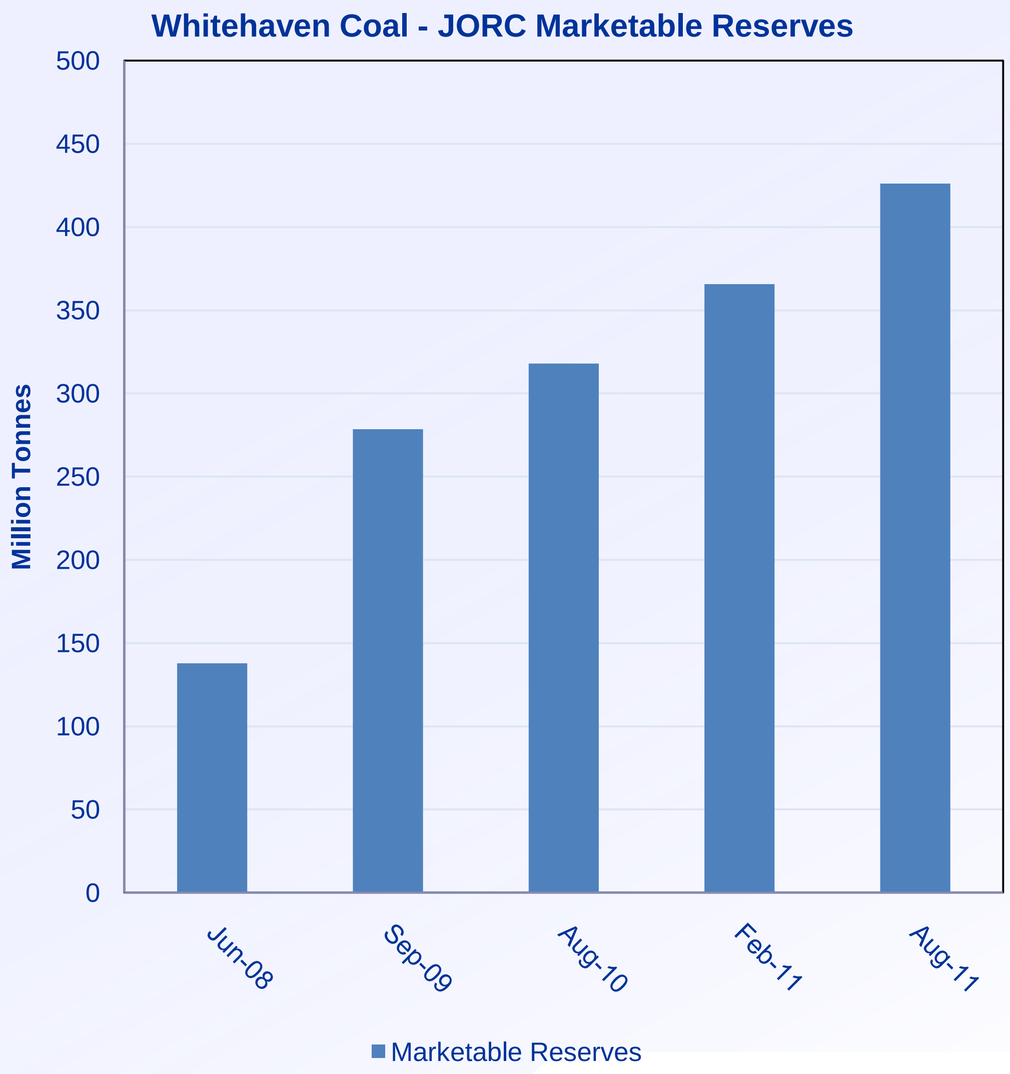
Ongoing growth in Resources & Marketable Reserves
Reserve life increased while production also increased





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Substantial growth from Narrabri underground mine

- Coal resources of 854 Mt in a single seam of 8-9 metres thick
- Current marketable reserves of 199.9 Mt based on extracting the bottom 4.2 metre section of the seam only
- Low ash, high energy, low sulphur PCI and thermal coals for the export market
- Saleable coal yield ~95%
- Current production from continuous miner operations while developing for longwall

Narrabri now developing for longwall

- First CM production 28 June 2010
- Four continuous miners now developing for LW
- More than 280 Kt of saleable coal produced to date
- Longwall installation due in February 2012
- Gas drainage successful in reducing CO_2 levels below required levels

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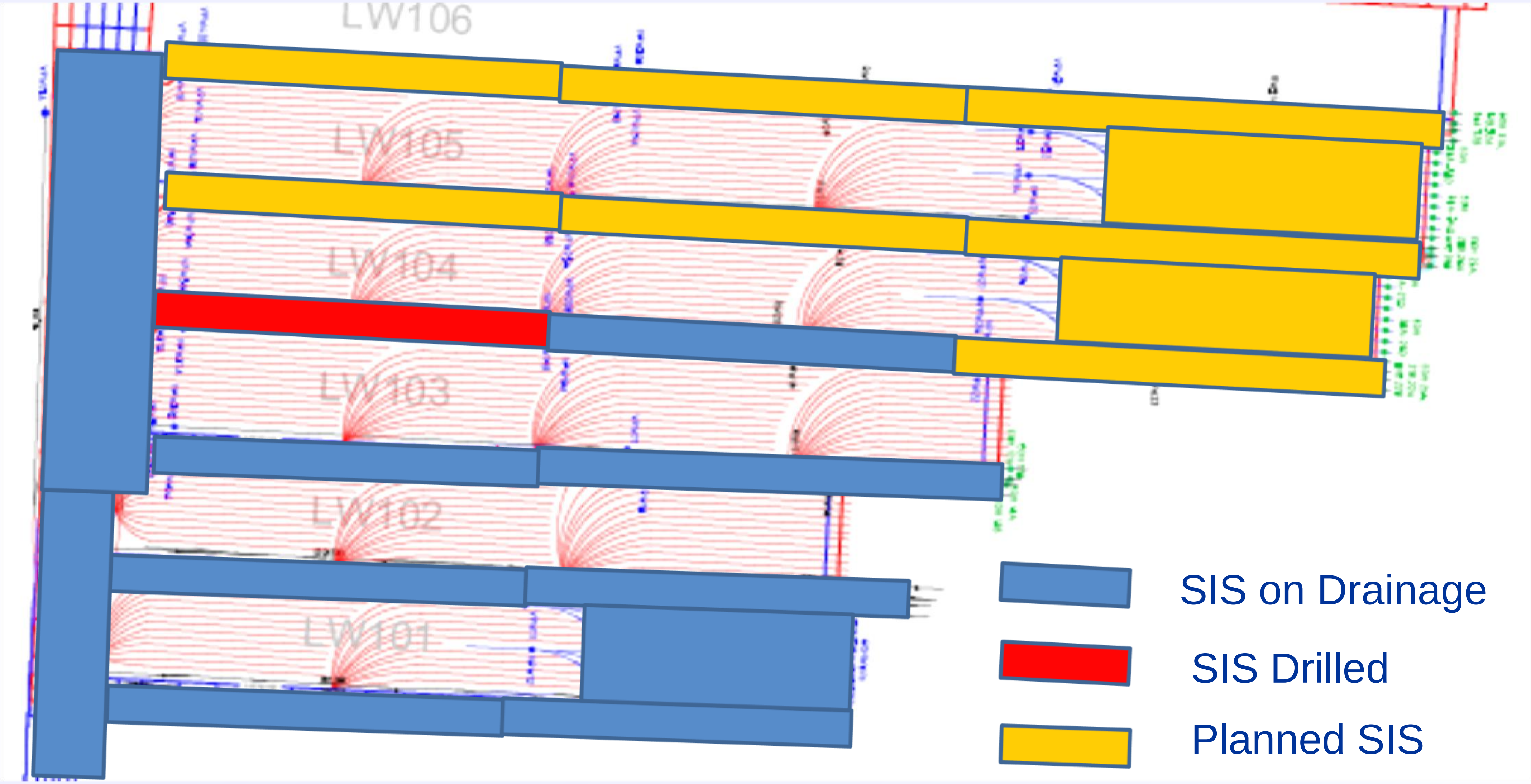
Gas Drainage Strategy



