

28 October 2011

The Manager, Listings
Australian Securities Exchange
Company Announcements office

Via ASX Online

Dear Sir,

We attach copies of the Chairman's Address and Managing Director's Presentation which will be delivered at the Company's Annual General Meeting being held at 11.00am today.

Yours Faithfully

Timothy Burt
Company Secretary

Whitehaven AGM 2011

Chairman's Address

I'll now discuss the company's performance for the year before handing over to Tony who will provide you with a detailed presentation on Whitehaven's operational performance and growth prospects.

Whitehaven remains the largest and most established coal producer in the Gunnedah Basin. Our current forecasts see Whitehaven producing more than 6 Mt of thermal and metallurgical coal in the 2012 financial year.

We have a reputation for successfully implementing our growth plans and 2011 was no different.

Our open cut mines and Gunnedah Coal Handling and Preparation Plant underwent significant expansion during the year.

We now have an efficient and flexible open cut production base with significant growth coming from our Narrabri underground mine and the proposed Vickery open cut beyond that.

Our Narrabri mine has delivered its first full year of development production and now has four continuous miners operating underground.

The Stage 2 surface works, including the Coal Handling and Preparation Plant and fan shaft are nearing completion and the longwall is currently being constructed with a view to commencing longwall production in mid-April 2012.

At Vickery, our ongoing exploration work has defined a substantial open cut resource. The development of this operation, which could begin in the second half of 2013, would contribute to taking our planned production levels to approximately 15 Mtpa over the next five years.

Access to infrastructure is a critical component in delivering growth and significant work has been done to ensure we have appropriate rail and port allocations to underpin increased production, as well as the

necessary CHPP capacity. Tony will provide further detail on these issues in his presentation.

SAFETY

The safety and wellbeing of our workforce is our highest priority and we are focusing on further developing our safety culture and commitment.

Significant progress has been made during the year with an increased number of individual hazard assessments (Take 5s) and toolbox talks as well as improvement in incident investigation and root cause analysis.

Despite the increased awareness of safety across the business, our key safety performance measure – Lost Time Injury Frequency Rate – has shown an increase this year, particularly in our open cut mines. We are determined to rectify this trend in LTIFR and several initiatives have been introduced to further develop our safety culture and on- site supervision.

Additional resources have been allocated to our corporate safety team as well as site-based safety professionals and I am pleased to report that during the first quarter of FY2012 we have seen an improvement in safety performance across all of our operations. During September we experienced no recordable injuries at all – a very positive and welcome result.

SUSTAINABILITY

Our mines are now the largest employer in north-west New South Wales with more than 450 direct employees and a large number of contract service jobs supported. This direct employment is expected to increase to more than 800 during the next five years as our growth plans are realised.

We recognise that the scale and nature of our operations demand a high level of corporate responsibility in terms of the safety of our workforce, consultation with local communities and environmental management.

We are a willing and engaged participant in the various policy debates surrounding regional development and mining and have stated publicly on many occasions that we are committed to maintaining a locally-based workforce.

Despite the challenges raised by the skills shortage in the regions, we do not believe a permanent fly-in fly-out workforce is a good outcome for either our workforce or the community.

As such we are working with local councils as they develop sensible planning to protect and enhance the standard of living for our existing communities, which in turn will assist in attracting highly-skilled workers and their families to this region.

In terms of environmental initiatives, we have engaged extensively with local communities and this has resulted in a number of sensible variations to our mining plans. In addition, we have expanded our environmental management team which is working proactively with other companies in the Gunnedah Basin to assess and address the cumulative impacts of our combined developments.

FINANCIAL PERFORMANCE

Tony will speak in more detail about the company's financial performance during his presentation. In summary, we reported net profit after tax (NPAT) of \$9.9 million for FY2011. Underlying NPAT (before significant items) was \$73.3 million.

This performance allowed us to declare fully-franked dividends of 7.4 cents per share, attributable to FY 2011 NPAT.

FORMAL PROCESS

As widely reported during the year, in October 2010, following numerous approaches to the company over several months, Whitehaven announced that it was commencing a formal process to enable selected interested parties to conduct due diligence and submit proposals for a potential corporate transaction with the company.

In April 2011 we advised that the formal process was reaching a conclusion with shortlisted parties having completed due diligence and submitted formal proposals.

After further negotiation of these proposals, the Whitehaven Board determined that no proposal was sufficiently attractive to warrant recommendation to shareholders.

The process was then terminated, allowing the Board and management to continue to focus on our existing high quality coal assets and to examine attractive growth opportunities.

CORPORATE

Since balance date, Whitehaven has refinanced its existing syndicated bank facility with a series of long-term bilateral facilities put in place with a number of Australian and foreign financial institutions. The new bank facilities have a five year tenor and provide Whitehaven with additional lines of credit up to A\$350 million for working capital and general corporate purposes.

The new facilities recognise Whitehaven's strong credit quality and growth prospects and will support our endeavours to further develop and realise the value of our existing world class coal assets.

CONCLUSION

On behalf of all non-executive directors, I thank Tony Haggarty and his most capable executive team for their dedication, discipline and commitment to delivering profitable growth to our shareholders and for the leadership position they are taking in our business and the Gunnedah Basin coal industry.

Before we hand over to Tony I would like to show you a brief film we have recently produced. The film outlines Whitehaven's approach to many of the issues I have just discussed and shows you some recent images of our people, our sites and the areas in which we operate.

Thank you



Whitehaven Coal Limited

Delivering Growth

AGM 2011

Sydney, Australia
28 October 2011



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.



WHITEHAVEN COAL

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

Financial Highlights - FY 2011

- ▶ **Underlying NPAT¹ (excluding Significant Items) of \$73.3 million, up 33%**
- ▶ **Fully franked dividends of 7.4 cents per share, attributable to FY 2011 NPAT**
- ▶ 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. Excluding net loss after tax of \$63.4 million from significant items

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

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 in early 2012. All capital works for Stage 2 are on track and within budget**

