

Full Year Results FY22

25 August 2022

Authorised for release by the Board of Whitehaven Coal Limited

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Disclosure

FORWARD LOOKING STATEMENTS

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 projects 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.

The presentation of certain financial information may not be compliant with financial captions in the primary financial statements prepared under IFRS. However, the company considers that the presentation of such information is appropriate to investors and not misleading as it is able to be reconciled to the financial accounts which are compliant with IFRS requirements.

All dollars in the presentation are Australian dollars unless otherwise noted.



FY22 highlights

Global energy supply shortfall underpinning strong demand for high-CV coal and **record realised coal price of A\$325/t**

Solid operational performance despite labour constraints, COVID absenteeism and weather interruptions

Record \$3.1b EBITDA and **\$2.0b NPAT**

\$1.0b of taxes and royalties paid or payable for FY22¹

8% improvement in employee and contractor total recordable injury frequency rate **TRIFR** to **5.4**

Balance sheet strength with **senior bank debt fully repaid** and **\$1.2b of cash** at 30 June 22

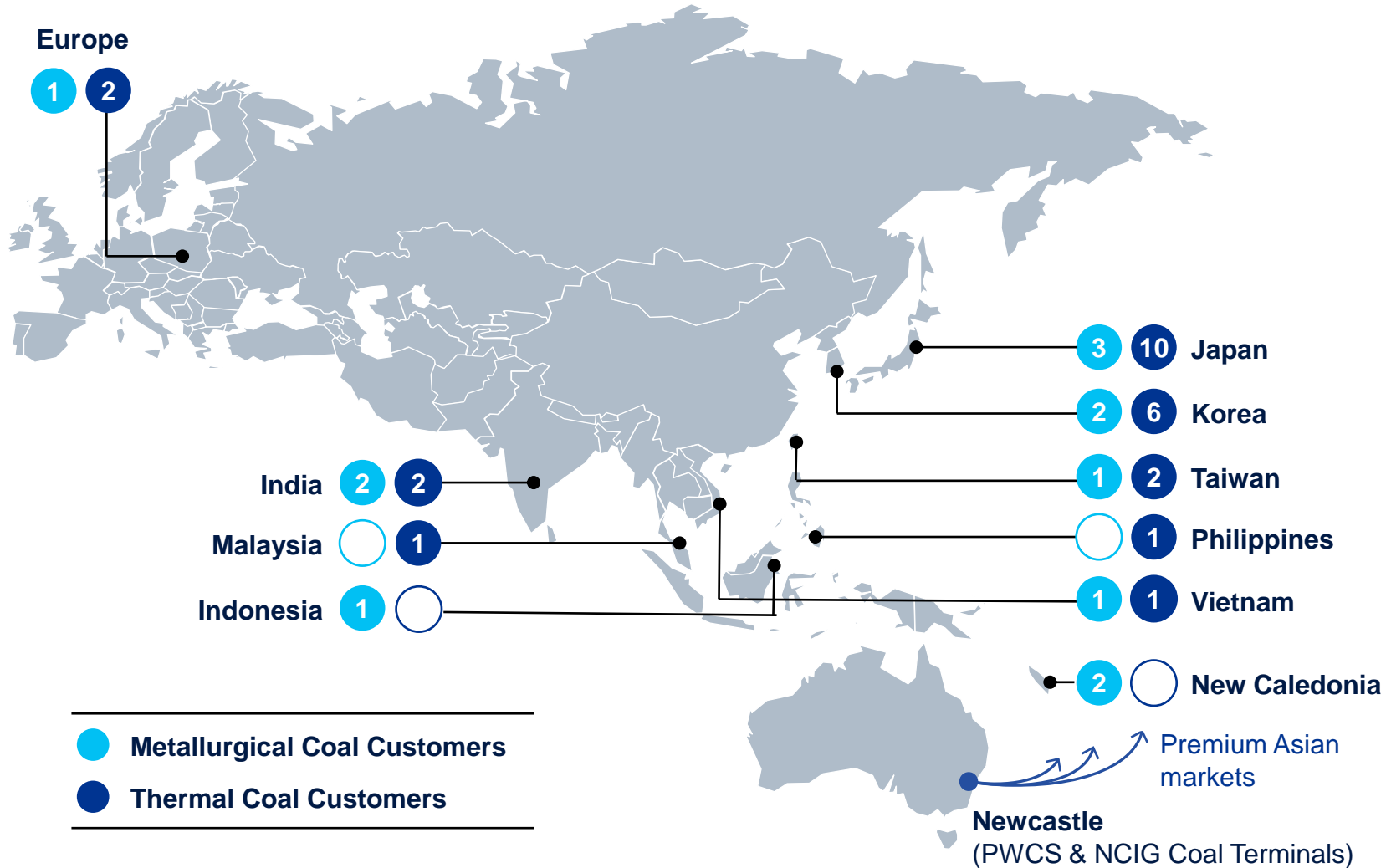
40 cents fully franked final dividend and 8 cents interim dividend plus ~7% of 10% **share buy-back** complete with **\$362.6m invested** within a total cost of ~\$550m

154% Total Shareholder Returns ranked **#1** in the **ASX100**

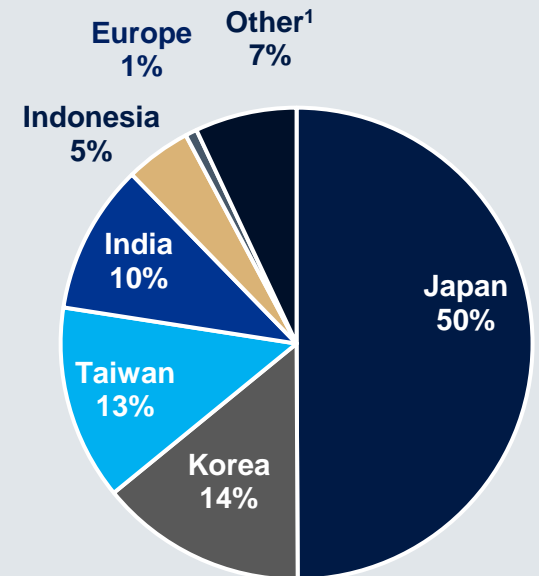
Whitehaven's Market



Premium products delivered into premium markets



18.8Mt managed FY22 sales volumes



We produce the highest quality seaborne coal

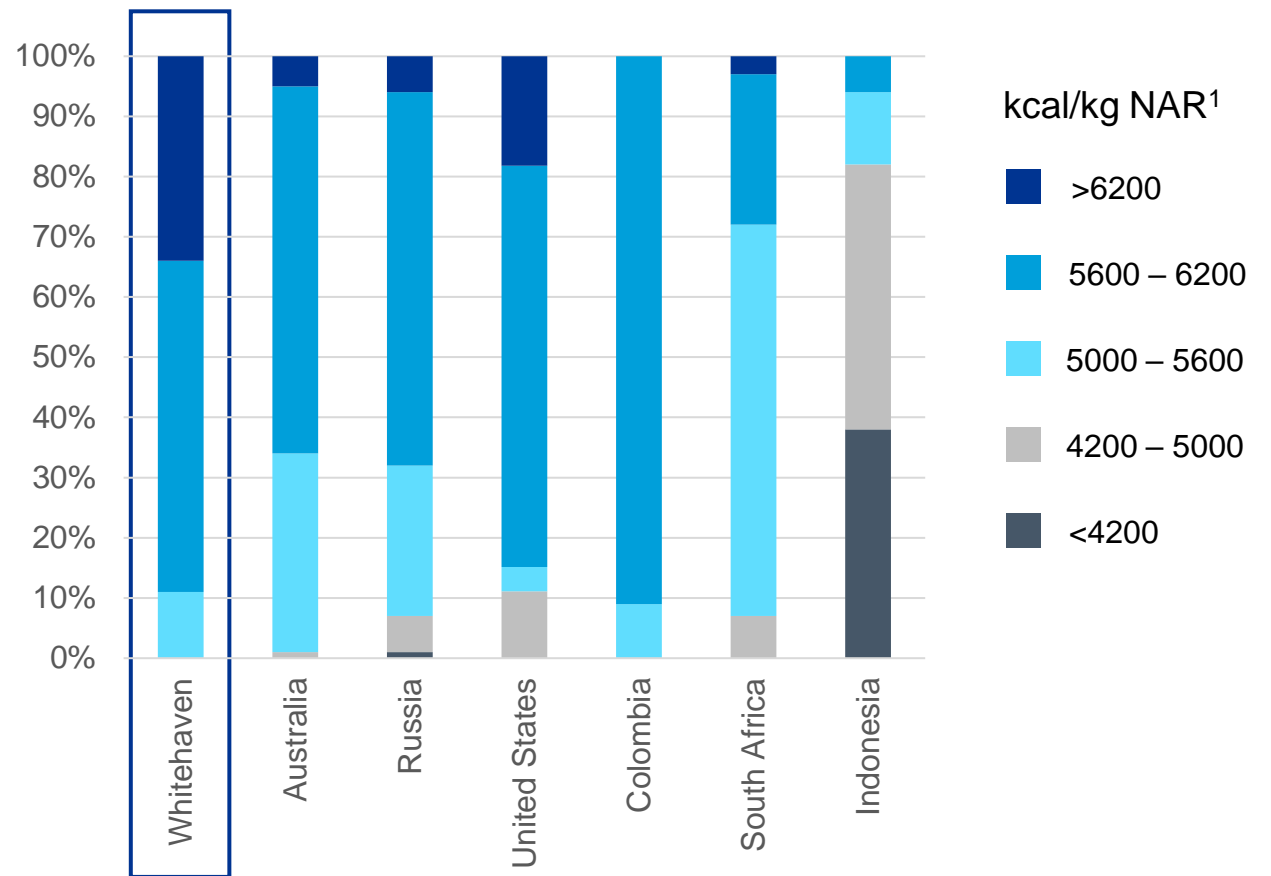
In FY22, 89% of Whitehaven's thermal coal exports were NCV >5600 kcal/kg.

66% of Australia's total thermal coal exports were >5600 kcal/kg.

This compares with 68% of Russia's coal exports being >5600 kcal/kg and only 6% of Indonesia's coal.

Our thermal coal is a natural substitute for Russian coal supply.

Percentage of thermal coal exports by quality – FY22



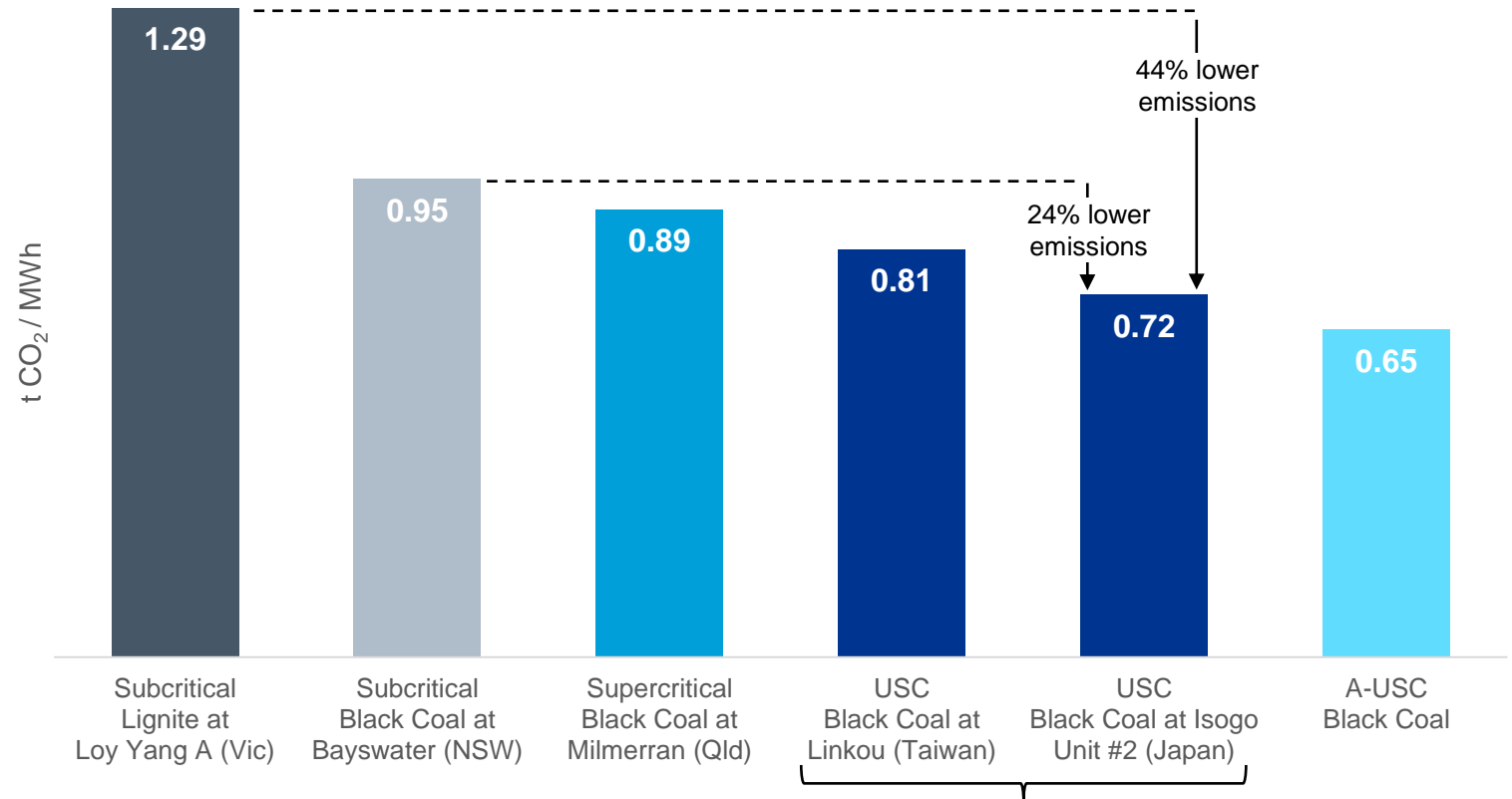
Our high-CV thermal coal supports emissions reduction

With carbon emissions reduction efforts a focus for policymakers as well as energy generators and consumers, demand for high-quality, high-CV, low-ash coal, is increasing.

Our thermal coal products are used in high efficiency, low emissions (HELE) electricity generation including Ultrasupercritical (USC) power plants.

Japan has five new USC units (totalling 3,870MW) coming on line (2022-24) and Korea will commission two new units (2,100MW) in 2023.