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Narrabri UG development conditions are very good

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Longwall is 94% complete, surface build started

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CHPP now being commissioned

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Shaft complete and fans being commissioned

- ► **Stage 2 capital estimate of ~$300 million (100% basis) remains on track**

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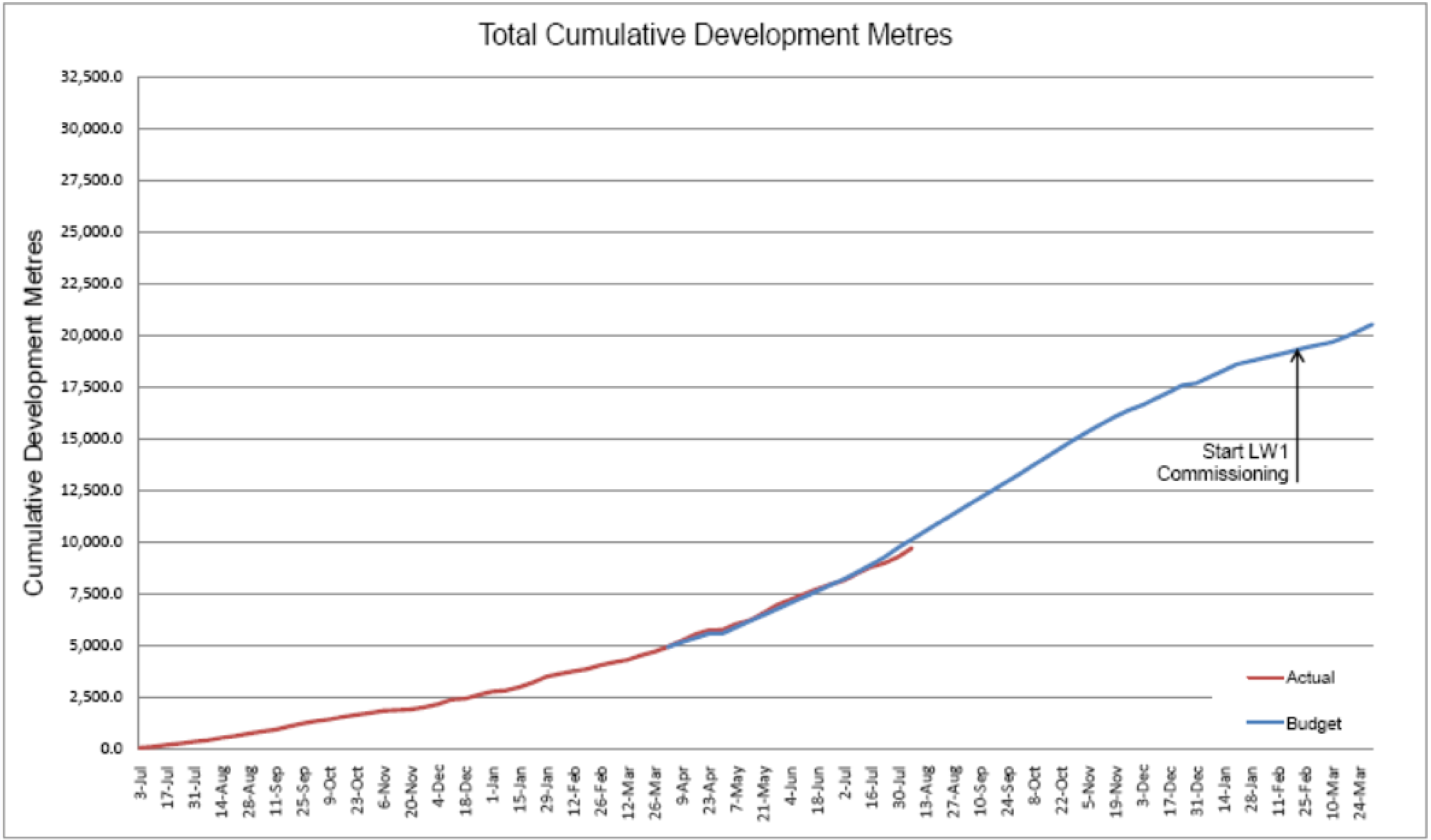
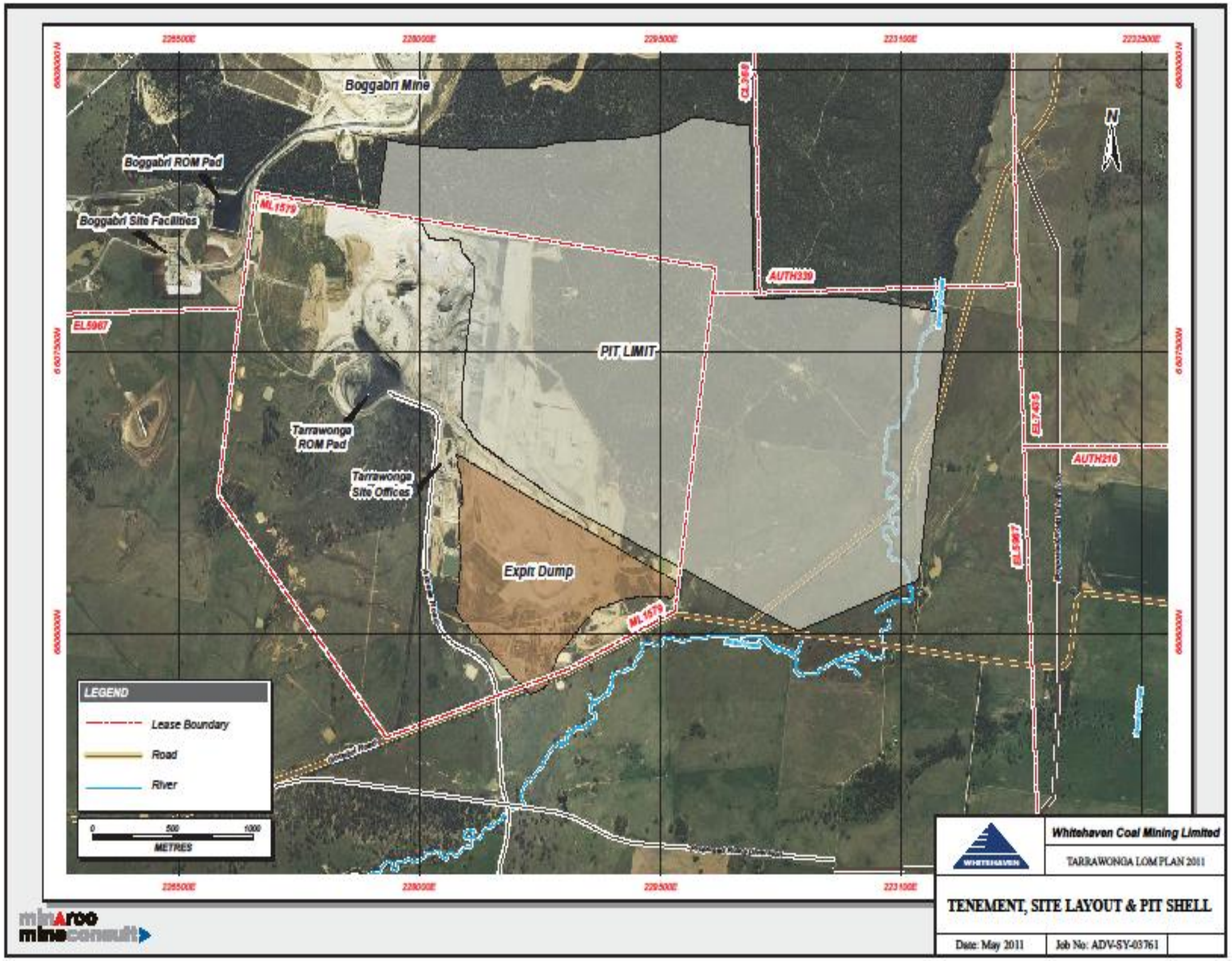
Longwall panel #1 development rate is critical path