Business development highlights - FY 2011

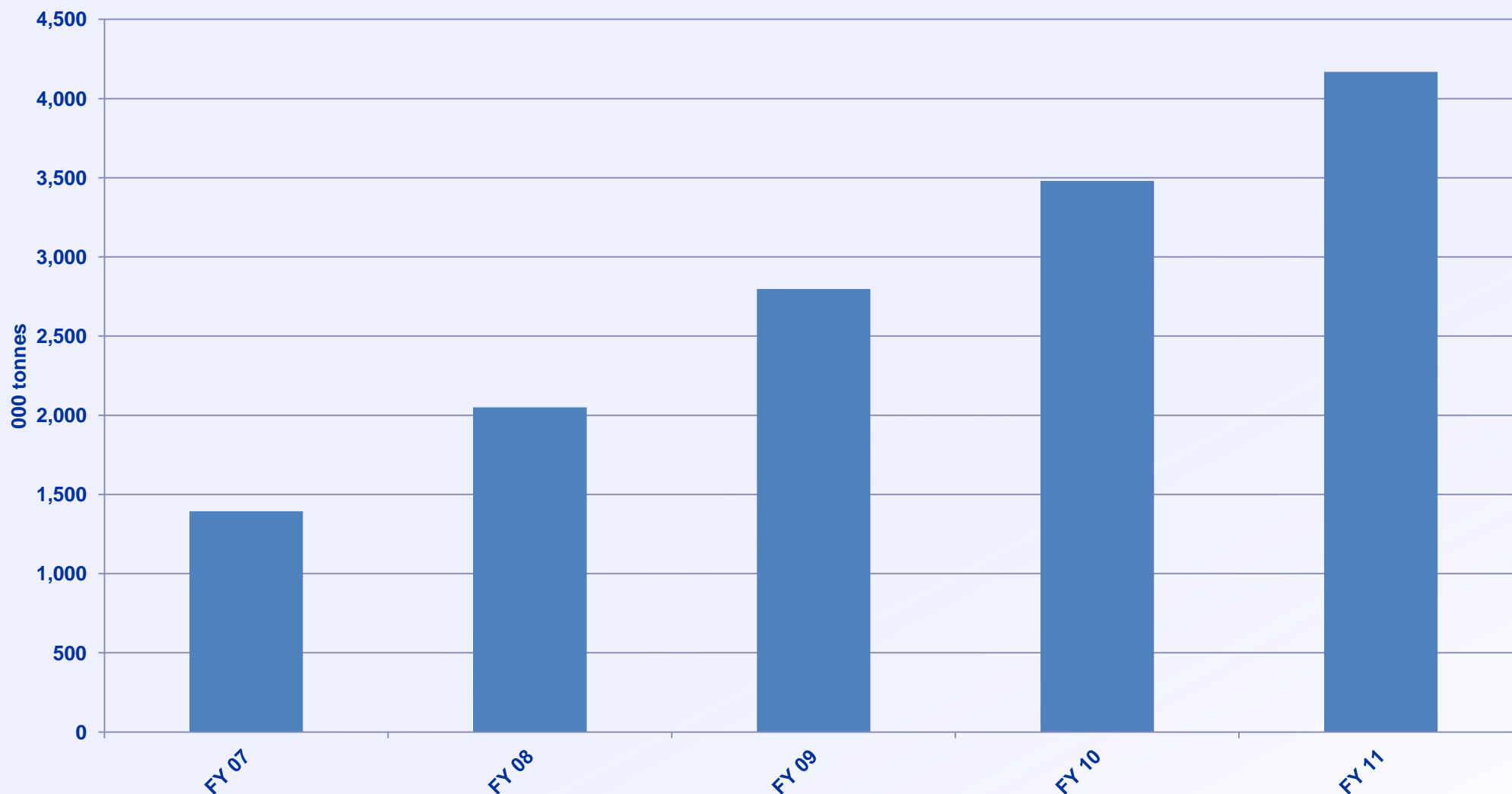
- ▶ Coal Resources (JORC) increased by 8.5% to 1,771.5 Mt and Marketable Coal Reserves (JORC) increased by 34% to 426.1 Mt
- ▶ Vickery Project progressed with opencut Coal Resources (JORC) increased to 439.2 Mt, interim opencut Marketable Reserves (JORC) of 113.57 Mt and a mine plan for 4.5 Mtpa to be processed and loaded onto rail using Whitehaven's existing Gunnedah CHPP, commencing in early 2014
- ▶ Reached agreement with Idemitsu (Boggabri Coal) to extend the Tarrawonga Joint Venture and share new CHPP and rail infrastructure at Boggabri, commencing in early 2014
- ▶ 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 and NCIG final stage (2F) committed, scheduled for commissioning in June 2013
- ▶ Obtained 8.4 Mt of additional port capacity spread over 2012 through 2016, providing most of Whitehaven's needs prior to T4 (scheduled for late 2015). Nominated for T4 tonnage with PWCS
- ▶ Obtained Project Approval for Werris Creek life of mine production, up to 2.5 Mtpa for 20 years
- ▶ Concluded a long term rail access contract with ARTC
- ▶ Took delivery of two new trains under the PN long term rail haulage contract
- ▶ Established an undrawn credit line of \$350 million to support growth to 15 Mtpa

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 rail and port 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

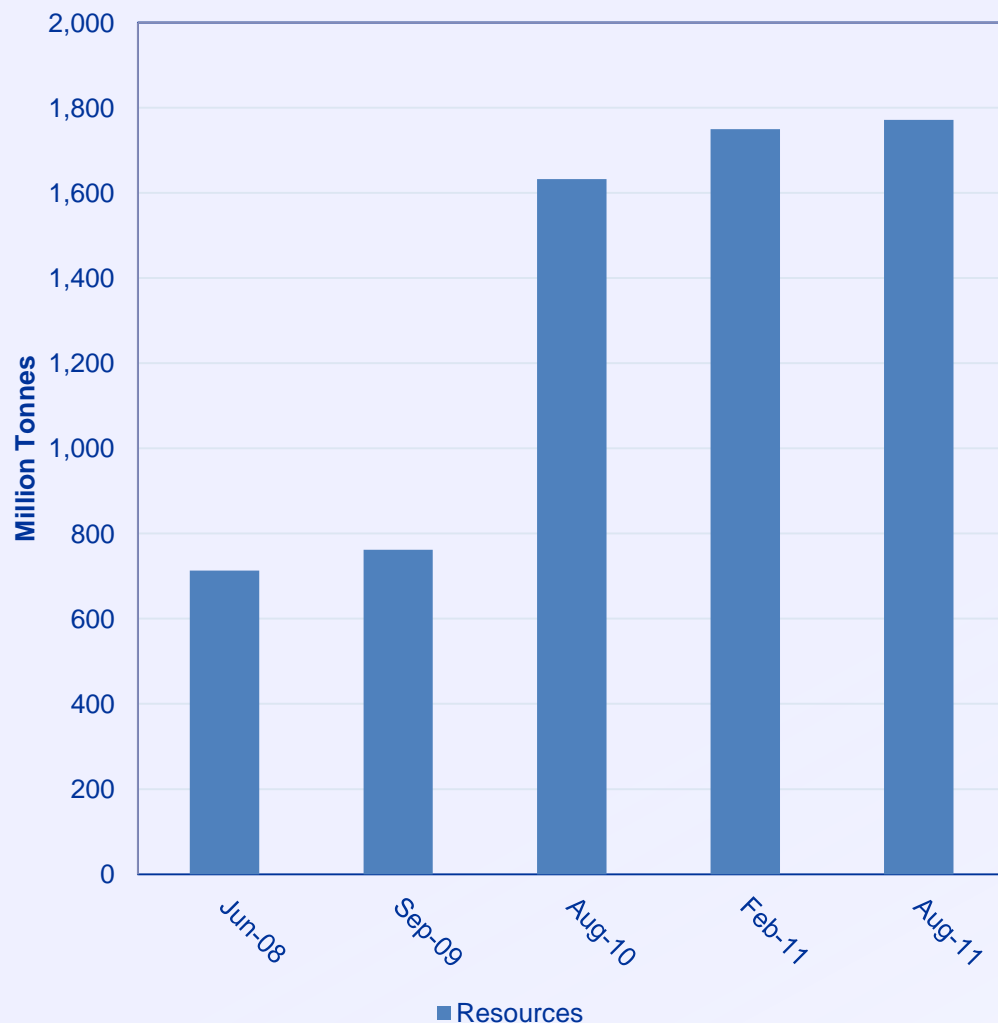
Saleable coal production has trebled in 5 years