CO₂ Emissions per MWh of sent out energy generation by coal fired power plants



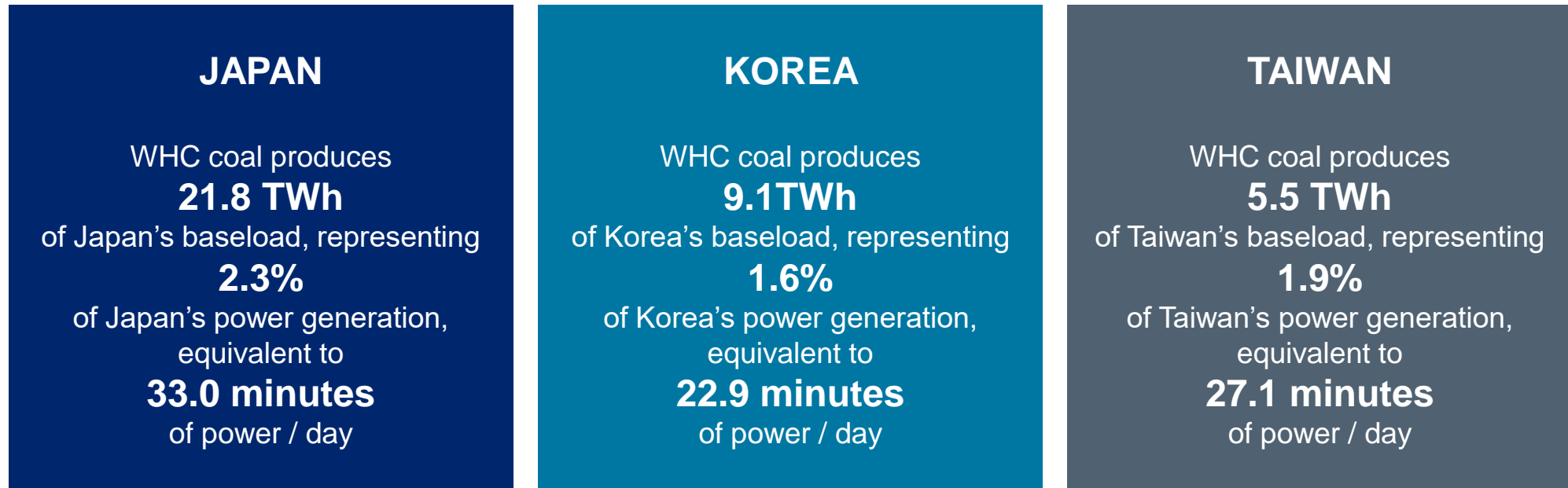
Whitehaven's coal currently allows USC power plants in Asia to deliver ~24% lower emissions than typical coal fired power plants in NSW and ~44% lower than Victorian power plants.

Sources: Loy Yang and Bayswater data from AGL's FY21 Full Year Results. Milmerran data based on NGER data. Linkou, Isogo and A-USC data based on Company data.

Providing energy security for customers

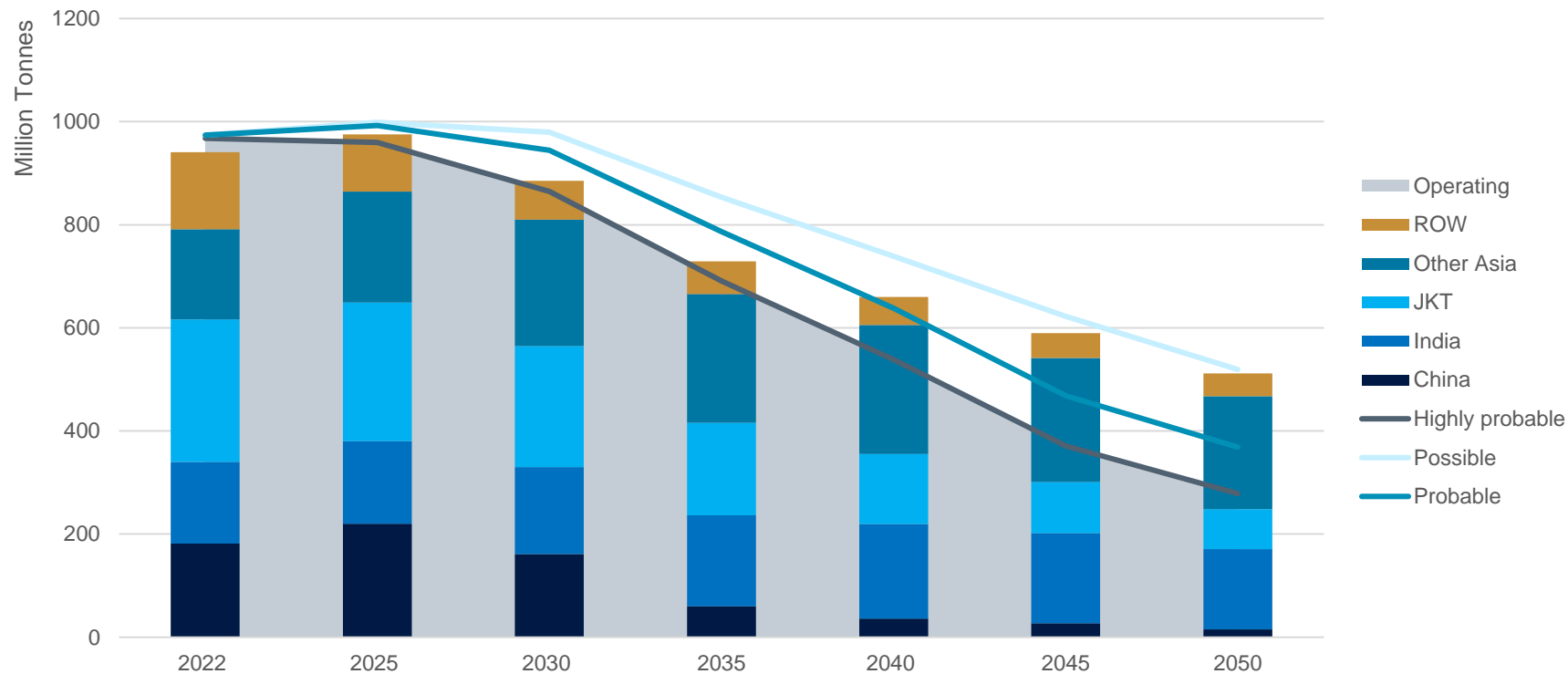
We provide a significant proportion of electricity for our key customer countries totalling 36.4 TWh, which is equivalent to ~50% of the total annual electricity consumption in NSW.

Contribution to baseload electricity from WHC managed coal supplied into JKT



Reliable energy is required for the energy transition but the supply gap continues...

Seaborne supply meets demand only if *Highly Probable*, *Probable* and *Possible* new mines are built



Source: Wood Mackenzie August 2022
 Note: forecasted supply excludes suspended capacity
 ROW = Rest Of World
 JKT = Japan, Korea, Taiwan

Wood Mackenzie forecasts global demand to largely remain flat to 2030. Advanced economies face structural demand decline to 2050, while developing economies see continued demand growth.

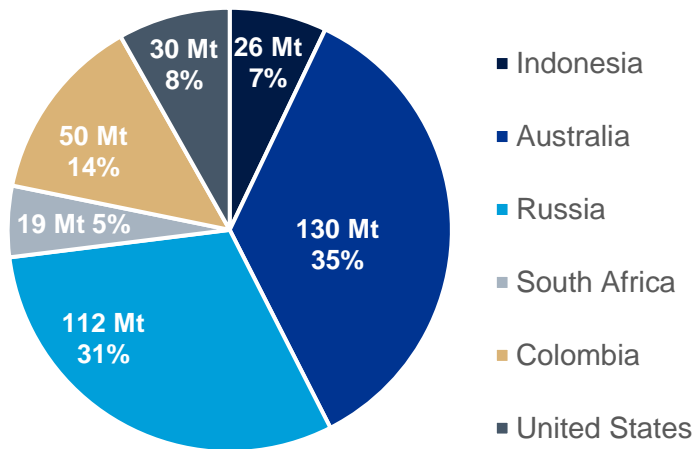
By 2030 nearly 85% of the world's coal-fired generating capacity is in emerging and developing economies.

The average age of coal fired power stations across Japan and Korea is 23 years while in Southeast Asia the average age is 13 years.

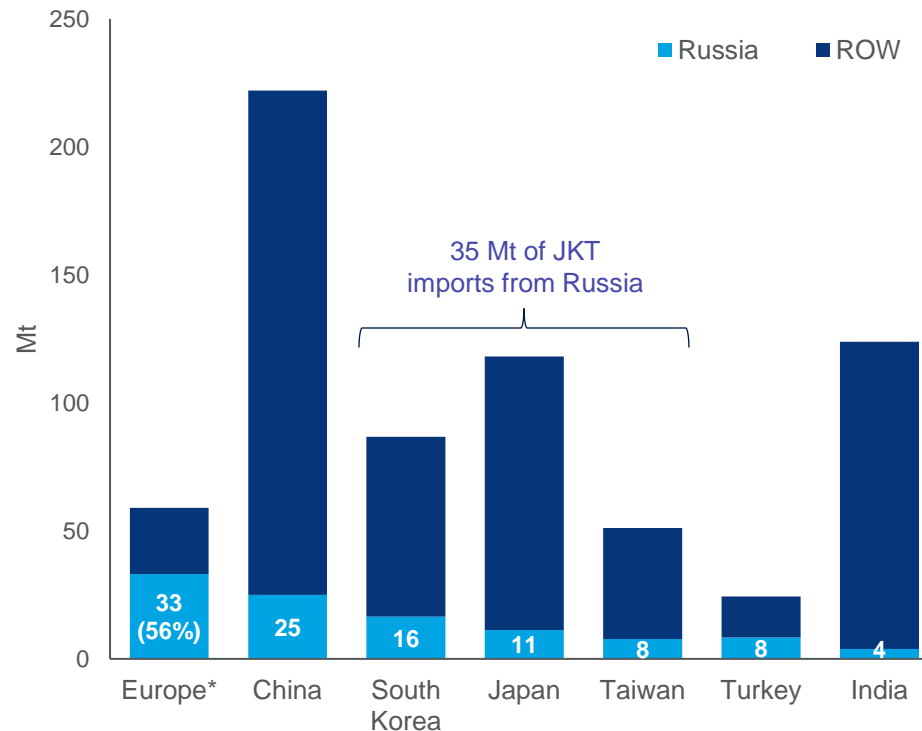
And has been intensified by the Ukraine conflict

Approximately 112Mt of high-CV coal in seaborne markets is under threat by embargoes and restrictions on Russian coal

FY22 HCV seaborne exports – by origin



Seaborne thermal coal imports from Russia versus ROW from Jul-21 to May-22



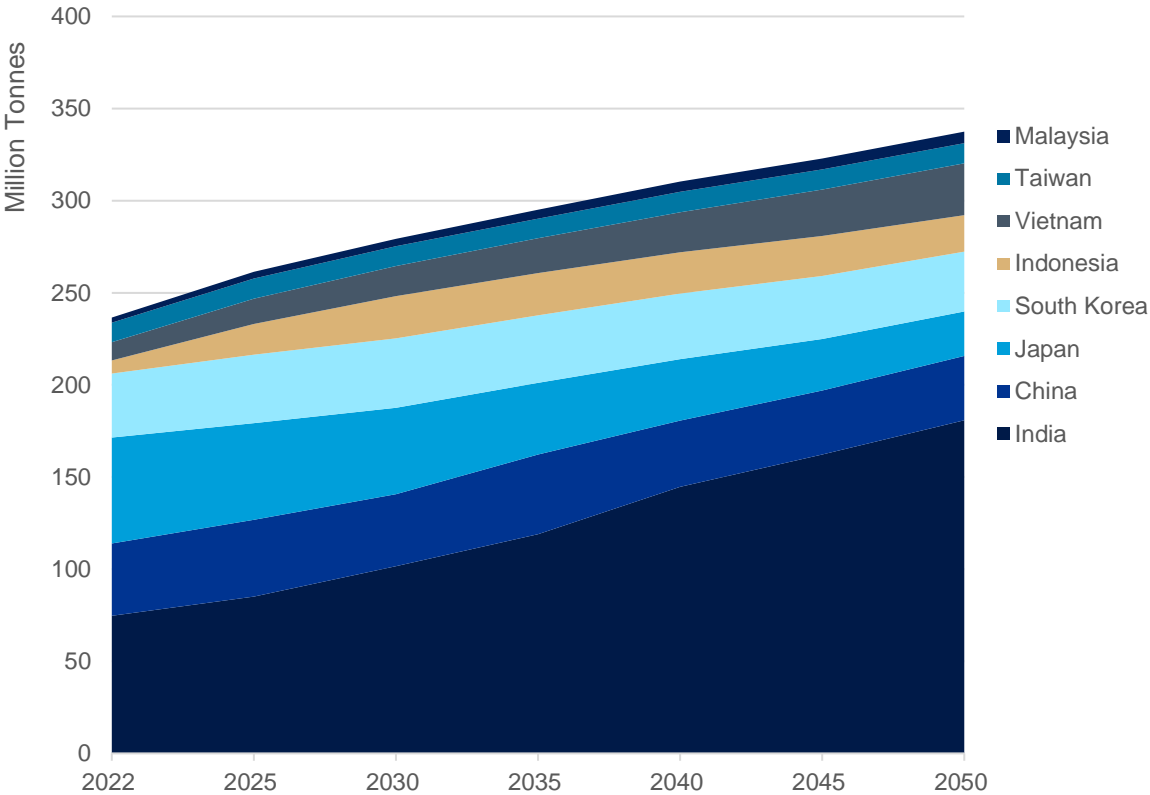
Europe and North Asia face a challenge in replacing Russian coal.

Sanctions are likely to divert high-CV Russian coal to markets that do not typically take high volumes of premium coal.

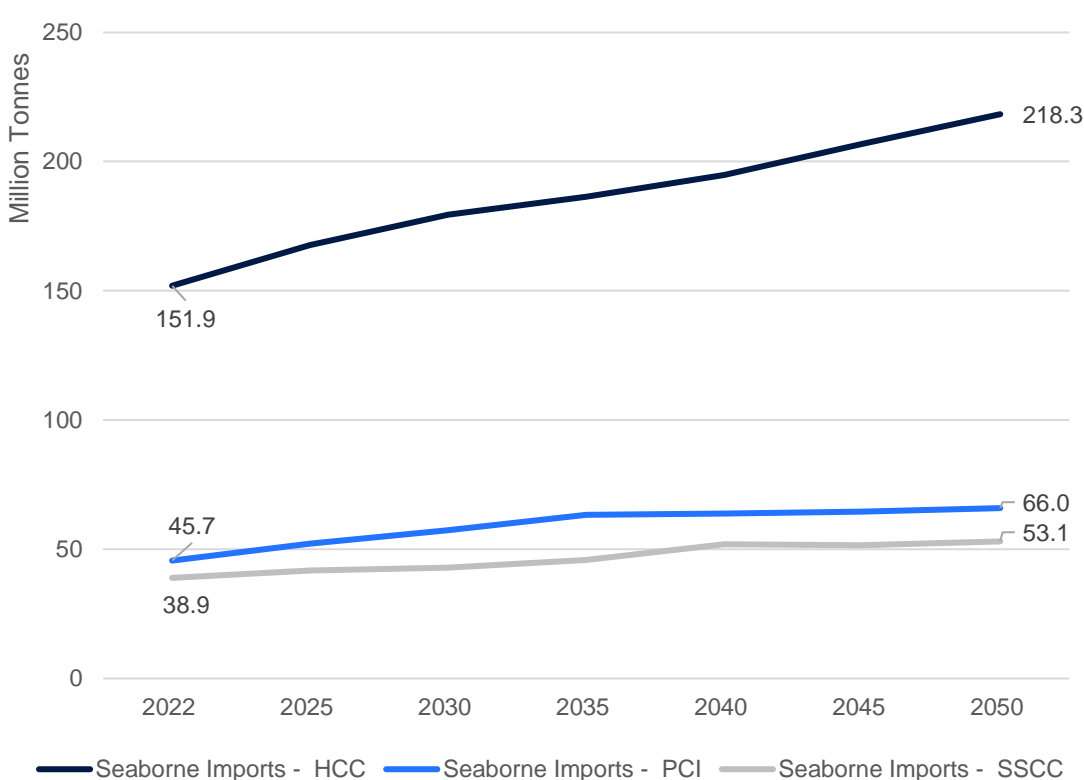
Barriers include quality mismatch and existing contract arrangements.