Extension of the Tarrawonga JV has significant strategic benefits for both parties

- ► Utilises coal reserves within the Boggabri Coal area which would not otherwise be mined
- ► Extends the existing 70:30 Tarrawonga JV reserves to allow up to 3 Mtpa for 20 years with same coal quality (80% PCI) and OB stripping ratio (10:1 ROM)
- ► Economic benefits from better utilisation of Boggabri's new CHPP and rail loading facilities
- ► Cost-effective transport and loading option for Tarrawonga; vs. trucking to WHC Gunnedah
- ► Provides existing CHPP and rail loading capacity at Gunnedah for Vickery



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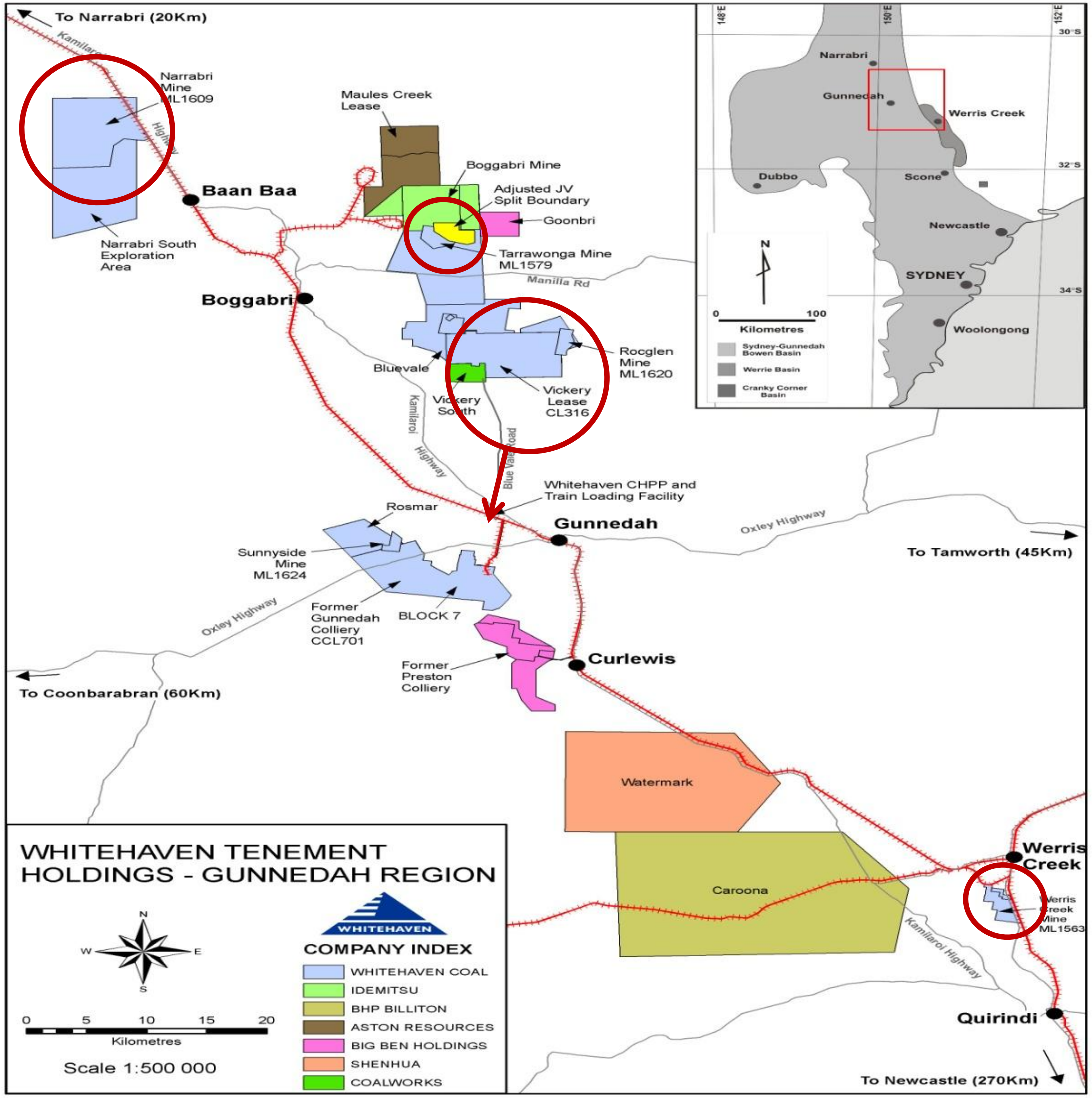
Vickery a major strategic growth acquisition