Saleable Production - Equity Basis

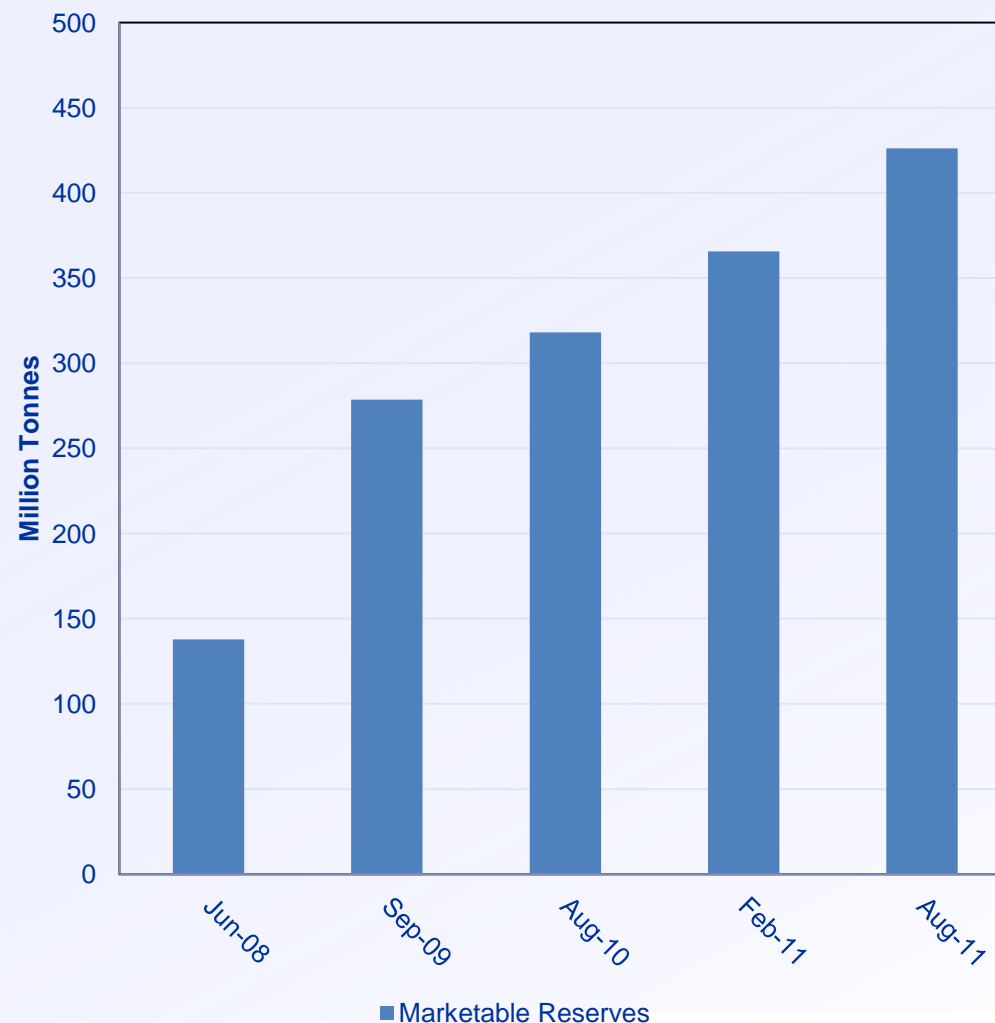


Reserve life increased while production increased

Whitehaven Coal - JORC Resources



Whitehaven Coal - JORC Marketable Reserves

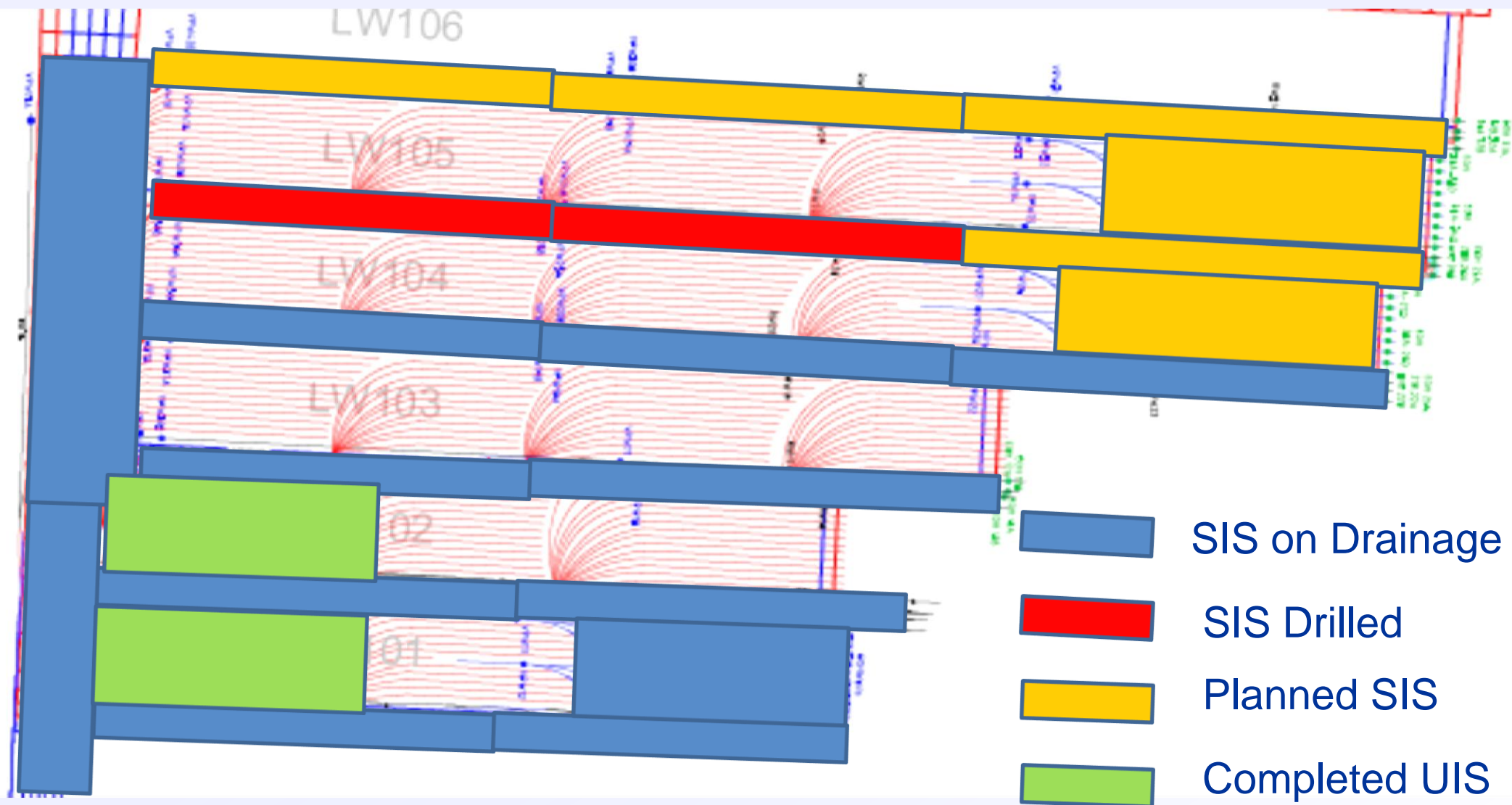


Substantial growth coming from Narrabri in 2012

- ▶ Coal resources of 854 Mt in a single seam 8-9 metres thick
- ▶ Marketable reserves of 199.9 Mt from the bottom 4.2 metre seam section
- ▶ Low ash, low sulphur PCI and thermal coals for the export market
- ▶ Saleable coal yield ~95%
- ▶ Four continuous miners now developing for longwall
- ▶ More than 300 Kt of saleable coal produced to date
- ▶ Gas drainage successful in reducing CO₂ levels below required levels
- ▶ Longwall installation in early 2012