Asian demand for metallurgical coal remains robust over the next three decades

Total Asia seaborne demand by country

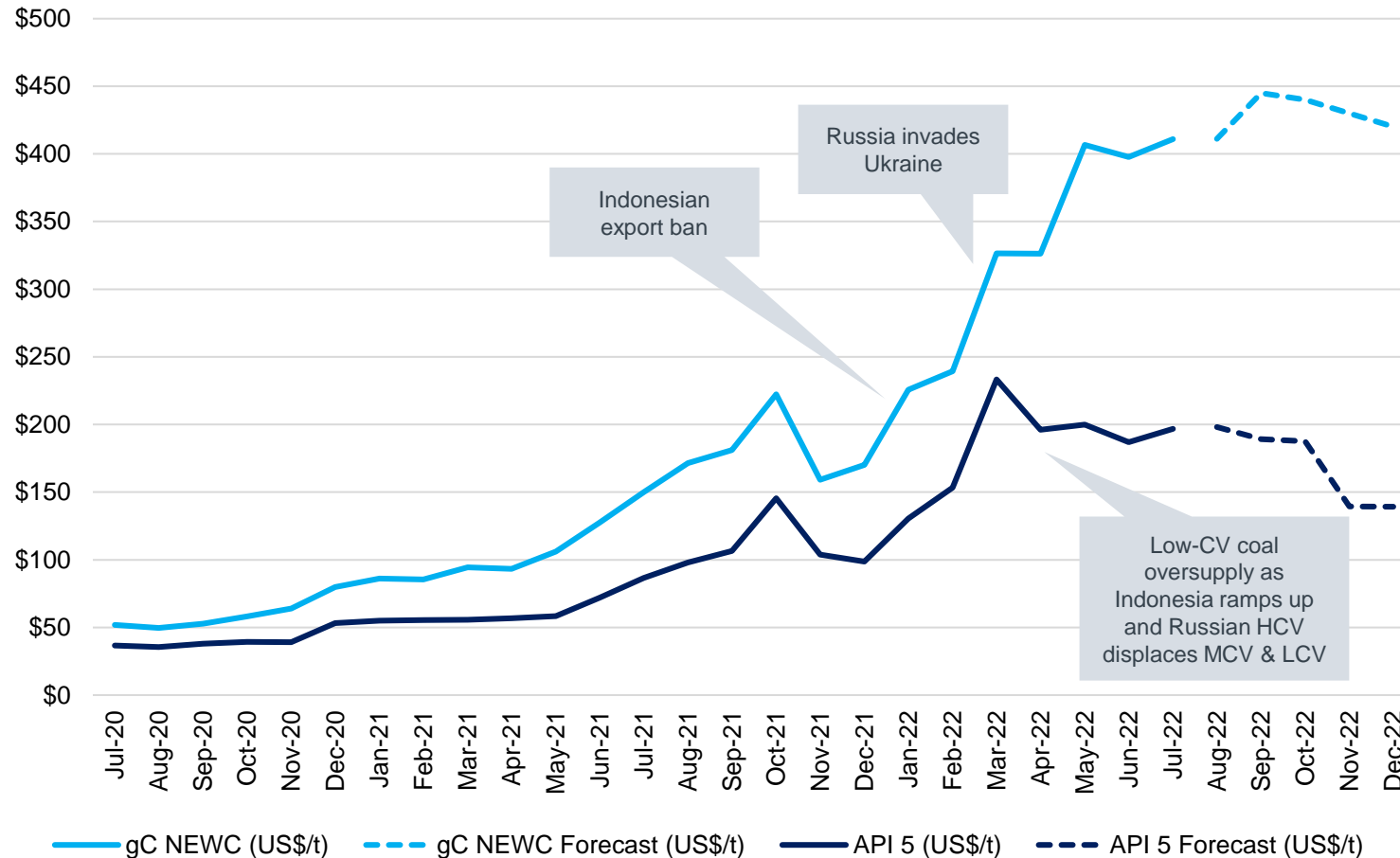


Asia seaborne demand by metallurgical coal type



Thermal coal prices (US\$/t)¹

Strong demand and tight supply underpinning record thermal coal prices



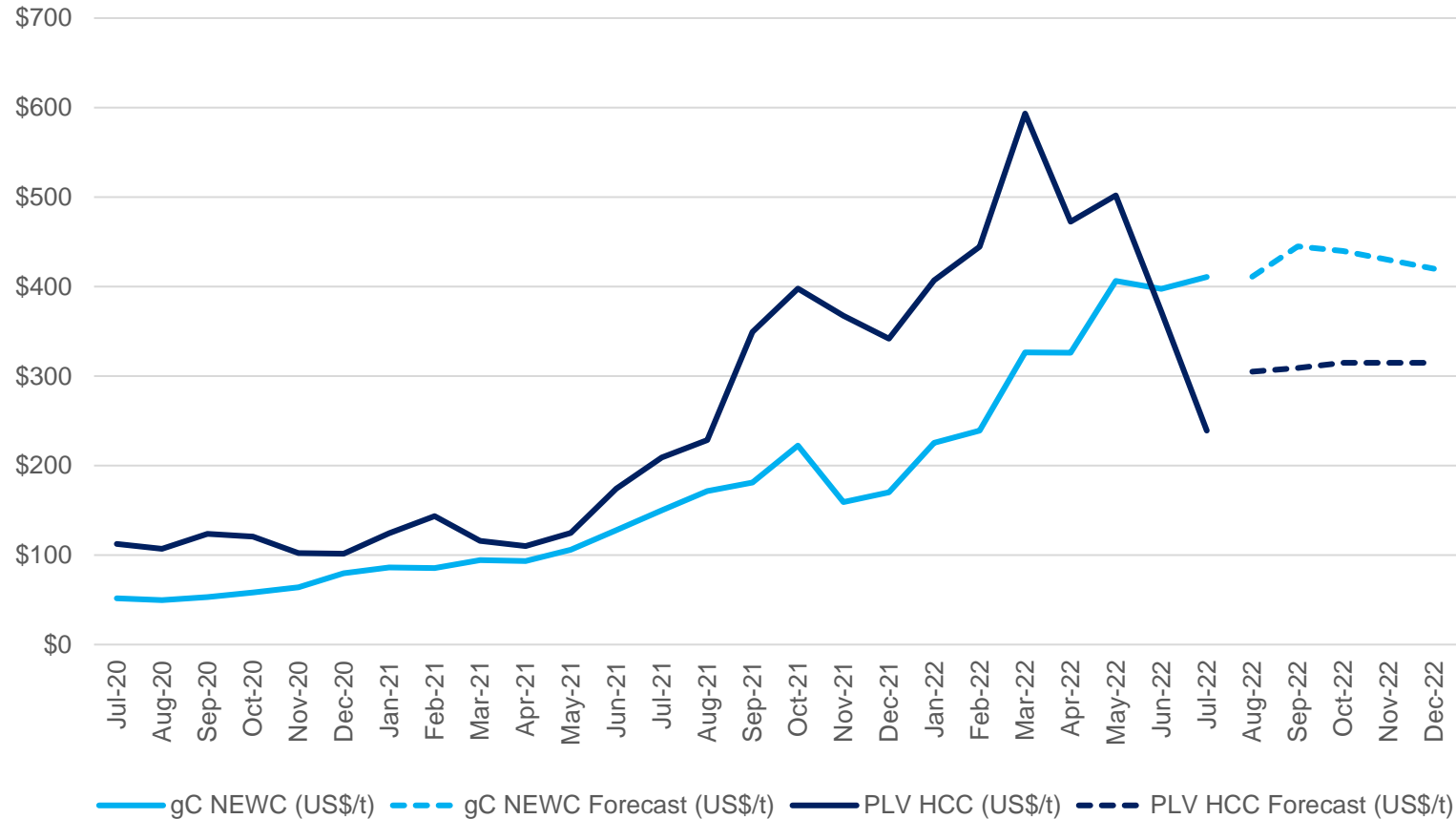
Events over the past two years have caused a shift in global trade flows and tightened the supply of all coal products, leading to strong demand and record high prices – especially for high-CV coal.

Global supply-demand imbalances are expected to continue to support strong coal prices.

¹ Average monthly price
Forecast prices based on globalCOAL forward curve 22nd August and weekly Argus/McCloskey Coal Price Index Report 20th August

Metallurgical coal prices (US\$/t)¹

Met coal prices have dropped below thermal due to different market dynamics



A global economic slowdown has reduced steel demand in the near term.

Some recovery is expected when EU steel mills re-enter the market following Russian sanctions.

Whitehaven is able to price some met coal off gC NEWC index, minimising the impact.

¹ Average monthly price
Forecast prices based on globalCOAL forward curve 22nd August and Platts TSI Prem. HCC forward curve 22nd August

FY22 impact of coal market dynamics on WHC

Record gC NEWC prices

- Coal prices were well supported prior to the Russia / Ukraine conflict, given strong underlying demand and supply-side disruptions.
- High-CV coal prices likely to remain elevated while Russian coal is excluded from traditional markets, benefiting Whitehaven.
- Focusing on producing & selling high-CV thermal coal ensures optimised price realisation.

Supply & demand factors

- Strong demand for all fuel types but coal remains competitive.
- Asia customers focused on securing volumes given global energy scarcity.
- New customers emerging.
- Pricing some met coal volumes off gC NEWC index.

Labour constraints, COVID and inflation

- Labour supply constraints due to full employment, low immigration and ongoing COVID – response strategies implemented.
- Inflationary pressures impacting all input costs – but margins well supported by strong pricing environment.

Weather events

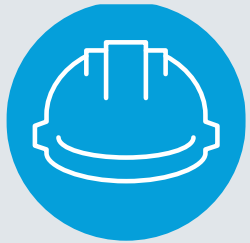
- Weather events in December impacted NSW and QLD Coal Basins, including Whitehaven.
- Whitehaven operations not impacted by March (and July) weather events like other producers but logistics (rail and port) were impacted.

FY22 Results



Safety performance

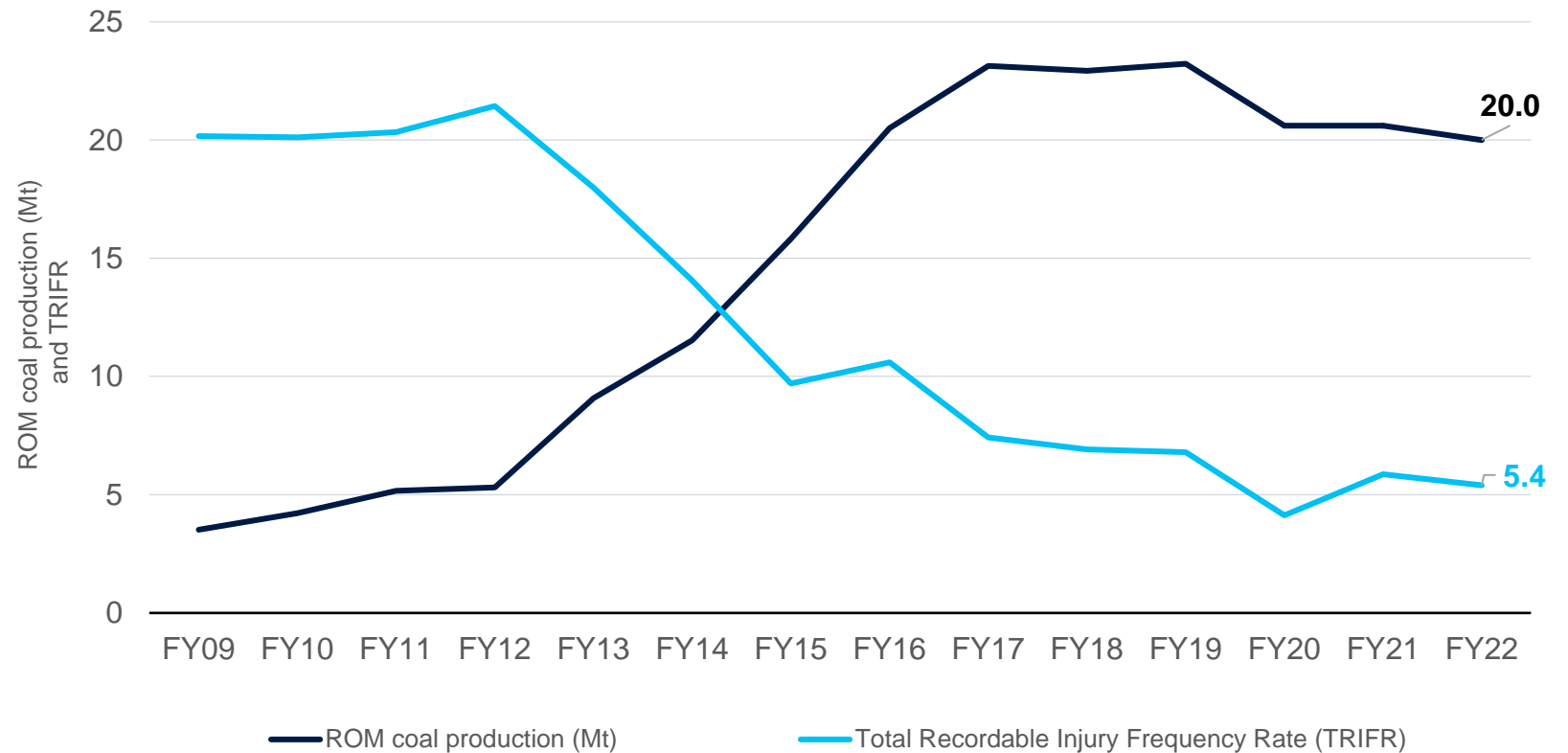
Safety is always a key focus for Whitehaven



Whitehaven recorded a 12 month TRIFR for employees and contractors of

5.4

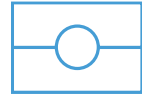
as at 30 June 2022



Highly engaged people and communities



Approx. 75%
of 2,500-strong
workforce based in
regional areas



10.6%
of employees
identify as Aboriginal
and/or Torres Strait
Islander



15.3%
female employee
participation in our
workforce up from
12% in FY21



3% increase in
employee engagement
scores to 6.3 out of 10,
with participation rates
up from 68% to 74%