- ► The Vickery project area comprises Vickery, Merton, Bluevale and Canyon Extended
- ► 439 Mt of open cut Coal Resource, with an interim Marketable Reserve of 113.5 Mt
- ► Coal seams at Vickery contain a range of semi-soft coking and high quality thermal coals
- ► Previous coal quality analysis indicates a ~80% yield of mainly metallurgical saleable coal
- ► Work at Vickery focussed on extending Reserves to support an opencut mine producing ~4.5 Mtpa saleable coal for at least 25 years



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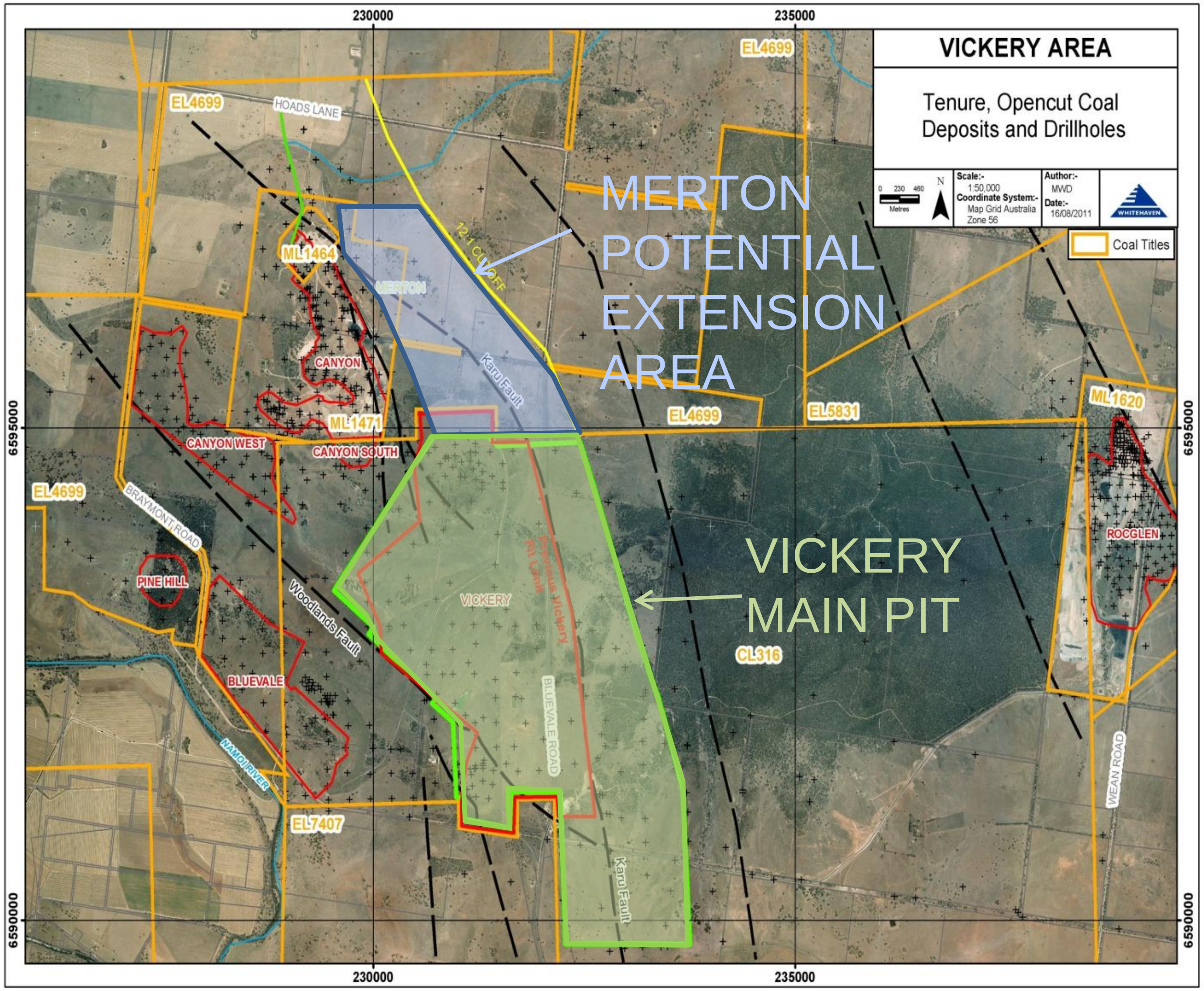
Large OC reserve at Vickery with extensions to come

- 439 Mt opencut Coal Resource in the Vickery area
- Main Pit (green outline) now has 164 Mt of ROM coal at 10:1 stripping ratio, of which 129 Mt is currently JORC Recoverable Reserve
- Further drilling underway to bring the remainder to recoverable reserve status
- Interim Marketable Reserve of 104.5 Mt in the Main Pit (based on 129 Mt Recoverable Reserve), plus 9 Mt in Bluevale
- Merton area yet to be defined for inclusion into reserves



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Rail track capacity to meet Whitehaven's growth

- Whitehaven has now entered into a long term track access agreement with ARTC which provides capacity to meet Whitehaven's planned growth
- Further track upgrades have been identified by ARTC to increase rail capacity to ~60 Mtpa from the Gunnedah Basin, including track duplication across the Liverpool Range
- Track upgrades can be constructed in stages to meet coal producers' needs. Gunnedah Basin producers have formed a project group, led by ARTC, to plan timely construction

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New trains being acquired as needed for growth