Gas drainage has been successful



Narrabri UG development conditions are very good



Longwall is 95% complete on site



Longwall is 95% complete on site



Longwall is 95% complete on site



CHPP complete and being commissioned

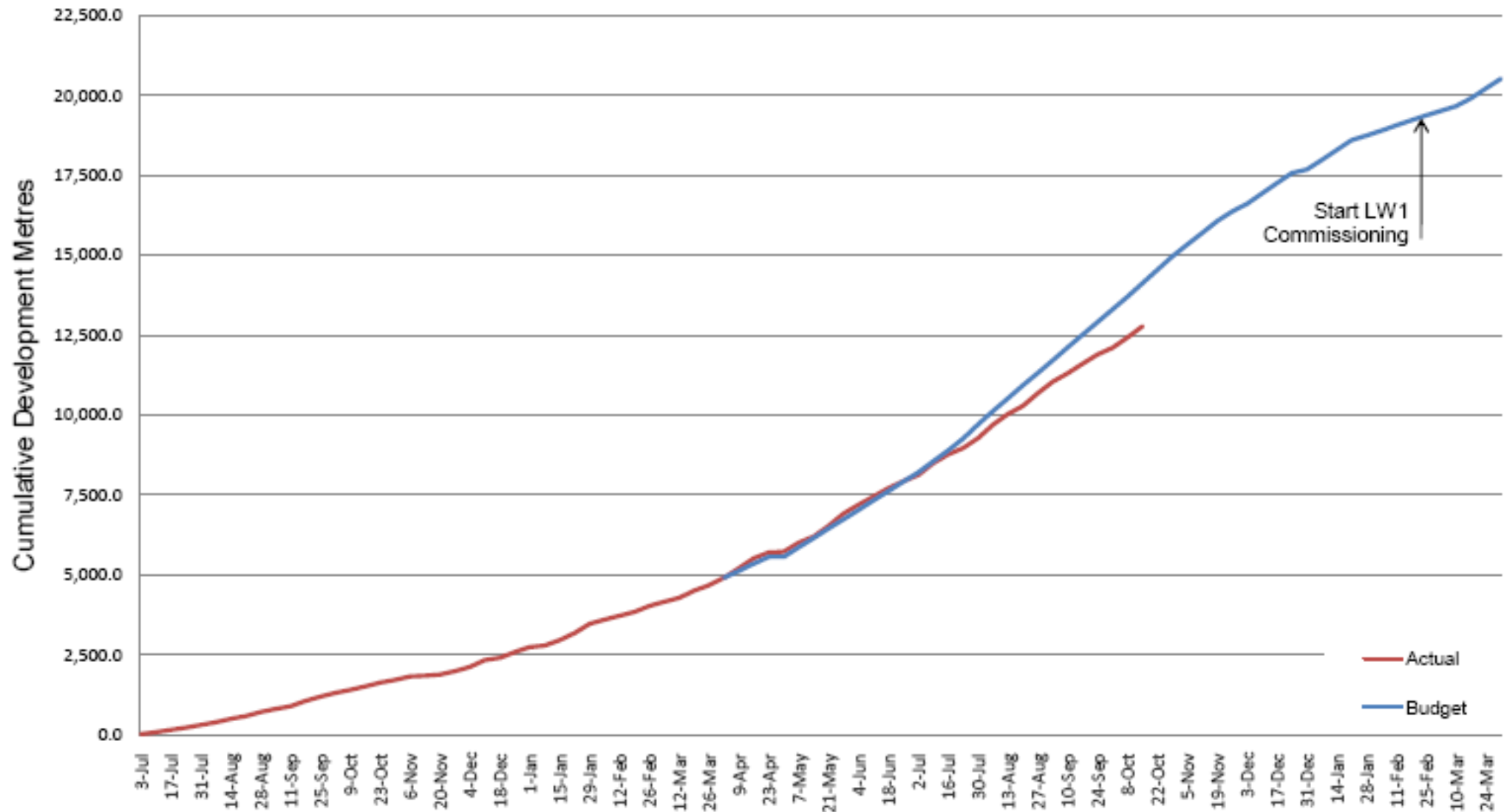


Shaft complete and fans being commissioned