\$1.53 million
in corporate
community
partnerships
and donations¹



\$354.5 million
spent with
local suppliers



\$8.73 million
spent with 14
Aboriginal and Torres
Strait Islander
businesses



**Community
sentiment** testing
shows consistent
improving trends in attitudes
to Whitehaven since 2015

FY22 financial highlights – a record year



Record coal prices and solid production underpin record earnings

Achieved coal price¹

A\$325/t

NPAT

\$2.0 billion

Revenue

\$4.9 billion

Cash generated by operations

\$2.6 billion

EBITDA

\$3.1 billion

Unit cost

\$84 / tonne

Returning capital to shareholders

Final franked dividend²

40 cents to be paid 16 Sep 2022

Total returns to shareholders³

\$442.4 million

Total Shareholder Returns

154% #1 in ASX100

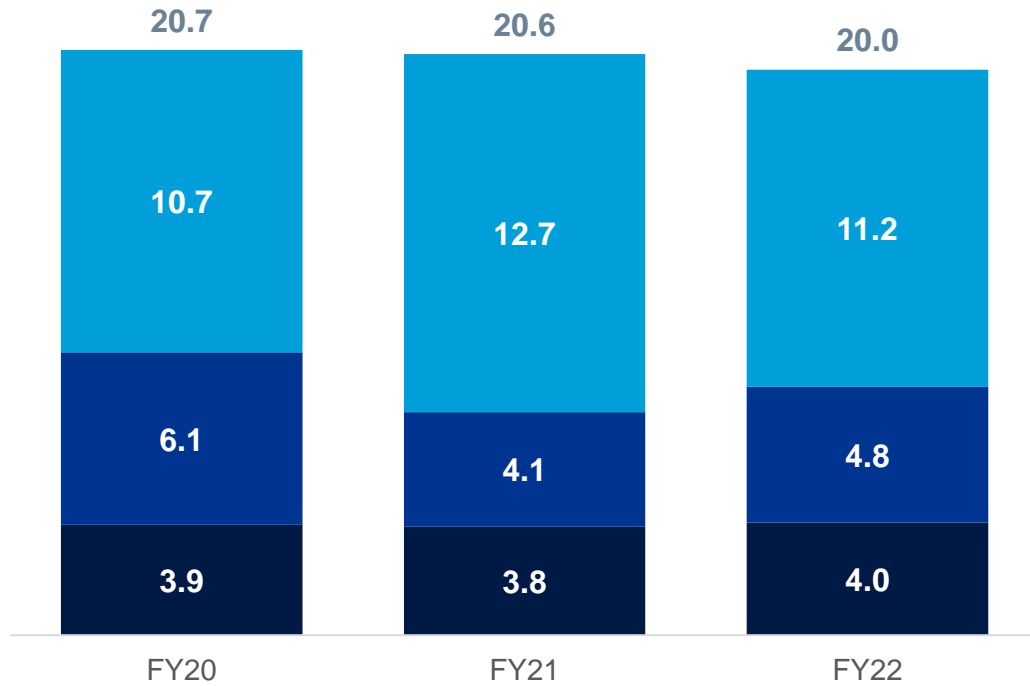
1. Thermal and metallurgical own coal sales before applicable royalties

2. With a full year dividend of 48 cents per share, combined with the \$550 million share buy-back, represents a payout ratio of 51%

3. Includes interim dividend of 8 cents per share and \$362.6 million of shares bought back so far through 10% share buy-back programme

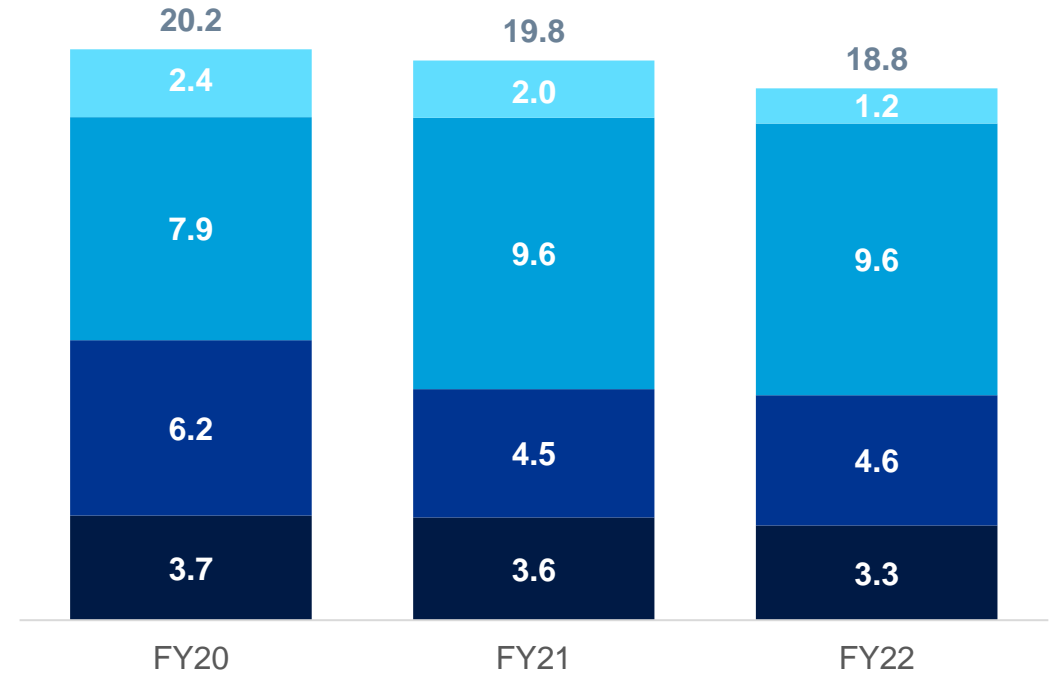
FY22 ROM coal production and sales

Whitehaven managed ROM coal production (Mt)



■ Open Cuts ■ Narrabri ■ Maules Creek

Whitehaven managed coal sales (Mt)



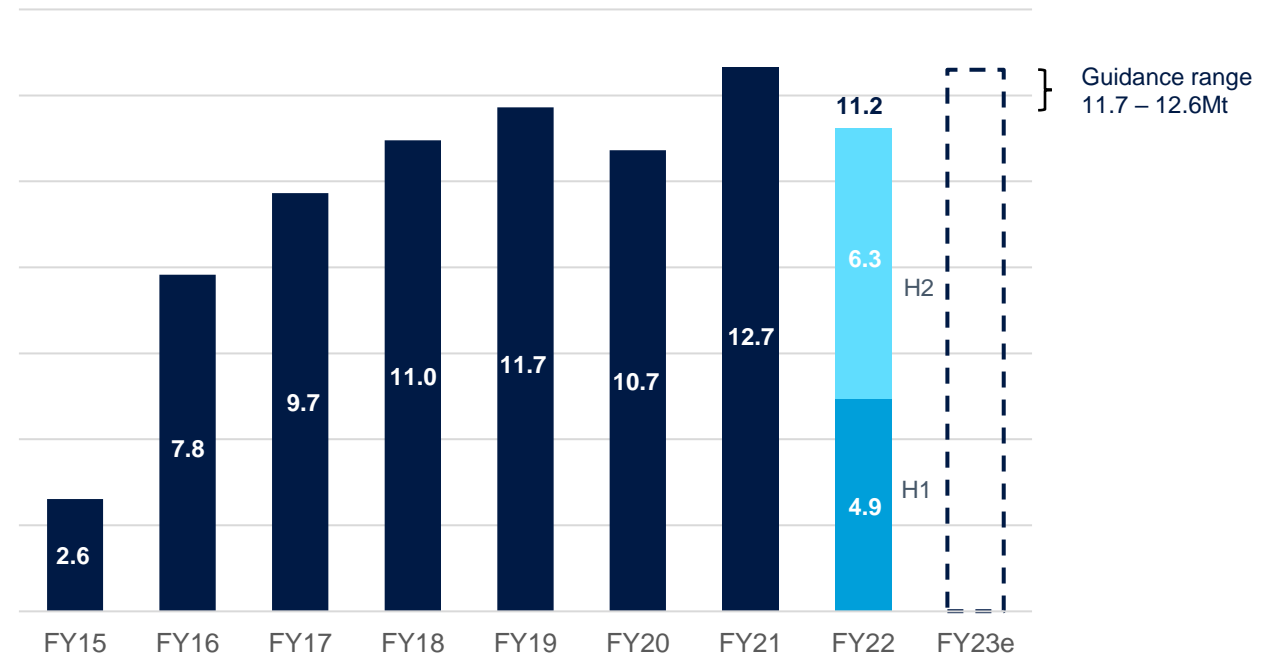
■ Open Cuts ■ Narrabri ■ Maules Creek ■ Coal trading

Maules Creek

Impacted by weather events in H1 with a solid recovery in H2

- H2 FY22 ROM production 6.3Mt, 29% above H1 of 4.9Mt reflecting a flooding event that cut off mine access for two weeks in H1 FY22.
- FY22 ROM production of 11.2Mt was 11% below FY21 due to the H1 flooding event as well as continued wet weather interruptions, COVID absenteeism and labour shortages.

Managed ROM coal production (Mt)

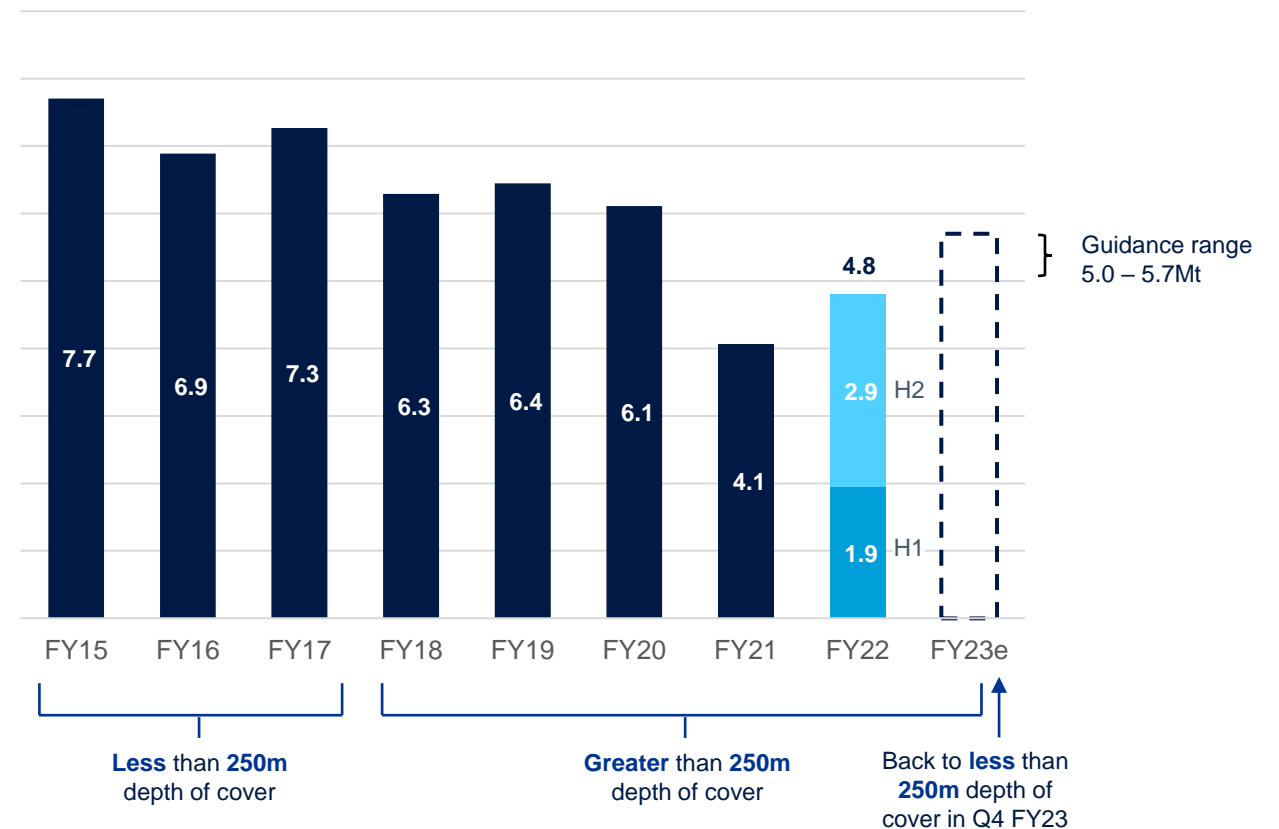


Narrabri

Scheduled longwall step around successfully completed in July 2022

- Improved coal quality in H2 FY22 with ROM production of 2.9Mt, 48% above H1 due to improved conditions in panel LW110A.
- FY22 ROM production of 4.8Mt, 18% above FY21 due to improved mining conditions.
- Returning to shallow ground in late FY23 in panel LW203.

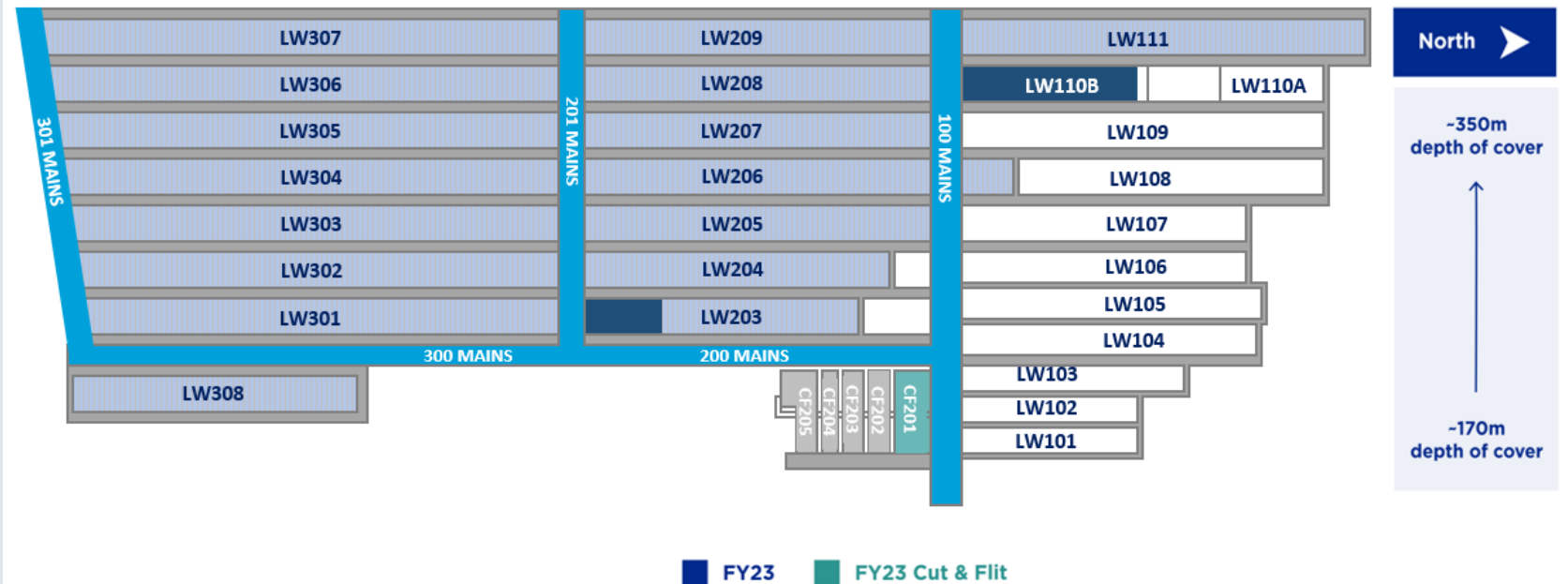
Managed ROM coal production (Mt)



Narrabri

Near term mine plan returning to shallower ground

- The scheduled longwall step around from panel LW110A to LW110B to avoid fault zone commenced mid-June and was successfully completed in July.
- Next relocation from panel LW110B to panel LW203 scheduled in Q4 FY23, returning to shallow mining in late FY23.
- Cut & flit mining – impacted by labour availability in H2 FY22.