- Whitehaven has a long term haulage agreement with PN which includes the provision of new trains to meet Whitehaven's growth plans.
- Two new trains have been commissioned, with the third due in October 2011

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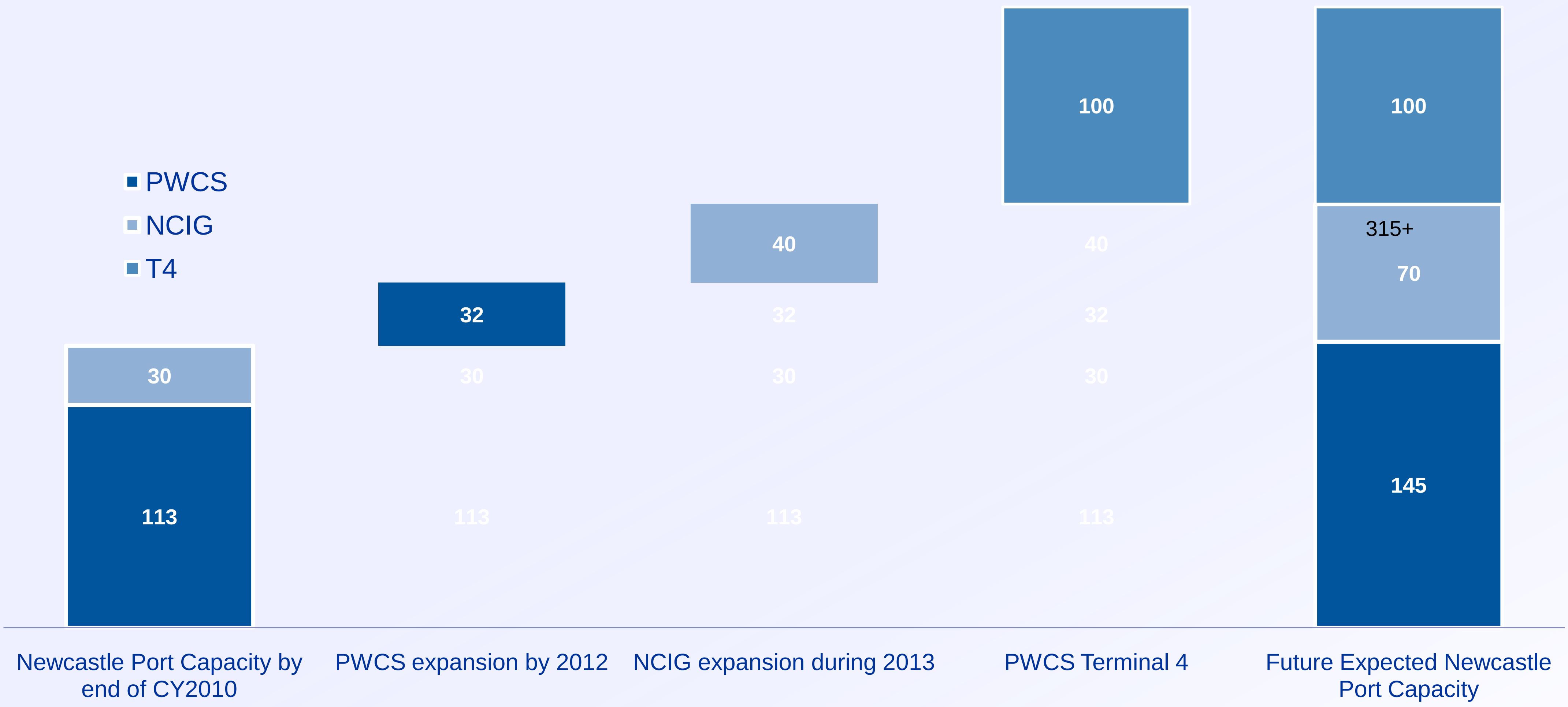
Newcastle port capacity is growing rapidly



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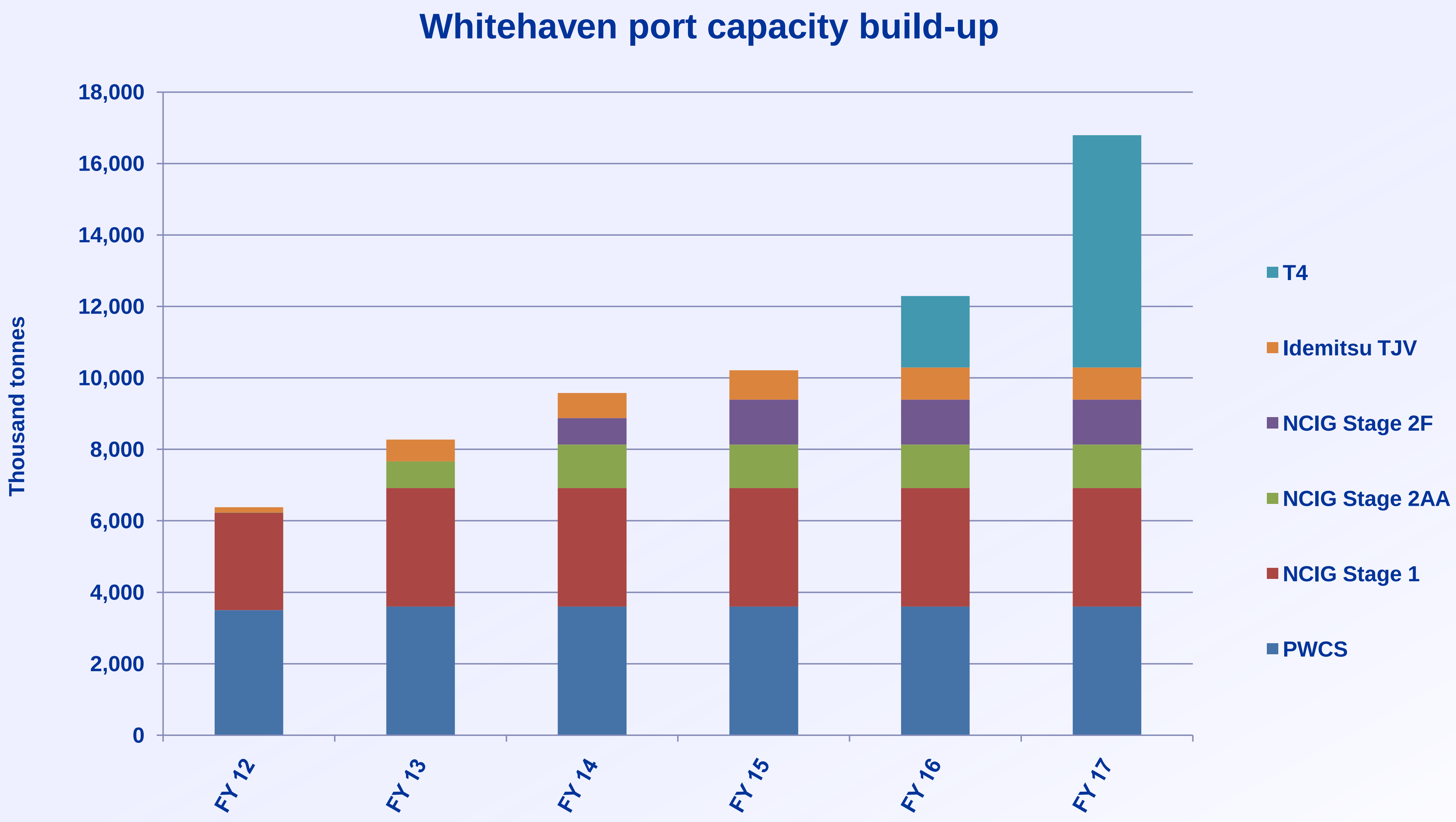
Port capacity to meet Whitehaven growth