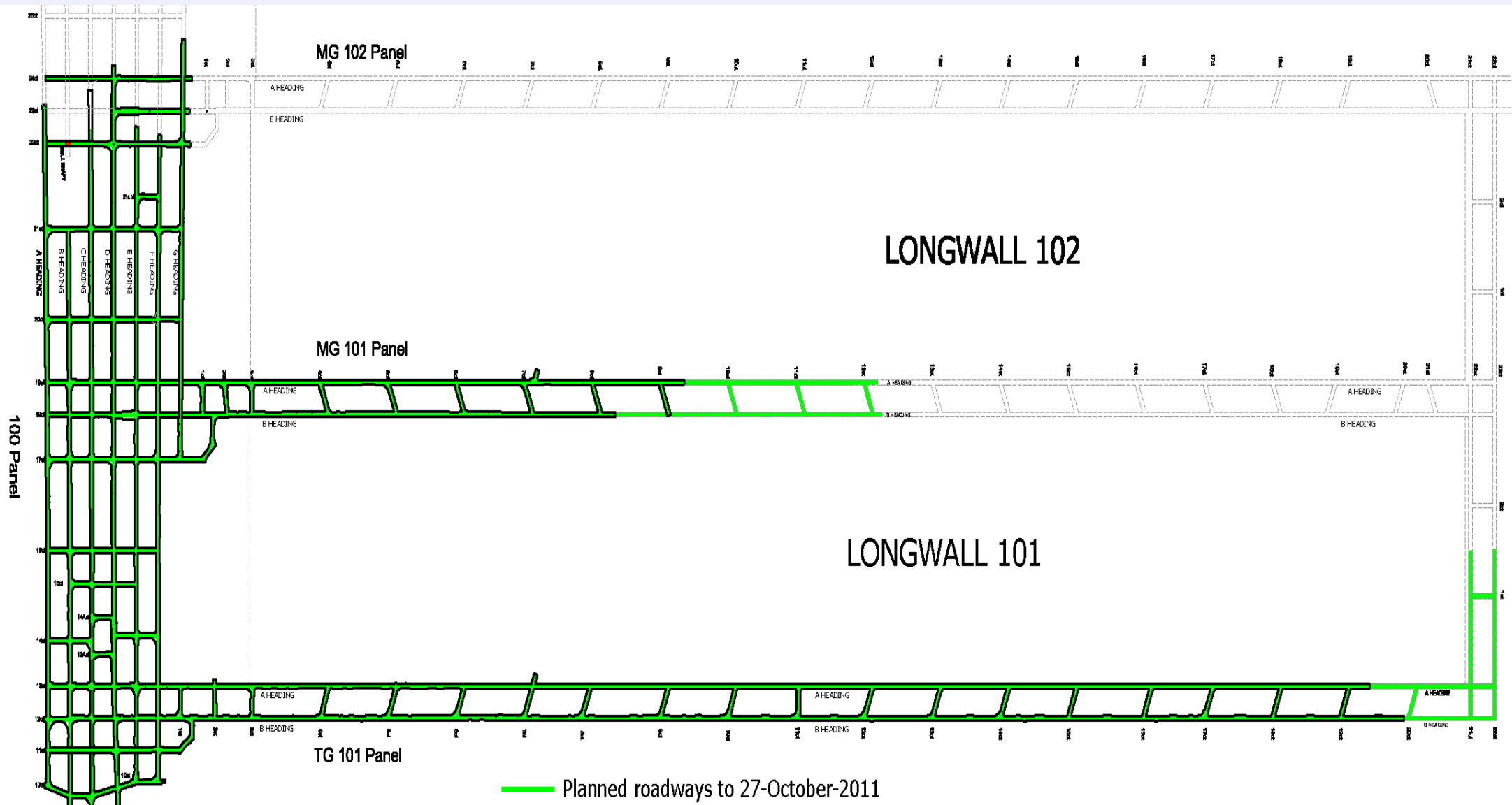


Longwall panel #1 development is on the critical path

Total Cumulative Development Metres

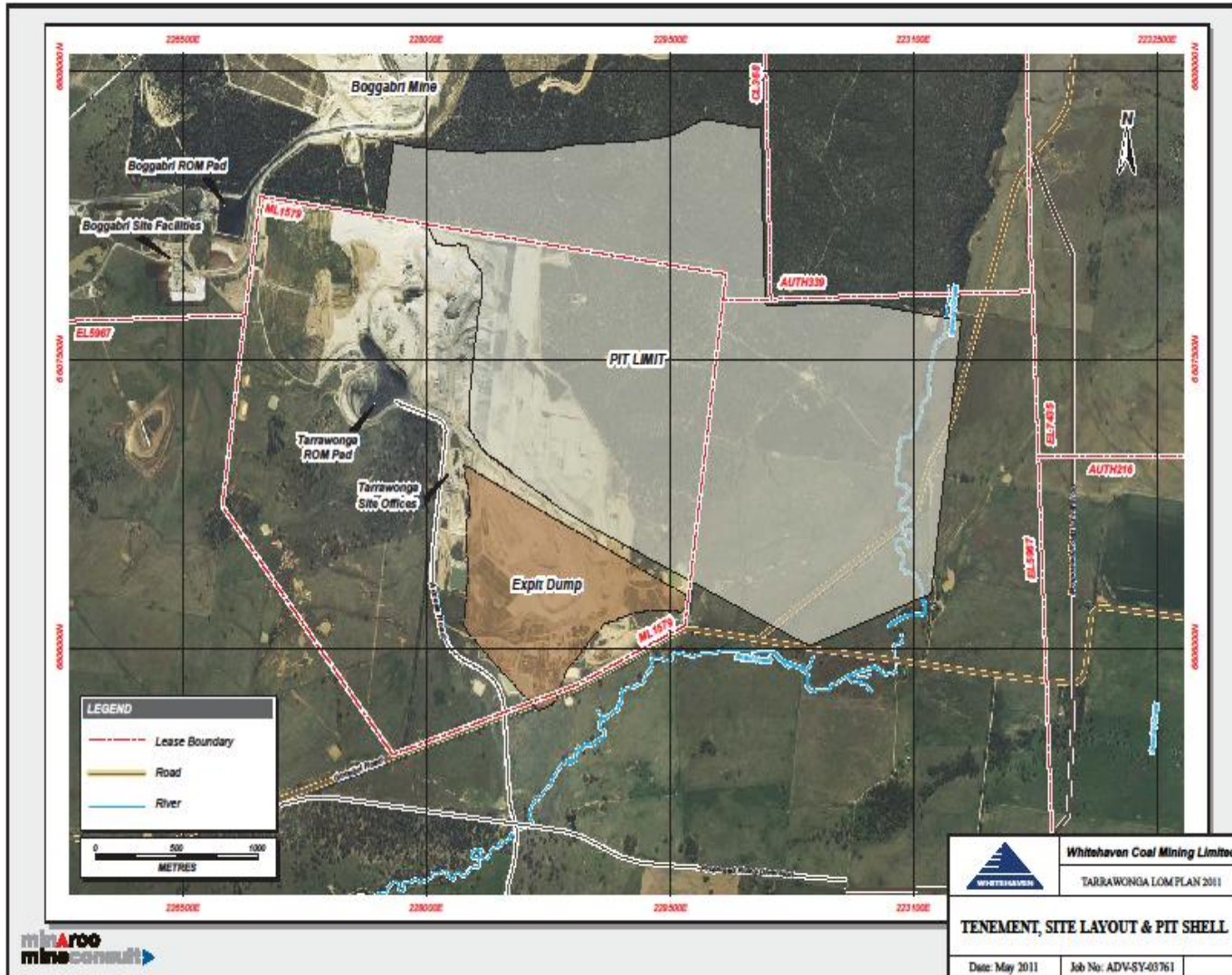


Development is running ~10% behind at end October
If current rates not improved, LW delayed ~8 weeks