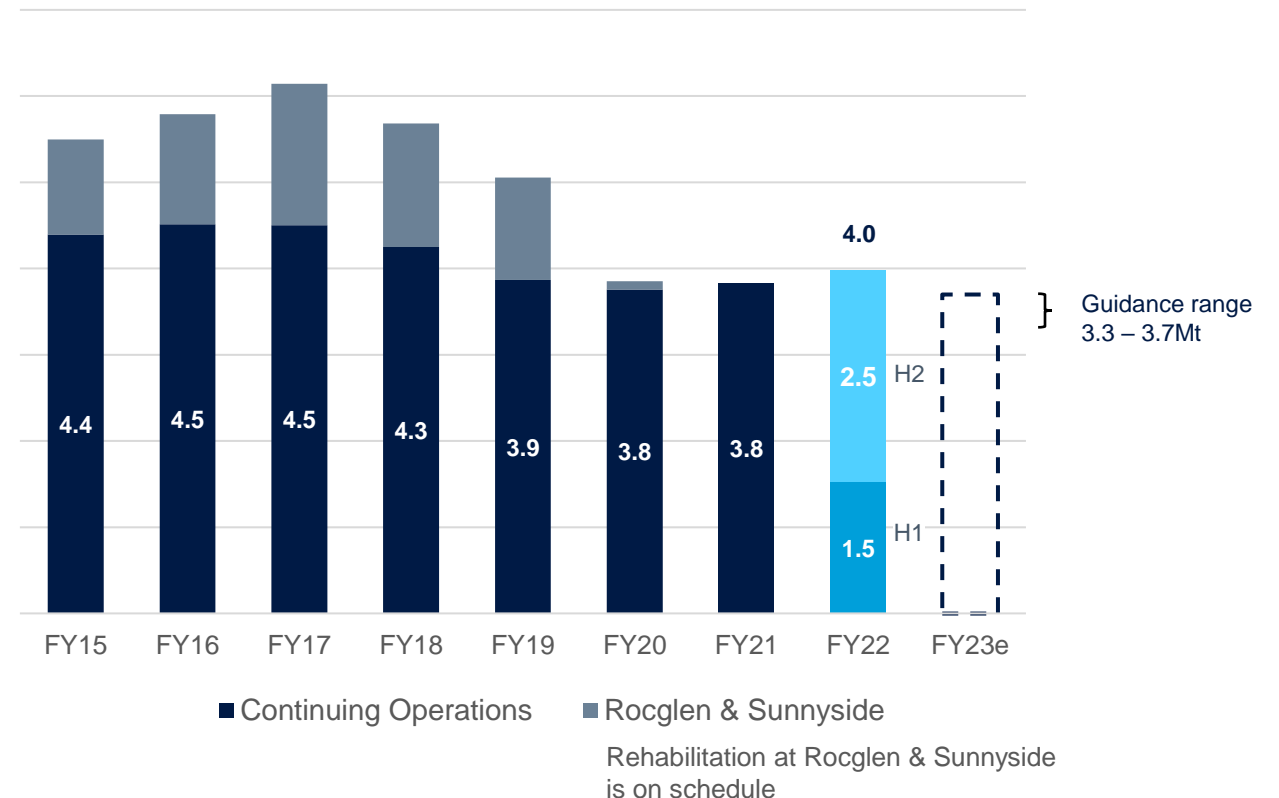


Gunnedah open cuts

Changes in mine sequencing in H2 offset weather impacts and labour constraints

- H2 FY22 ROM production 2.5Mt, 62% above H1 reflecting mine sequencing changes in response to wet weather impacts in H1
- FY22 ROM production of 4.0Mt was 4% above FY21 in line with plan
- Tarrawonga and Werris Creek delivered strong results despite COVID absenteeism and labour constraints
- Tarrawonga coal is being washed to a higher quality

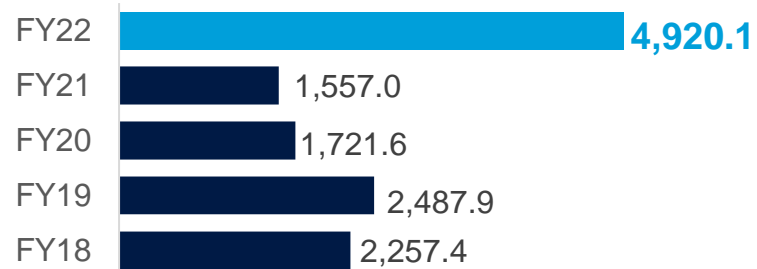
Managed ROM coal production (Mt)



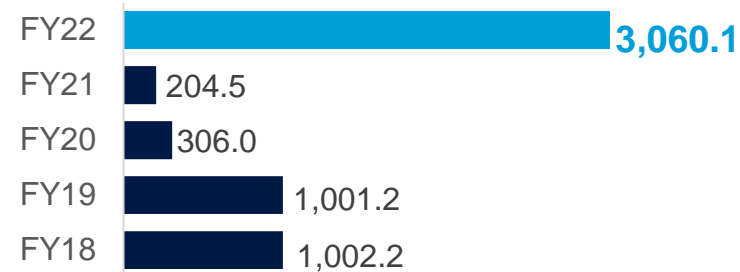
Financial history

Record earnings and cash generation

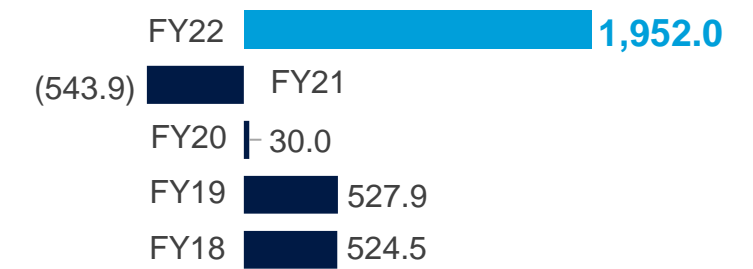
Revenue (\$m)



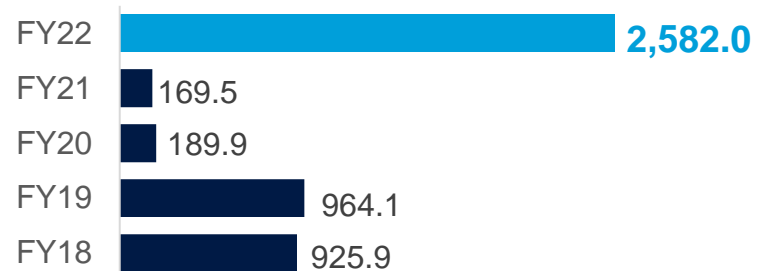
EBITDA (\$m)



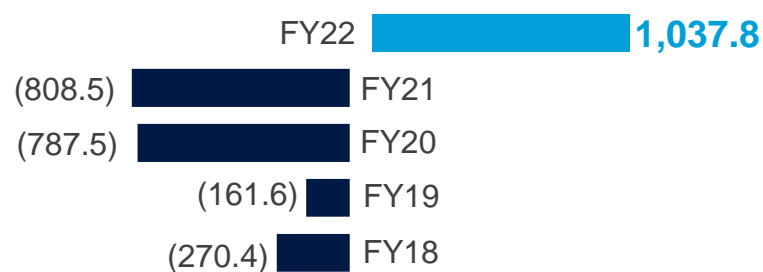
NPAT (\$m)



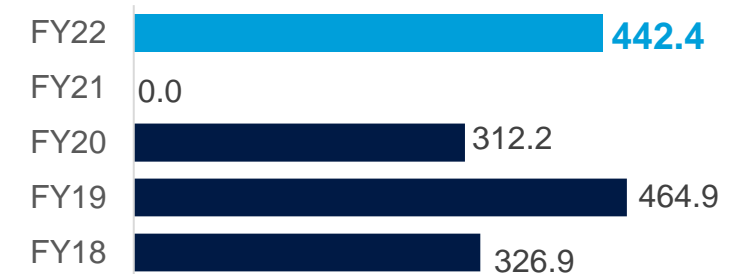
Cash generated from operations (\$m)



Net (debt) / cash (\$m)



Capital returns to shareholders (\$m)

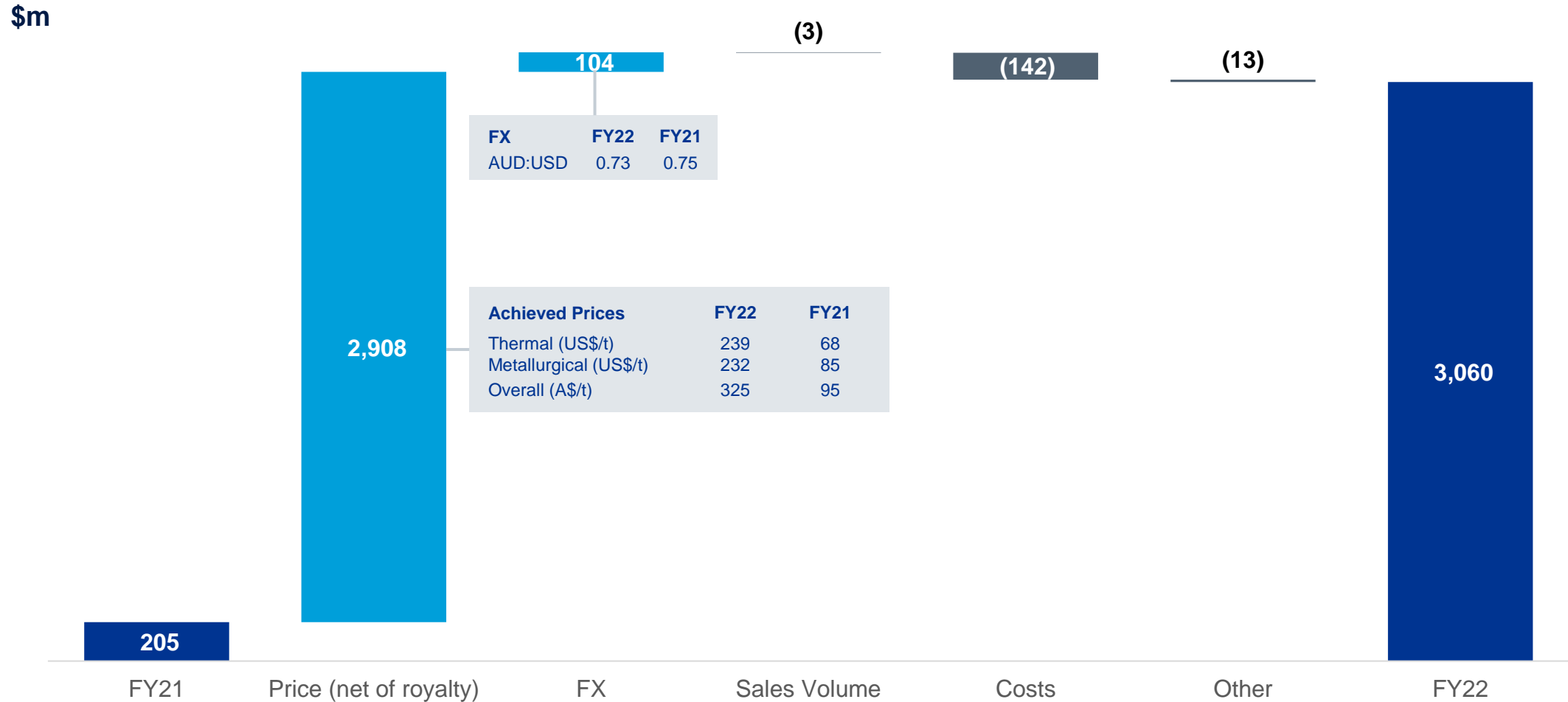


EBITDA margin

Driven by strong and enduring global demand for high quality coal

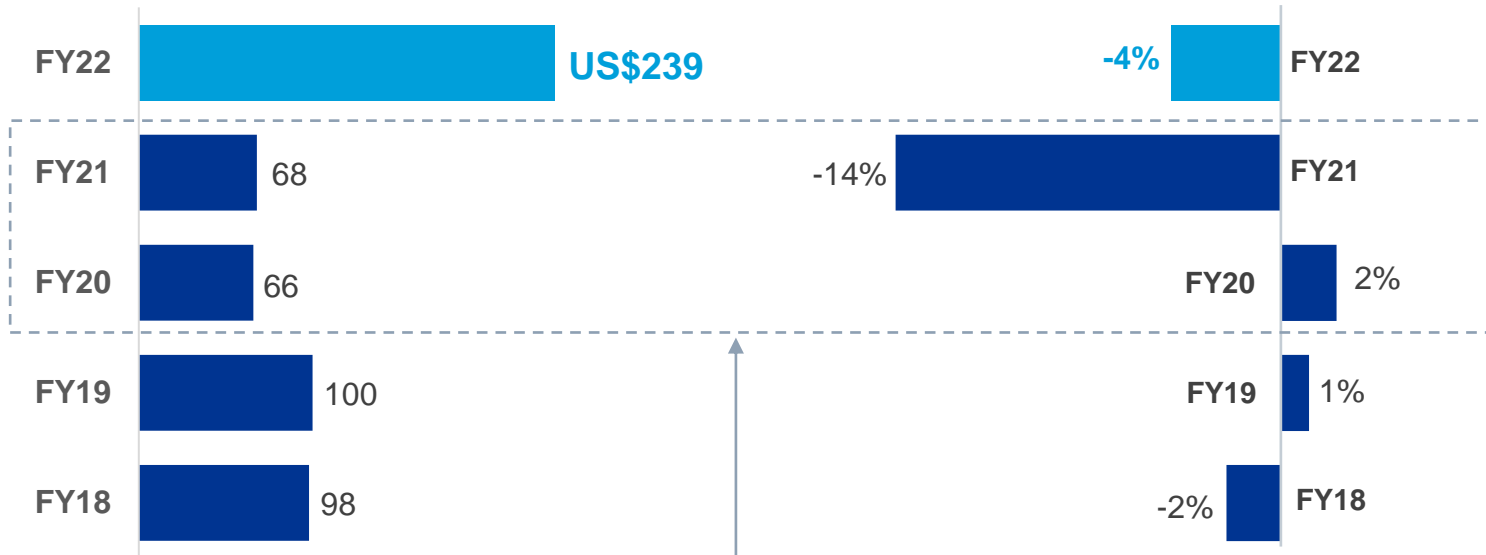
		FY22	FY21
Coal sales (equity basis, excluding purchased coal)	Mt	14.2	14.4
Average revenue (excluding purchased coal & net of royalties)	A\$/t	300	88
Average cost of sales	A\$/t	84	74
EBITDA margin on own coal sales	A\$/t	216	14
<i>EBITDA margin on own coal sales</i>	<i>%</i>	<i>72</i>	<i>16</i>