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NCIG Stage 1 now fully operational, first Cape size ship due in September

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WHITEHAVEN COAL

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

1	Large resources and reserves of high quality coal
2	High productivity mines & high yield coals provide cost and margin benefits
3	Increasing percentage of metallurgical coal production and close to 100% export sales. Substantial uncommitted export sales tonnage in future years
4	Established infrastructure access
5	Efficient and flexible opencut production base with significant growth coming from Narrabri and Vickery
6	Low geared balance sheet and strong cash flows to fund development and growth

WHITEHAVEN COAL

1

Large resources and reserves of high quality coal

- Thermal and metallurgical Coal Resources of 1,772 Mt (100% basis) and Marketable Reserves of 426 Mt (100% basis)
- Revised JORC statement released on 23 August 2011
- Potential for continued increase in Marketable Reserves from Vickery, Narrabri and Tarrawonga
- Potential for further Coal Resources upgrade from the exploration of existing tenements
- Low ash, low sulphur and high energy content coal

	Total resources (Mt)	Total marketable reserves (Mt)
Tarrawonga	113	43
Sunnyside	90	25
Rocglen	23	11
Werris Creek	34	29
Narrabri	855	200
Vickery*	460	114
Other Gunnedah	192	4
Ashford	5	-
Total (100%)	**1,772**	**426**

*Total Resources and Marketable Reserves includes Bluevale open cut , Merton open cut and Canyon Extended ,adjacent to Vickery coal lease.

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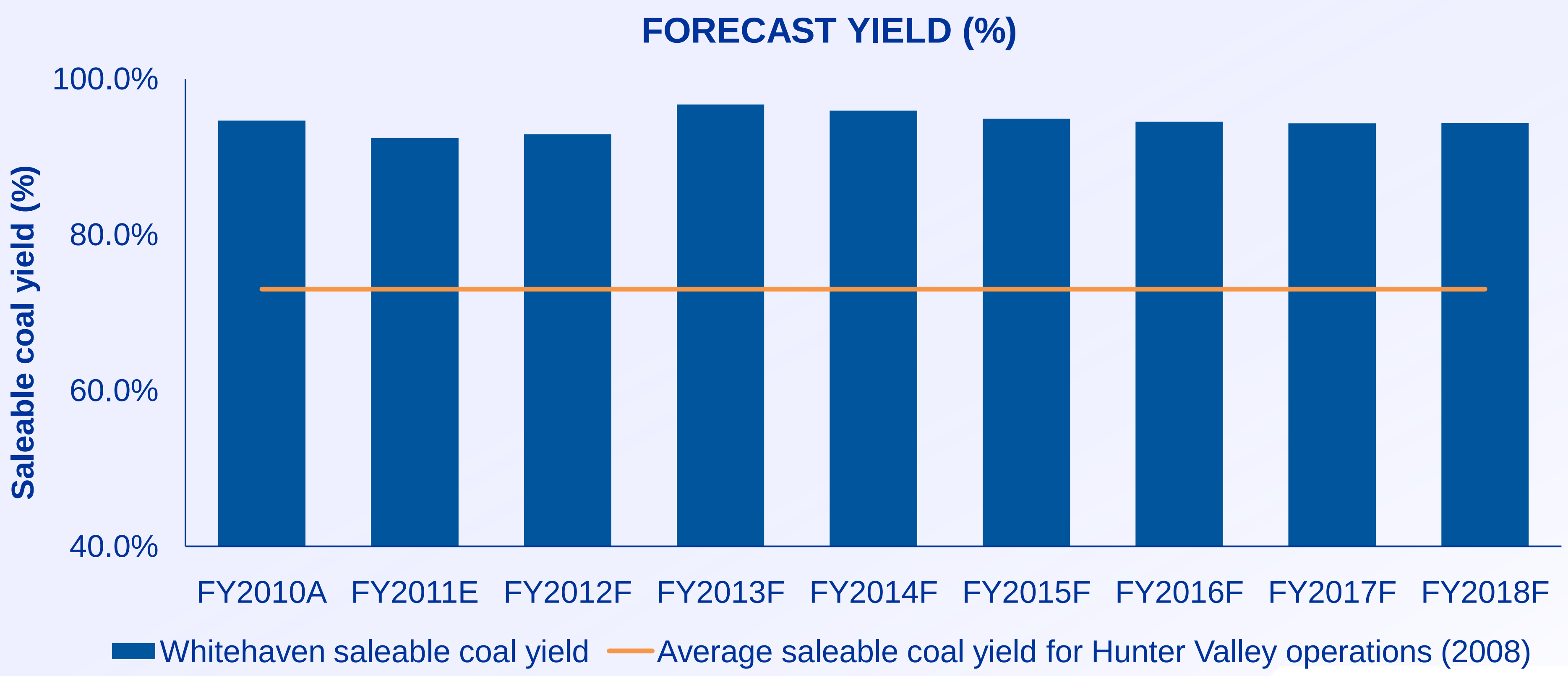
High yield coals provide cost and margin benefits

- ► Average saleable coal yield of +90%, compared to an average of around 73% for Hunter Valley coals
- ► Currently 25% metallurgical coal, expected to increase to between 40% and 50% in future
- ► Average cash cost of ~A$60/t FOB Newcastle (excluding NSW royalty)