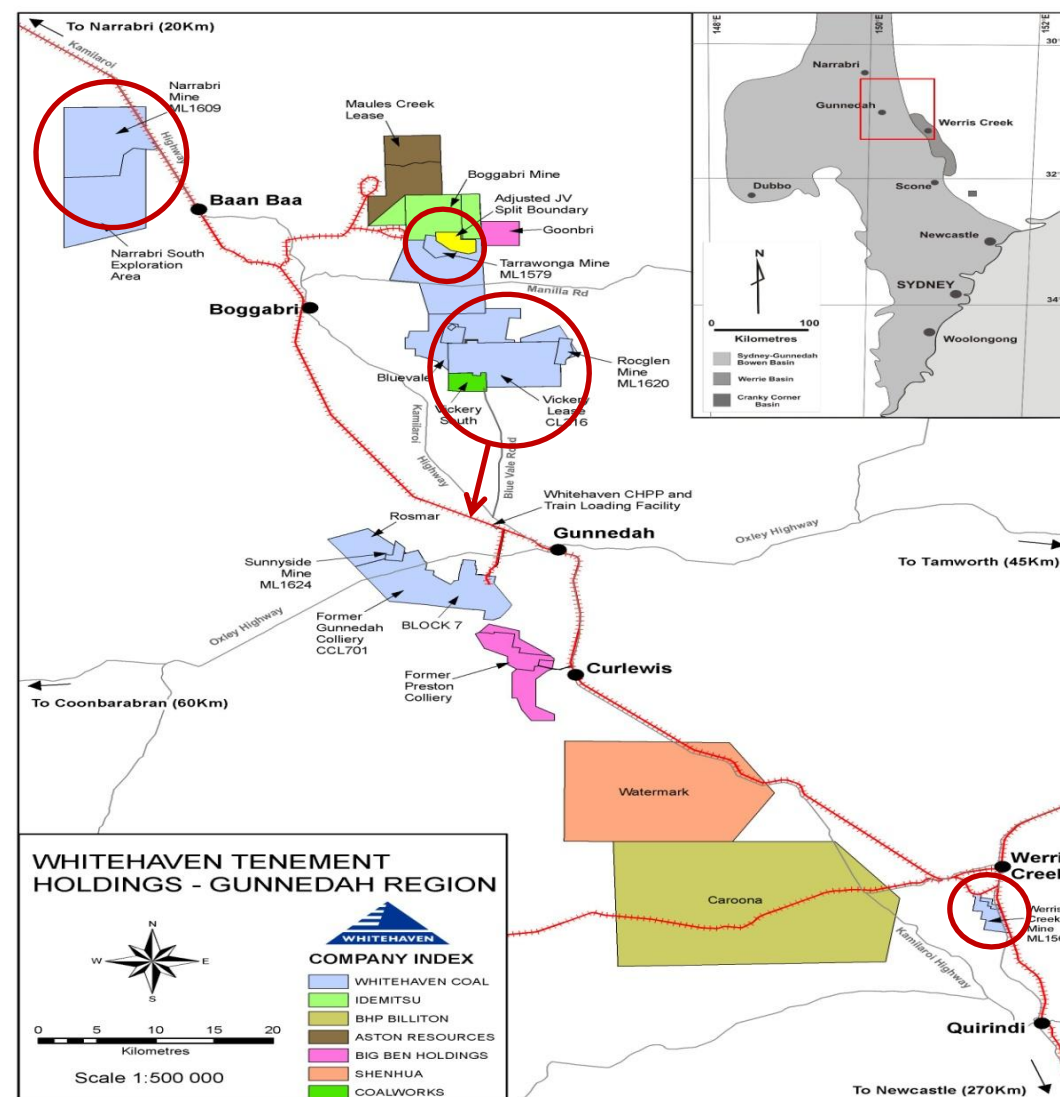
Extension of the Tarrawonga JV has significant strategic benefits for WHC & Idemitsu

- ▶ 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



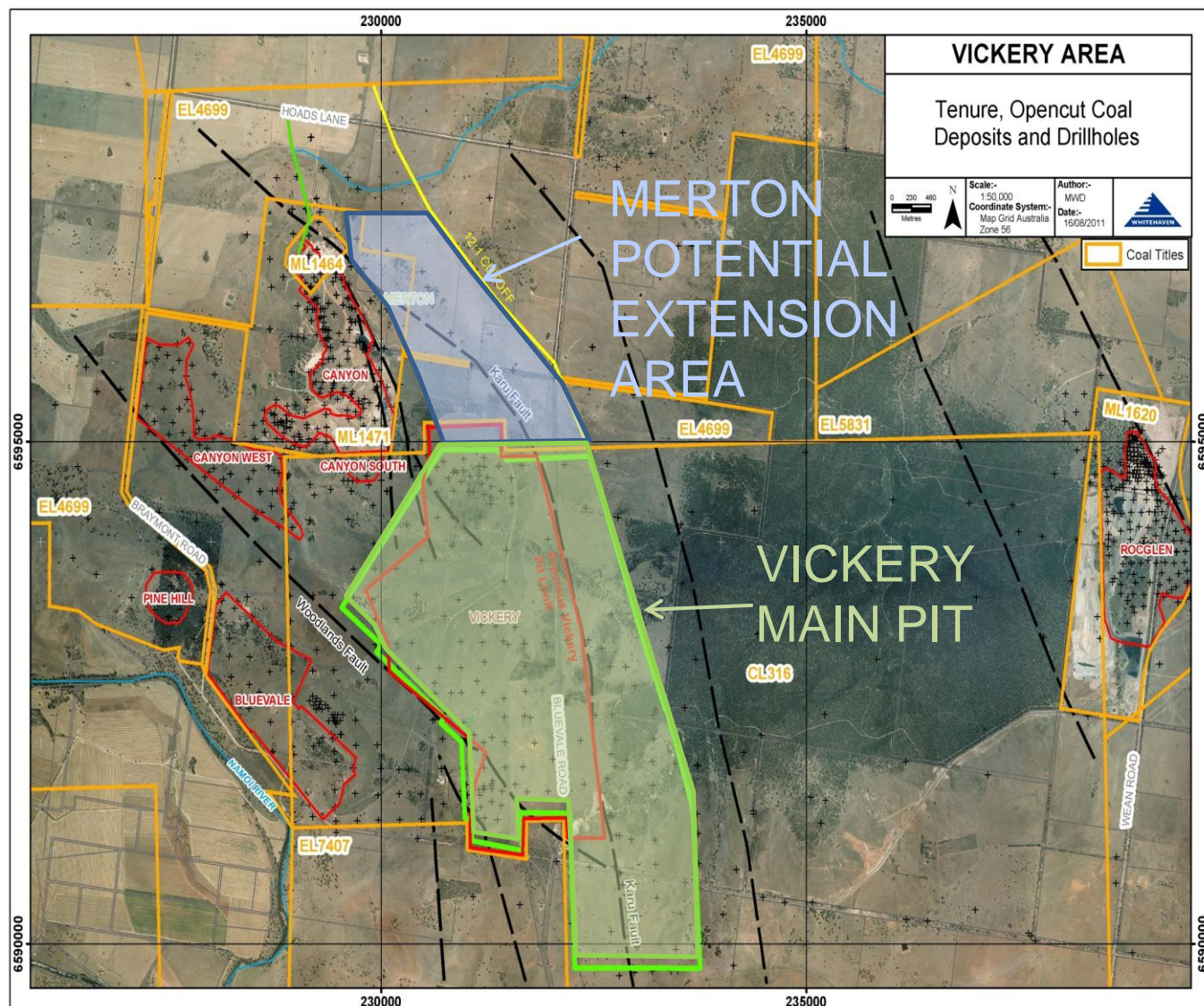
Vickery a major strategic growth acquisition