FY22 EBITDA vs FY21

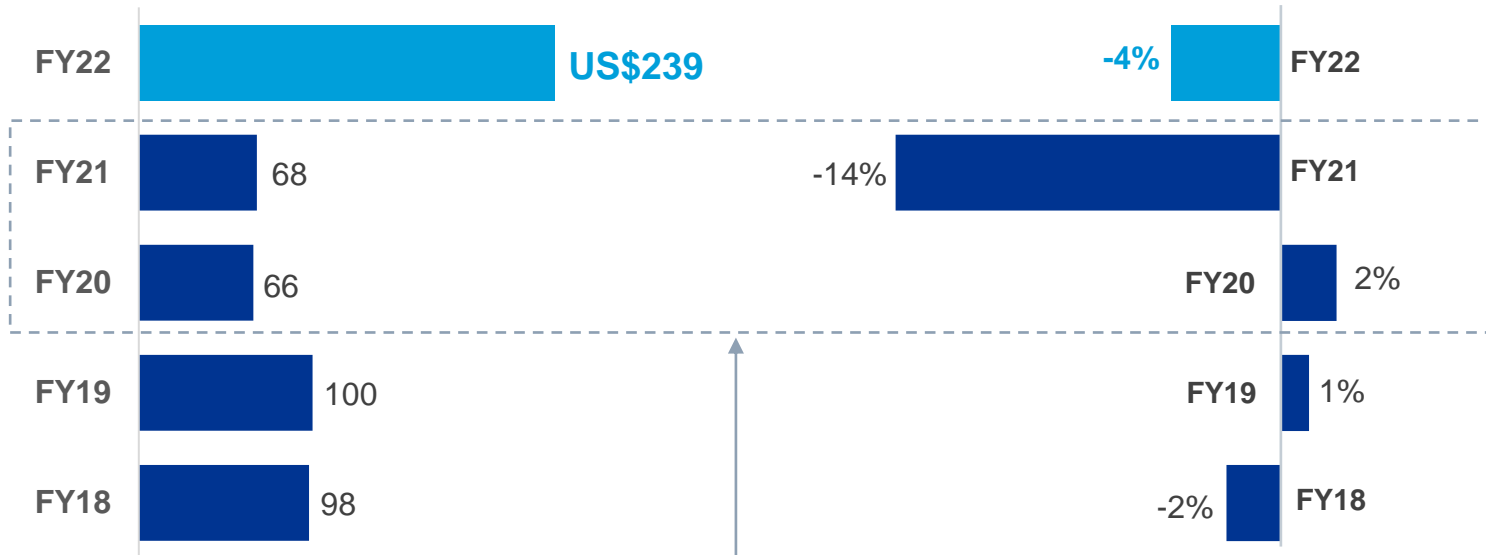


Strong coal prices achieved in FY22

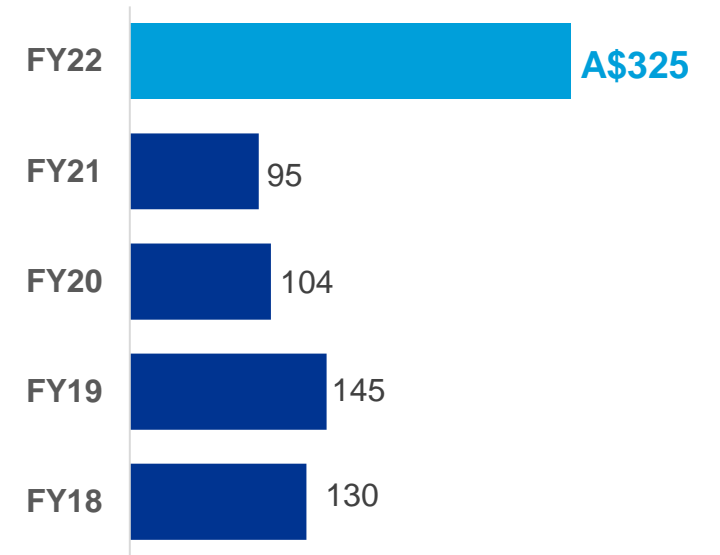
WHC's achieved thermal coal price (US\$/t)



WHC's thermal coal price premium / discount to gC NEWC (%)



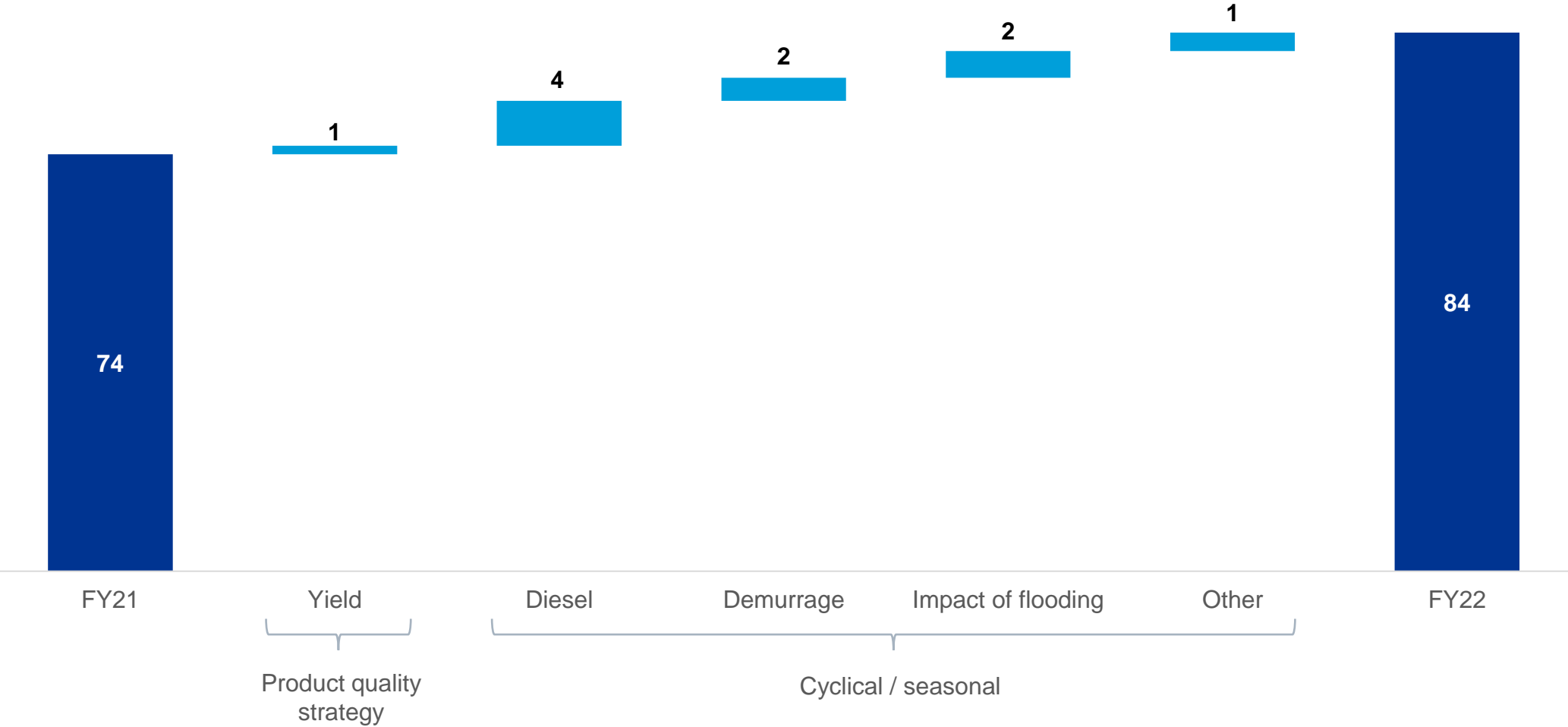
WHC's overall achieved coal price (A\$/t)



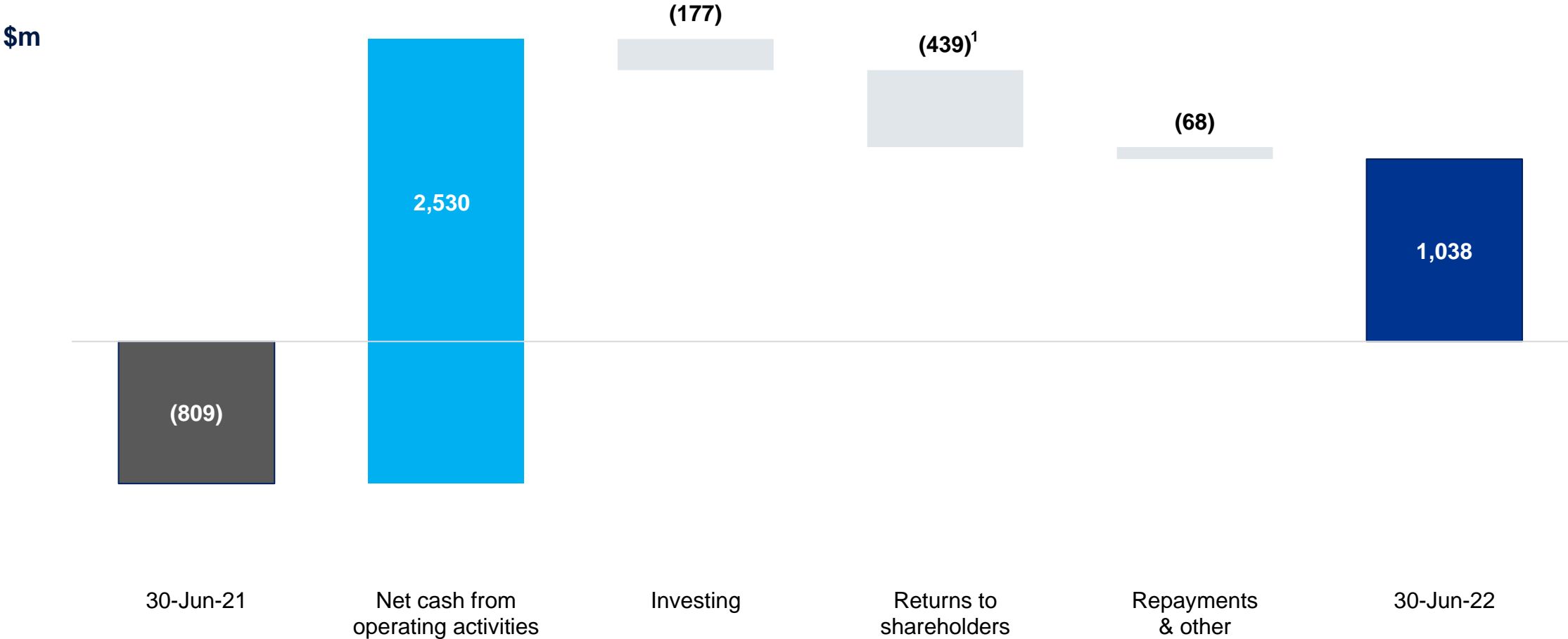
FY20, FY21 and H1FY22 outcomes reflect:

- COVID impacts
- Narrabri fault-affected quality issues

FY22 Unit costs \$A/t vs FY21



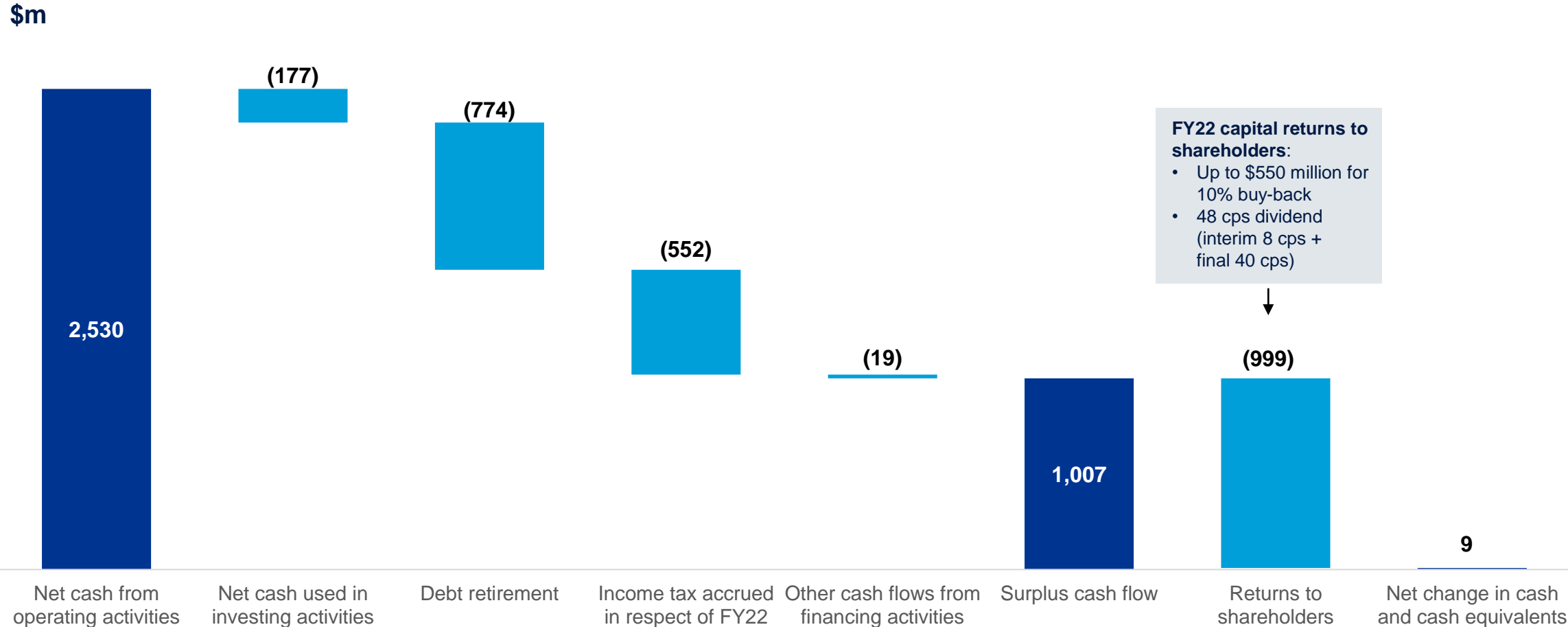
From \$809m net debt to \$1.04b net cash in FY22



1. A share trade entered into on 30 June 2022 for \$3.6 million was settled and paid on 4 July 2022 bringing total returns to shareholders for the year to \$442.2 million.