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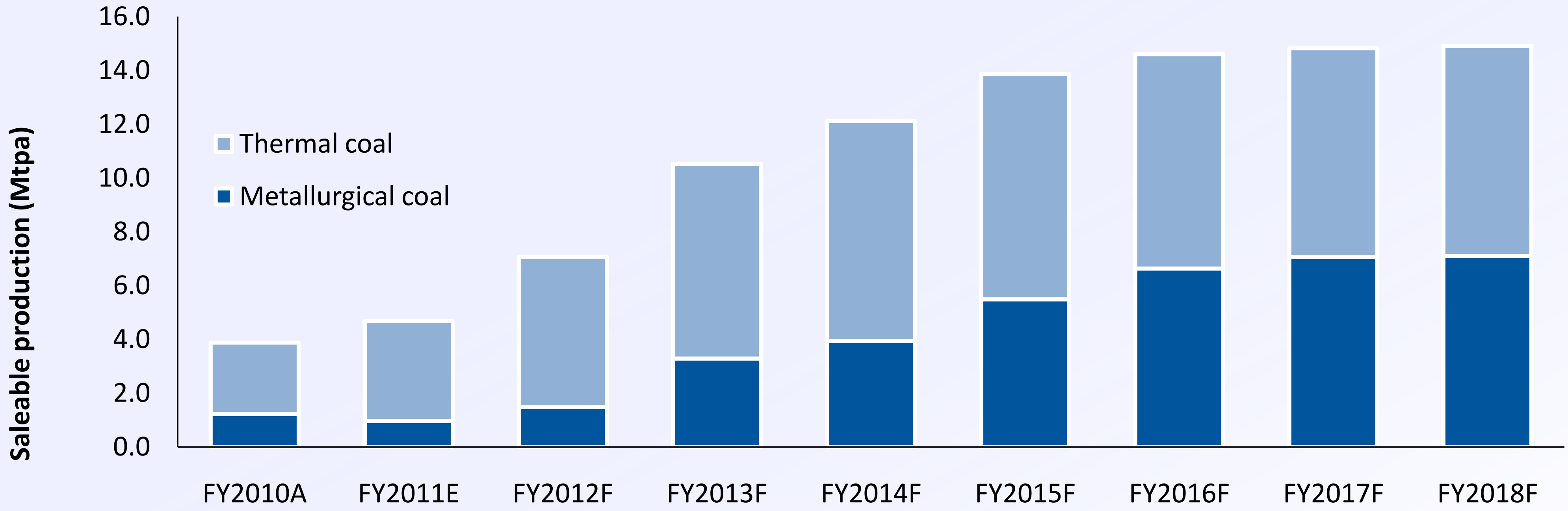
Increasing percentage of metallurgical coal production capacity - close to 100% export sales

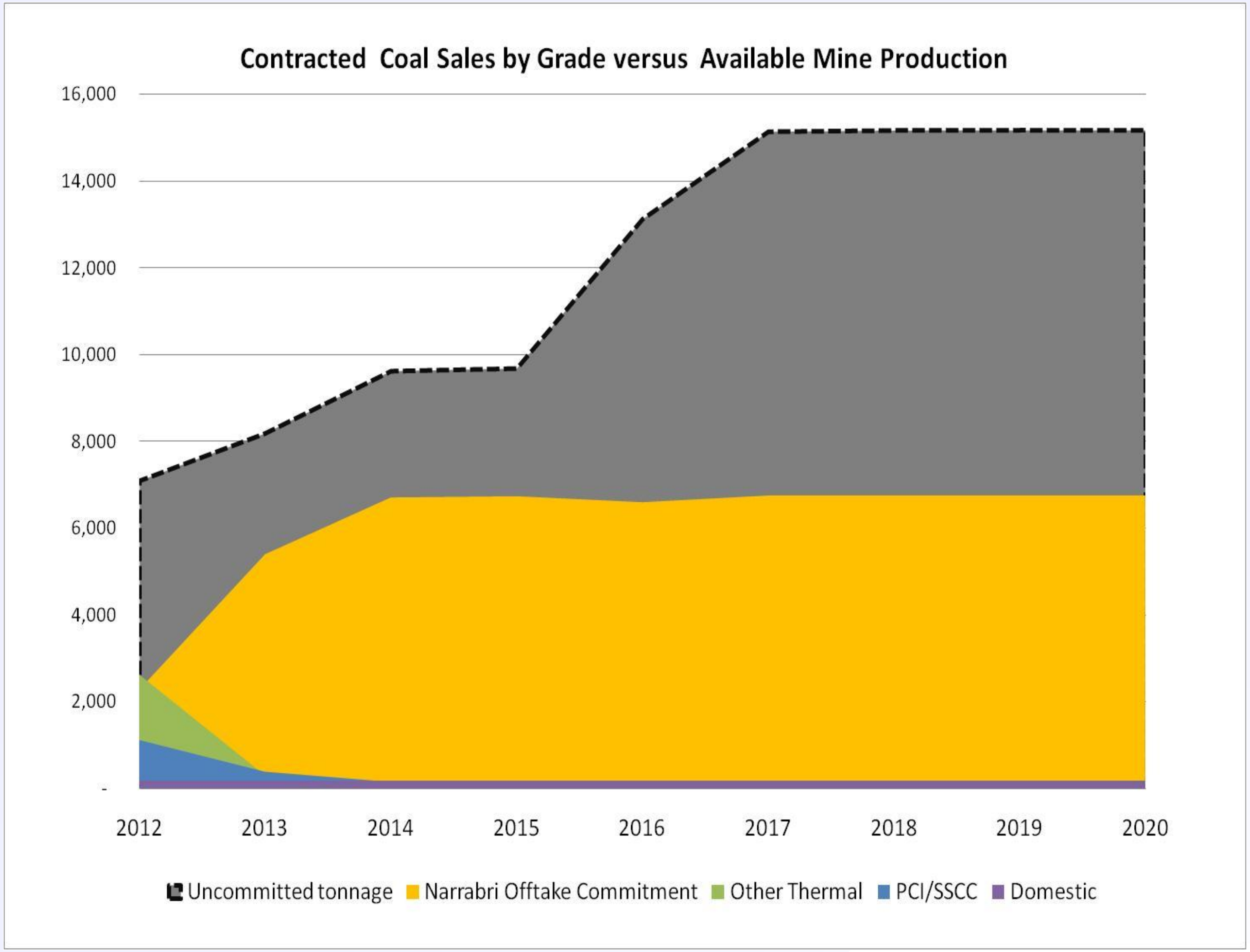
- Metallurgical coal is expected to grow to between 40% and 50 % of total saleable production capacity as Narrabri and Vickery are fully developed
- Expected long term average of 80% and 13% of metallurgical coal from Tarrawonga and Werris Creek respectively
- Indications are that Narrabri can produce up to 40% PCI coal
- Coal quality analysis at Vickery indicates up to 80% semi-soft coking and PCI coal, but base plan is 50%
- ~95% export sales in FY2010, increasing to ~99% by FY2013