- ▶ The total Vickery project area comprises Vickery, Merton, Bluevale and Canyon Extended
- ▶ 439 Mt of open cut Coal Resources, 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 ROM coal for at least 25 years



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 not yet included in reserves



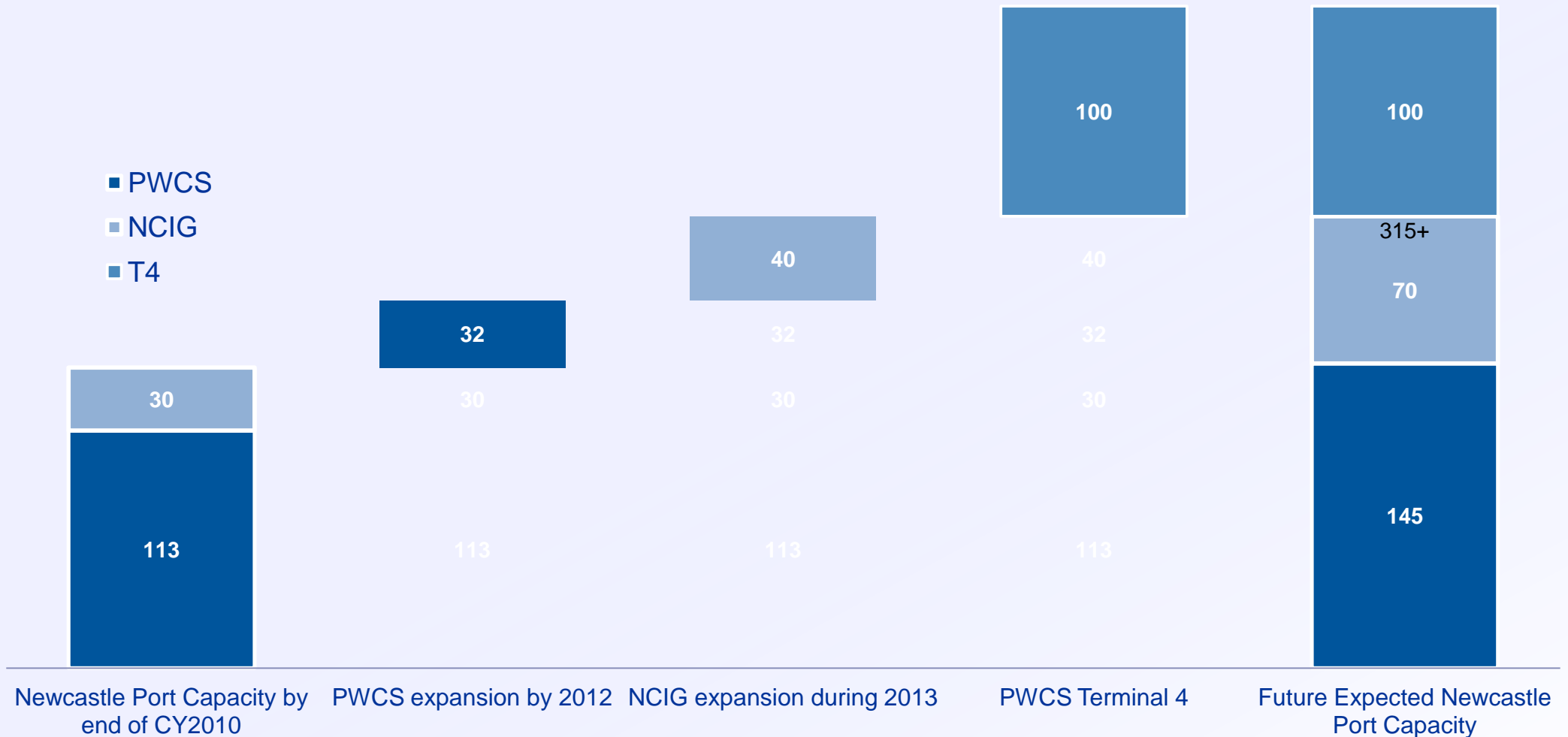
Rail track capacity to meet Whitehaven's growth

New trains being acquired as needed for growth

- ▶ Whitehaven has 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 in stages to ~60 Mtpa from the Gunnedah Basin, including across the Liverpool Range
- ▶ Whitehaven has a long term haulage agreement with PN which includes the provision of new trains to meet Whitehaven's growth plans
- ▶ Three new trains commissioned so far. Train capacity being increased to 6,000 tonnes