Allocation of FY22 cash

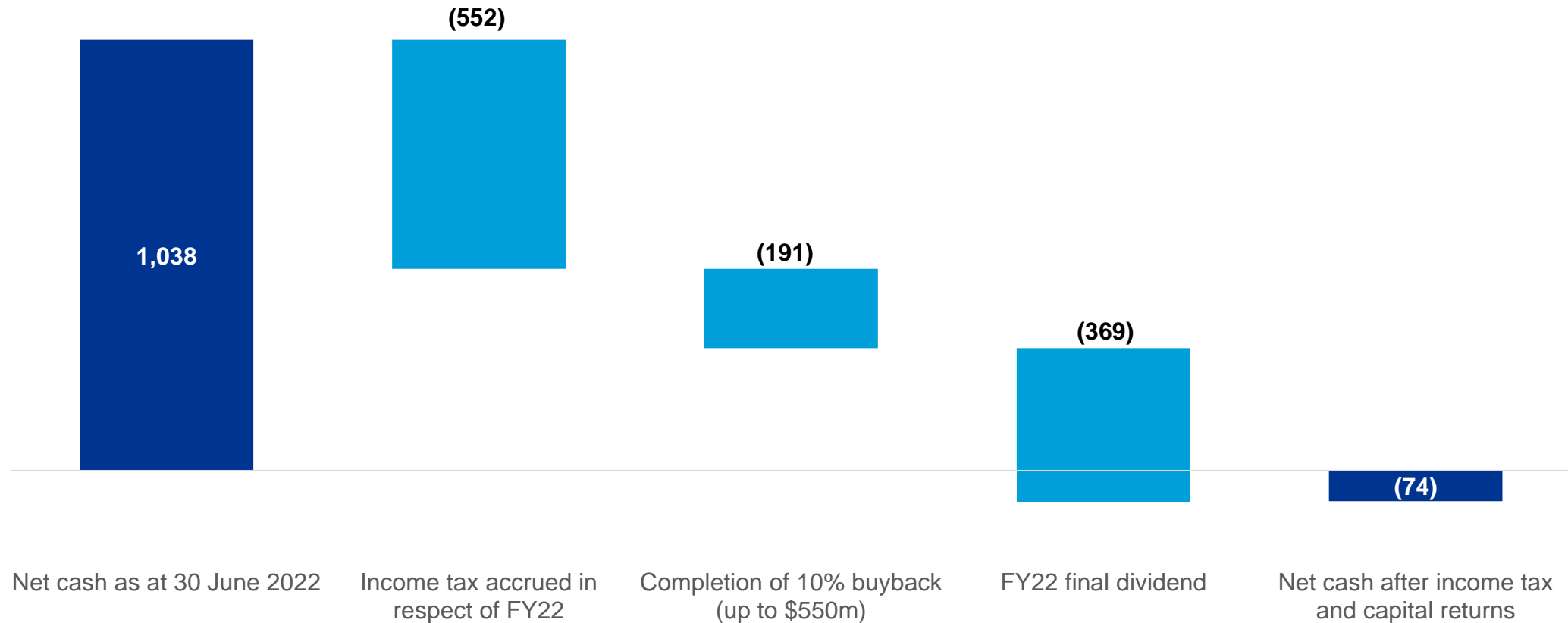
100% of surplus cash returned to shareholders



Uses of \$1.04 billion net cash

Net cash retained for FY22 income tax and final dividend

\$m



Net cash/debt and liquidity

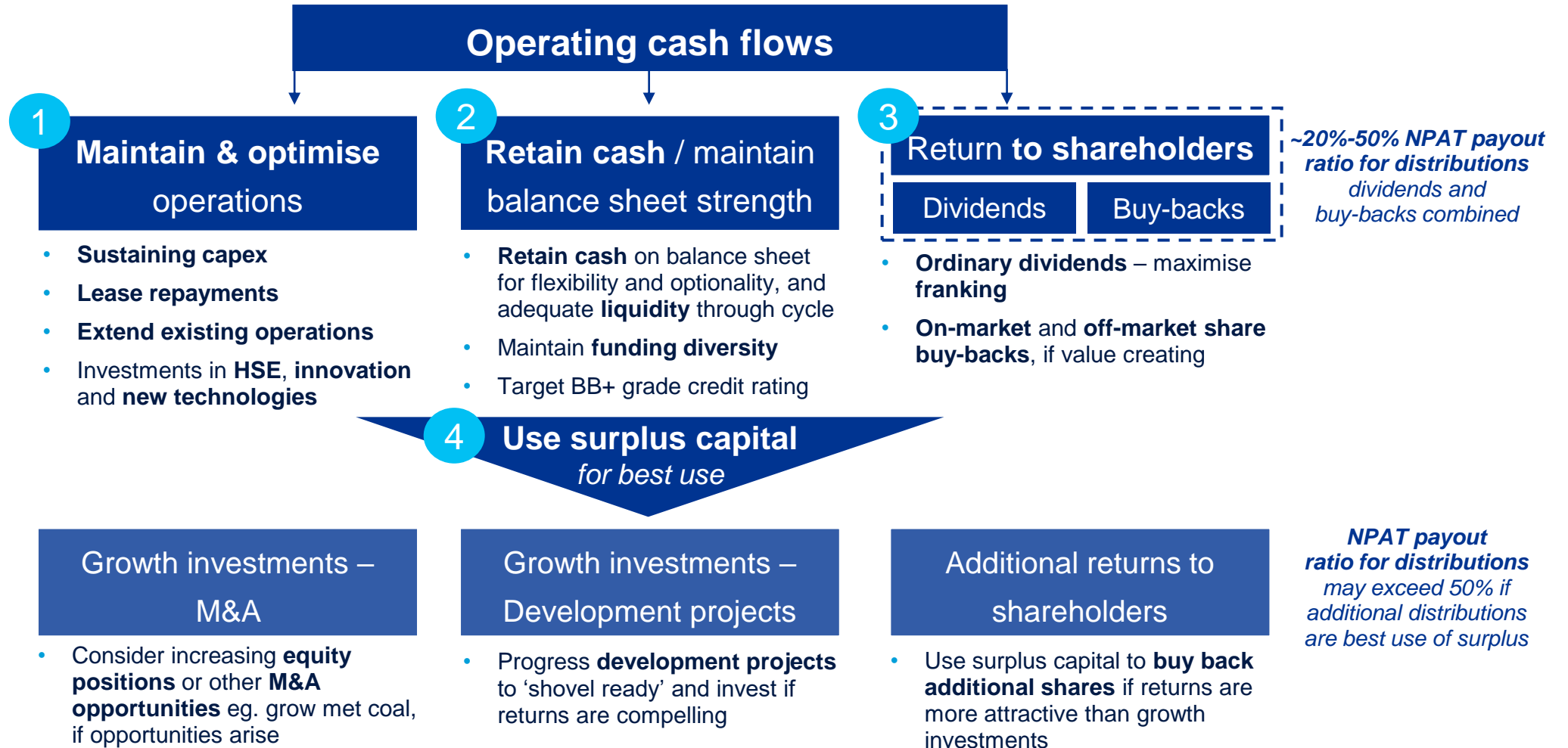
\$m	30 Jun 2022	30 Jun 2021
Cash on hand	1,215.5	95.2
Senior secured bank facility (drawn)	-	(688.0)
ECA ¹	(48.2)	(58.0)
Finance leases	(135.5)	(173.9)
Capitalised upfront borrowing fees	6.0	16.2
Net cash/(debt) excluding IFRS 16 lease liabilities	1,037.8	(808.5)
Equity	4,211.6	2,705.7
Liquidity	2,215.5	407.2

Net cash outlook

- Continued strong cash generation expected underpinned by demand for high quality coal and tight supply.
- Disciplined capital allocation framework in place.
- Senior secured bank facility to be refinanced in FY23.
- Diversification of capital sources through the debt capital markets.

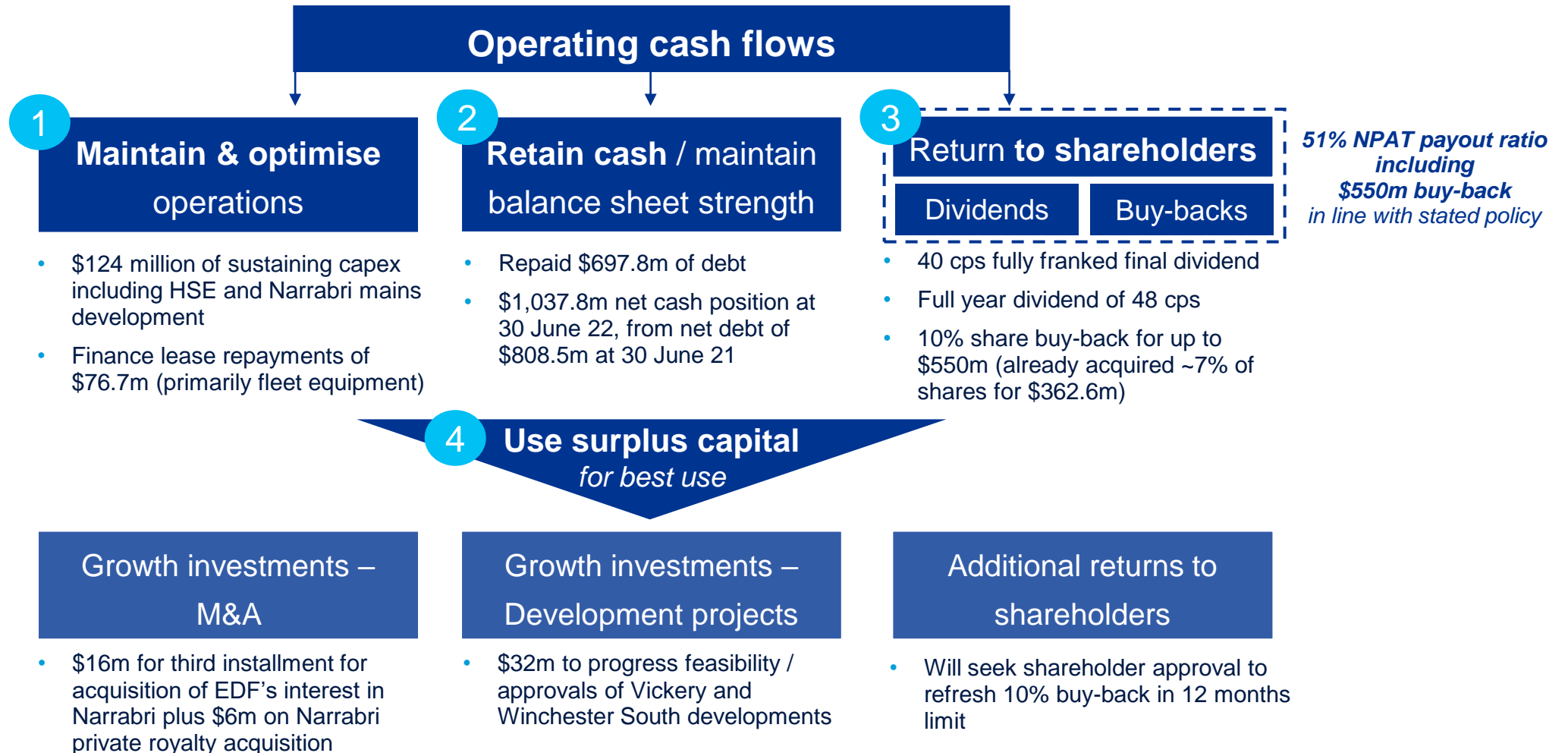
Capital allocation framework

Disciplined capital allocation to build resilience and deliver shareholder value



Capital allocation in FY22

Capital used to build balance sheet strength and provide returns to shareholders



FY23 Guidance



FY23 guidance

Key elements		FY22 actual	FY23 Guidance	Comments
Managed ROM Coal Production	Mt	20.0	20.0 – 22.0	
Maules Creek	Mt	11.2	11.7 – 12.6	
Narrabri	Mt	4.8	5.0 – 5.7	
Gunnedah Open Cuts	Mt	4.0	3.3 – 3.7	
Managed Coal Sales	Mt	17.6	17.5 – 18.5	Excluding purchased coal
Equity Coal Sales	Mt	14.2	14.1 – 14.9	Excluding purchased coal
Cost of Coal ¹	A\$/t	84	89 – 96	
Total Capex	\$m	154	287 – 360	Refer to Appendices for details
Acquisition of EDF consideration	\$m	16	16	Third of five annual US\$11m installments
Acquisition of Narrabri private royalty	\$m	6	14	

Outlook

Market outlook

- Energy security to remain a key priority - likely to take several years to rebalance supply and demand
- High-quality, high-CV thermal coal required through the multi-decade transition
- High-CV thermal coal prices to be well supported
- Russian sanctions and recent heavy rains in Hunter Valley will further support prices in the near term
- Current met coal volatility due to global economic drivers; longer-term positive demand outlook and price environment for met coal

FY23 focus

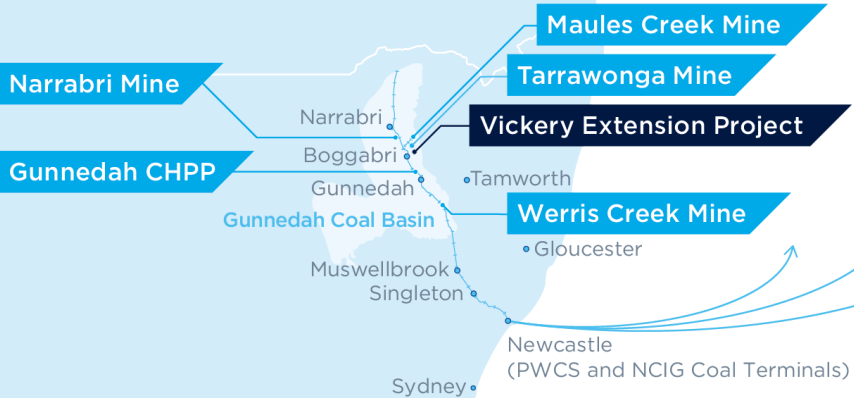
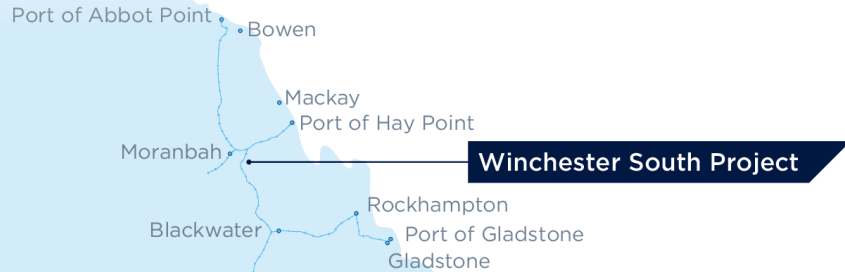
- Further improving safety, environmental and sustainability performance
- Delivering FY23 guidance
- Optimising margins including maximising high-CV thermal coal volumes and managing costs
- Disciplined capital allocation including returning capital to shareholders
- Progress development projects to be 'shovel ready'

Appendices

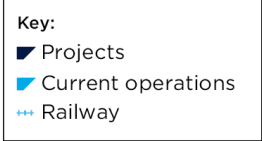
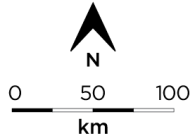


Gunnedah Basin and expanding to Bowen Basin

Whitehaven is the largest independent producer of high-CV coal in Australia

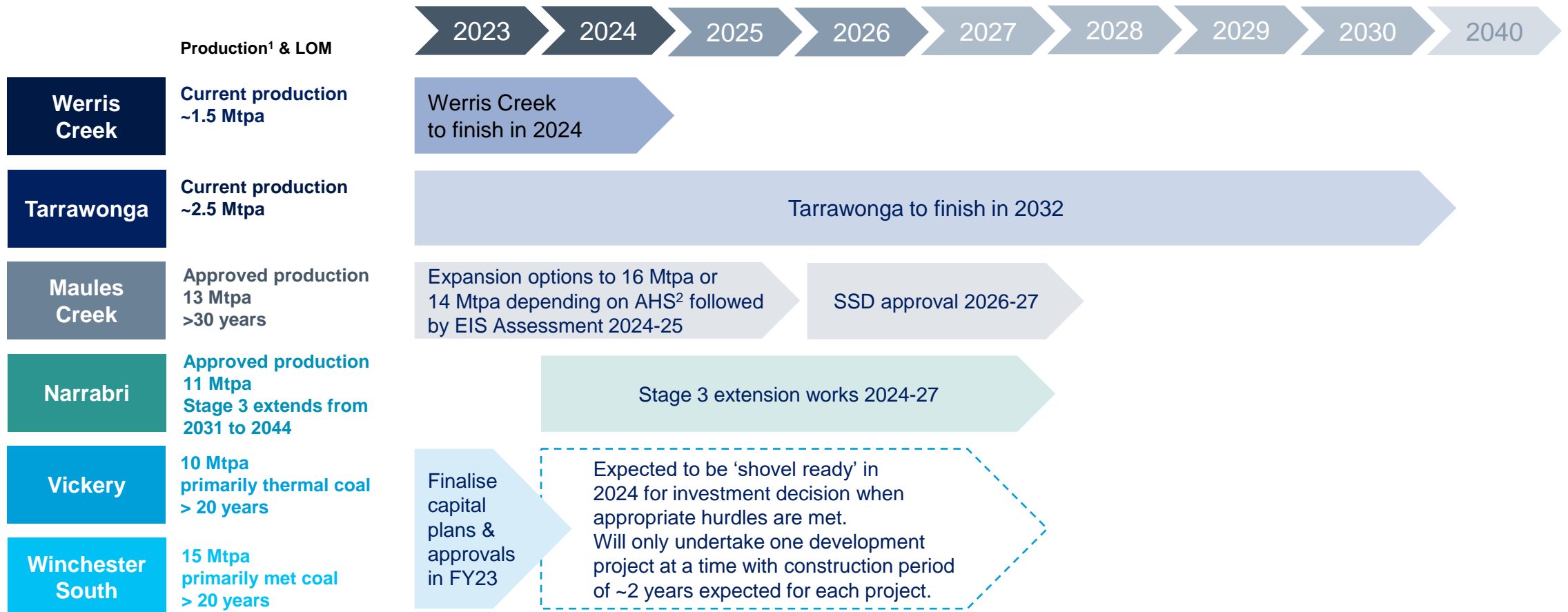


Whitehaven Coal shipped to premium Asian markets



Our portfolio of assets presents options to grow

Our long life assets are providing high-quality coal and energy security through the transition