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

Mix of off-take contracts and uncommitted tonnages to manage market and production risks

- Whitehaven has off-take commitments with Narrabri JV partners, but there remains significant uncommitted tonnage in the future
- The Vickery project offers a good mix of metallurgical coal opportunities and will increase the overall percentage of metallurgical coal
- Legacy thermal contract commitments cease at the end of 2011



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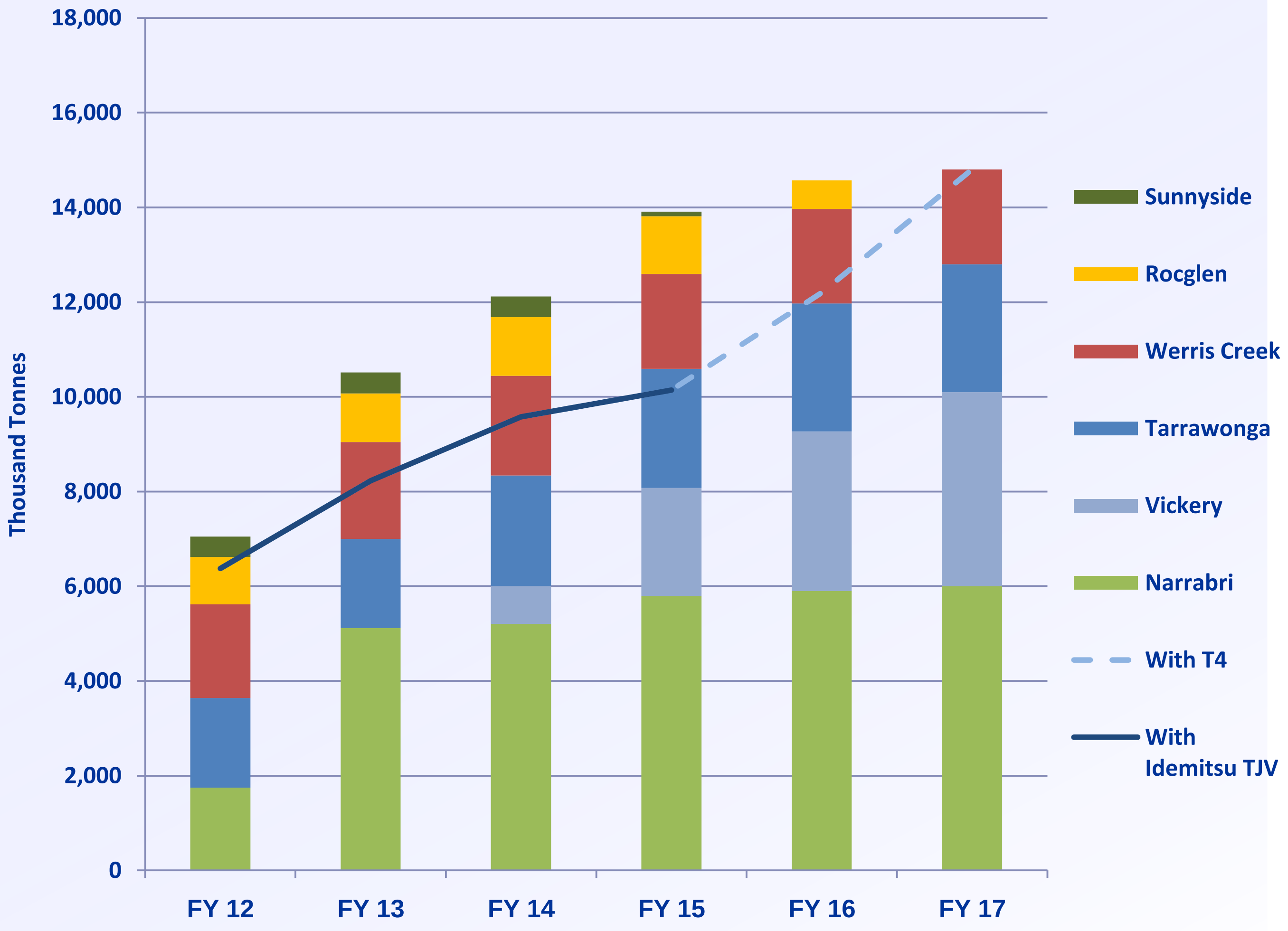
Low-risk open cut production base with substantial growth from Narrabri UG and Vickery OC

- Four OC mines with ~5.5 Mtpa[1] capacity. OC growth from Vickery
- Saleable production capacity expected to be ~10.5 Mtpa[1] by FY2013
- Vickery to produce > 4 Mtpa saleable, starting in 2014
- Additional port capacity likely to be available over the next few years
- T4 planned from 2016
- 11% ownership of NCIG an important infrastructure asset
- Investment in rail track and train capacity supports growth

SALEABLE PRODUCTION CAPACITY VS PORT CAPACITY (100% BASIS) 1.



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WHITEHAVEN COAL

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Growth plans are well funded
Capacity to fund new opportunities

- Cash on hand at end June of ~$207.6 million, with minimal finance debt other than equipment leasing and funding for the Narrabri longwall
- Major committed capital is the completion of Narrabri Stage 2, which is well covered by cash on hand and remaining proceeds from the sale of minority Narrabri JV interests
- Net cash flow from operations is available to service working capital and dividends
- The Vickery development is expected to require relatively low capital investment other than mining equipment, as a result of utilising the existing Gunnedah CHPP and rail loading facilities
- The Whitehaven balance sheet has substantial capacity for debt, should attractive investment opportunities arise

Coal market outlook

- Coal demand growth remains strong
- Supply still constrained by infrastructure and ever-increasing “red tape” and “green tape”
- Contract coal prices – US$ FOB
  - Hard coking coal Q1 ~$315/t
  - Newcastle semi-soft/PCI Q1 ~$210/t
  - Newcastle thermal ~$127/t
- Current spot coal prices – US$ FOB
  - Hard coking coal ~$300/t
  - Newcastle thermal ~$122/t
- Forward thermal coal prices are also strong, $124/t for Cal 2012, $126/t for Cal 2013 and $128/t for Cal 2014