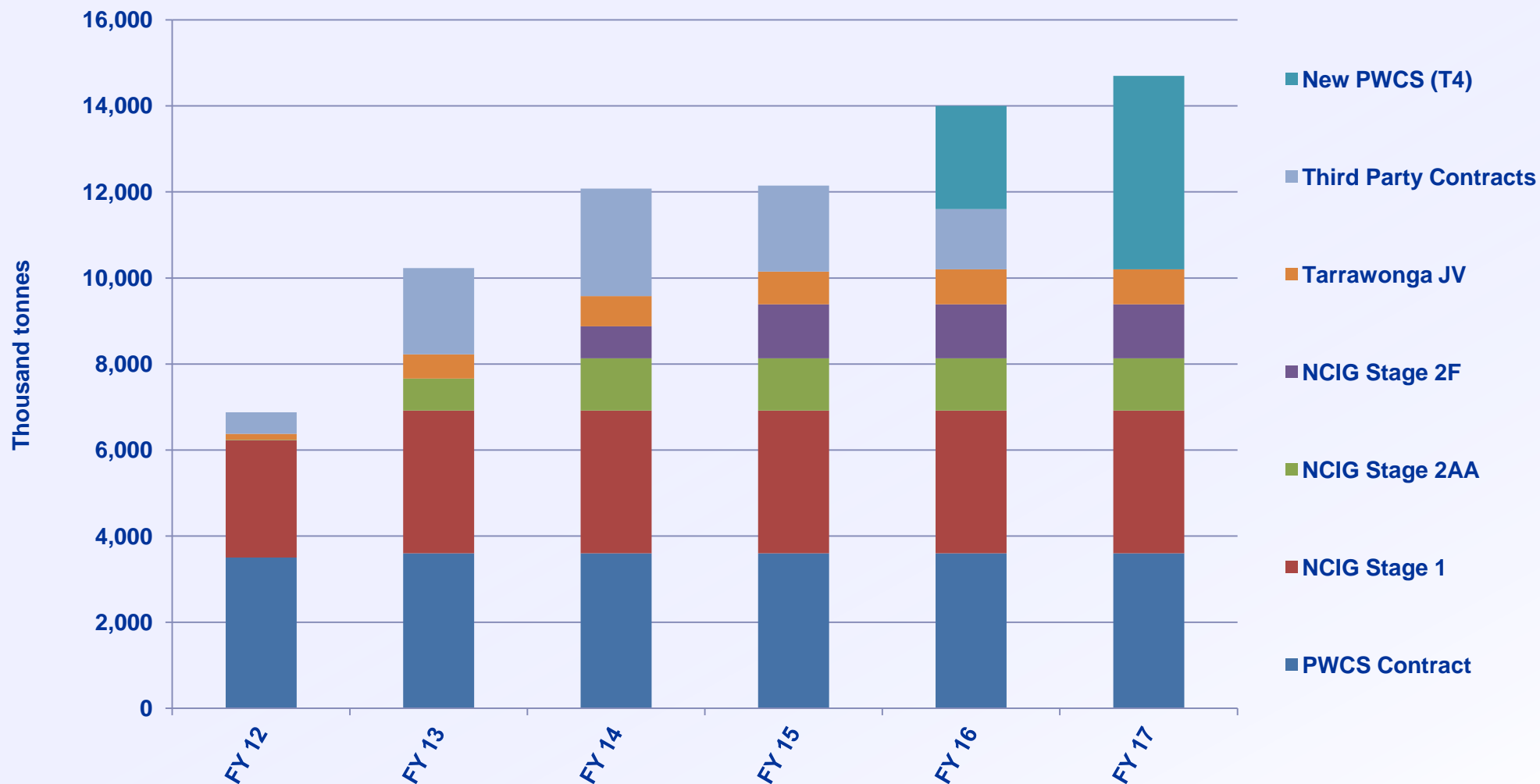


Newcastle port capacity is growing rapidly



Port capacity to meet Whitehaven growth

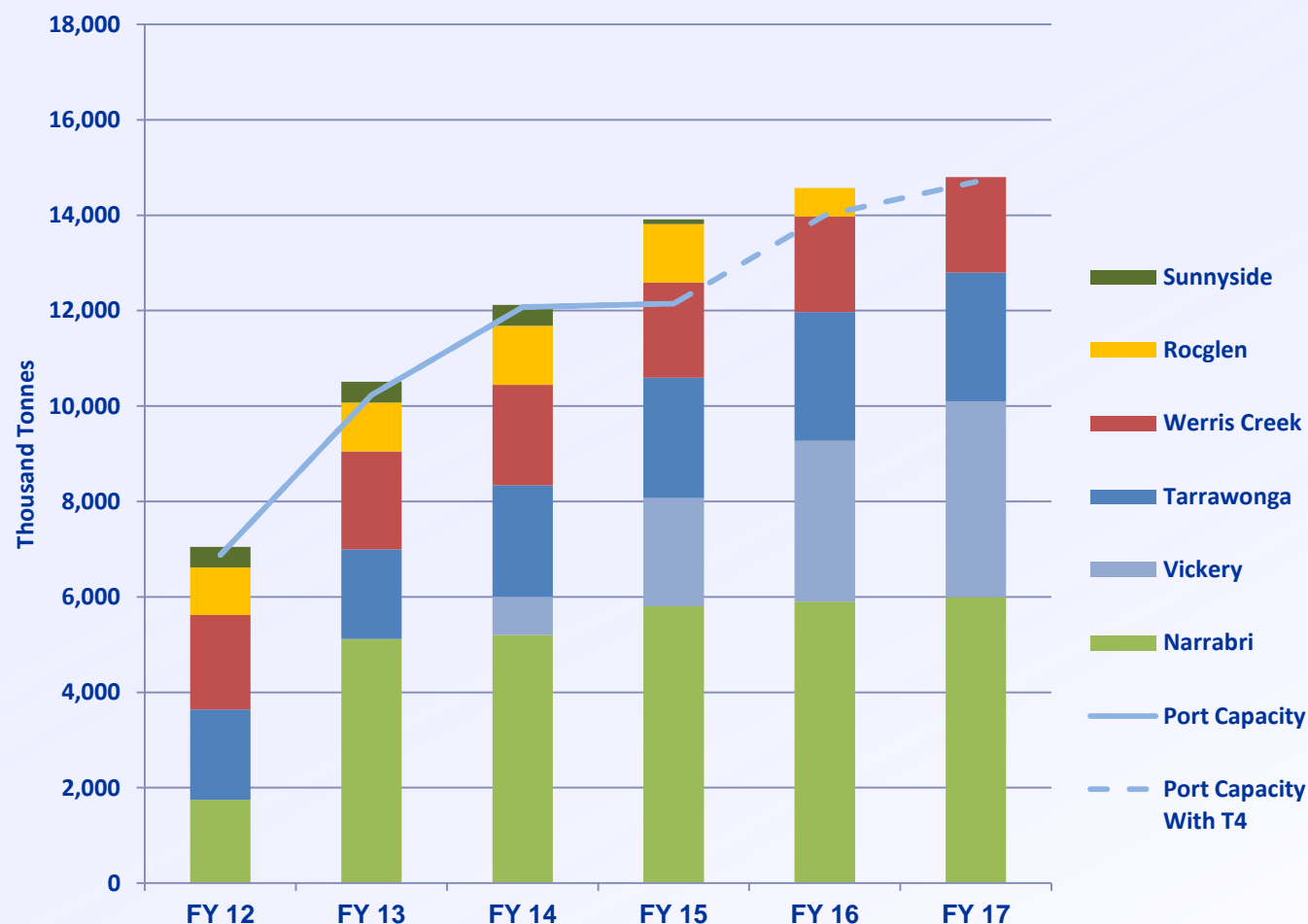
WHC – PLANNED PORT CAPACITY BUILDUP



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

- ▶ Four OC mines with ~5.5 Mtpa¹ capacity. OC growth from Vickery
- ▶ Saleable production capacity expected to be ~10.5 Mtpa¹ by FY2013
- ▶ Vickery to produce > 4 Mtpa saleable, starting in 2014
- ▶ Port capacity now in hand for the next three years
- ▶ T4 planned from 2016
- ▶ 11% ownership of NCIG an important infrastructure asset
- ▶ Whitehaven's investment in rail track and train capacity supports growth

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



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

Major milestones to be passed in FY 2012

► Installation of Narrabri longwall and ramp up of production

Narrabri has been systematically de-risked over the last three years. Capital works are complete, mining is underway, installation of the longwall and ramp up to design capacity ticks the last box

► Completion of “legacy” contracts

These contracts have been a major drag on profitability for the last three years. They will be largely complete by December 2011, marking a major change to profit and cash flow

► Complete evaluation of Vickery

Whitehaven acquired Vickery in 2010 for \$35 million. Work so far has confirmed substantial open-cut coal resources with the potential for a major open-cut mine producing metallurgical and thermal coals. This significant asset will be fully defined and its value confirmed during FY 2012

✓ ► Port capacity to match saleable production plans up to 15 Mtpa

Full development of NCIG now committed. Nomination for future capacity at PWCS submitted. Additional capacity during the period 2012 through 2016 secured under contract from 3rd parties

✓ ► Establish stand-by banking facilities for funding growth plans

Undrawn facility of \$350 million now in place with banking consortium



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