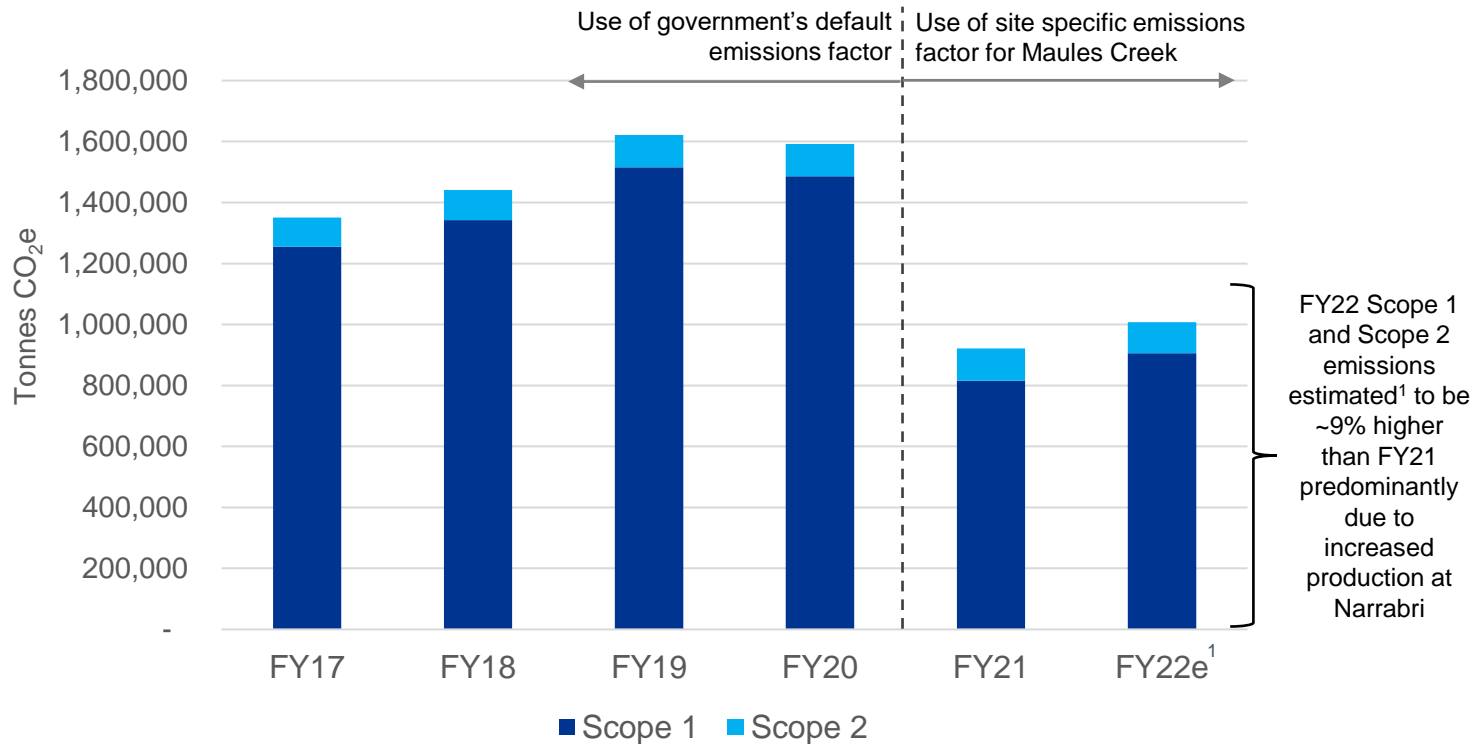


¹ Approved ROM production for operating mines is fully underpinned by the JORC Reserves for those mines. The forecast production from the Vickery project is underpinned by the JORC Reserves released to the ASX on 13 August, 2015 while the forecast production from Winchester South is underpinned by the JORC Resources and Reserves released to the ASX on 20 April 2022. Whitehaven confirms that the material assumptions underpinning the forecast production in the initial public reports for Vickery and Winchester South continue to apply and have not materially changed. Whitehaven's JORC information is available at <https://whitehavencoal.com.au/investors/jorc/>

² AHS = Autonomous Haulage System for overburden movement

Focused on Scope 1 and 2 emissions and TCFD reporting

Total reported greenhouse gas emissions

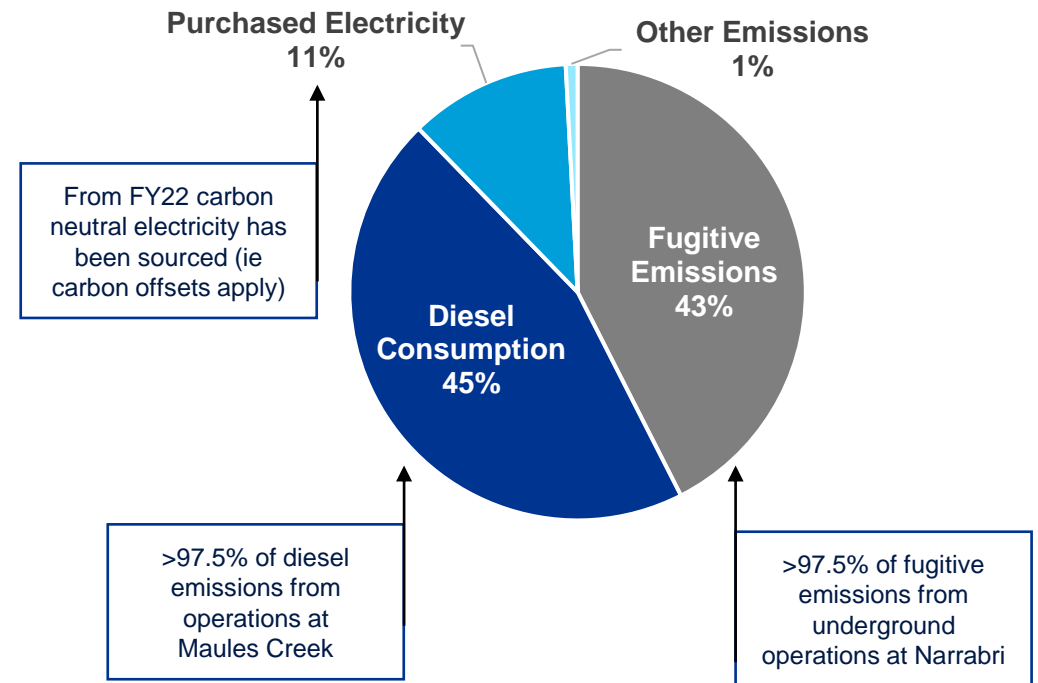
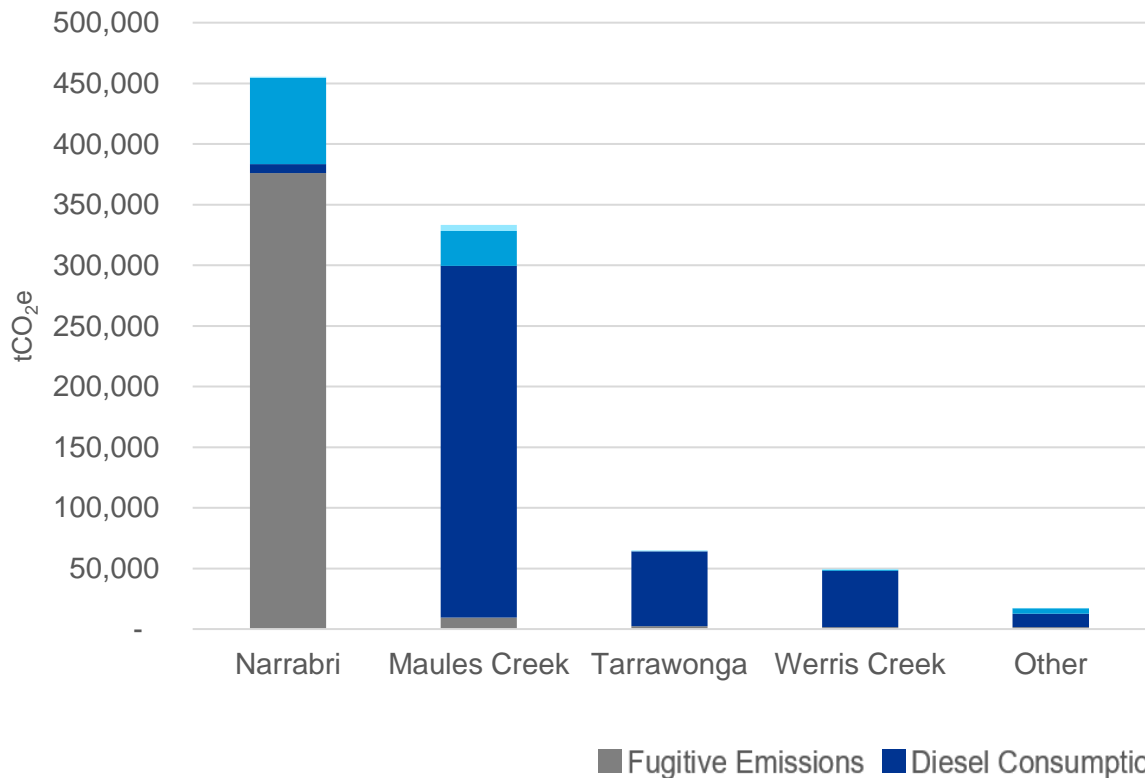


- Scope 1 emissions primarily Maules Creek (open cut) and Narrabri fugitive emissions, plus diesel consumption
 - Improved reporting accuracy in FY21 through use of site specific emissions factor for Maules Creek (versus government's default emissions factor used in prior years)
 - AHS study underway in Maules Creek to reduce diesel use
 - Fugitive emissions study underway at Narrabri
- Scope 2 emissions largely Narrabri
 - carbon neutral electricity now sourced (ie offsets acquired)
 - solar feasibility study underway
- TCFD scenario analysis work / reporting commenced in FY19
 - Modelling IEA scenarios
 - WHC is resilient under the Paris aligned sustainable development scenario (SDS)

Greenhouse gas emissions by source

Our emissions are predominantly fugitive emissions from Narrabri and diesel from Maules Creek

Operational emissions by facility and source – based on FY21 data



Profit and Loss

\$m	FY22	FY21
Revenue	4,920.1	1,557.0
Other income	7.1	6.8
Operating expenses	(764.3)	(700.4)
Coal purchases	(308.0)	(173.7)
Rail, port, marketing and royalties	(746.2)	(439.7)
Admin and other expenses (including net FX gain/loss)	(48.6)	(45.5)
EBITDA	3,060.1	204.5
Depreciation & amortisation	(238.9)	(260.7)
Significant item – impairment losses	-	(650.0)
Net finance expense	(55.3)	(62.0)
Income tax (expense)/benefit	(813.9)	224.3
Net profit/(loss) after tax	1,952.0	(543.9)
EBITDA margin on sales of own coal (A\$ per tonne)	216	14
Earnings/(loss) per share ¹ (cents per share – basic)	197.6	(54.6)

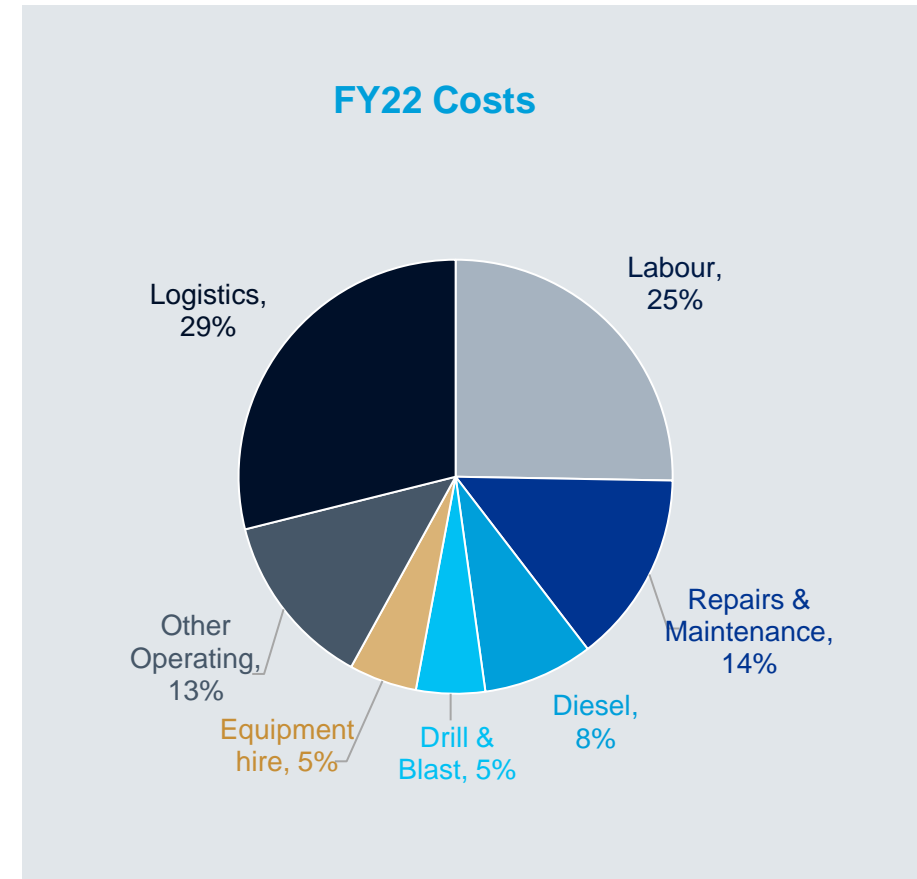
Costs

Unit cost calculation

The unit cost can be calculated off the face of the P&L. It includes operating expenses, selling & distribution expenses, administration expenses (net of sundry revenues) and share based payment expenses.

Coal purchases, royalties, depreciation & amortisation, FX and significant items are excluded.

	FY22		FY21		FY20	
	\$'000	\$/t	\$'000	\$/t	\$'000	\$/t
Operating expenses	764,331	\$54	700,433	\$49	695,621	\$49
Selling & distribution expenses	377,395	\$27	330,924	\$23	342,084	\$24
Administrative expenses (net of sundry revenues) ¹	44,772	\$3	32,134	\$2	28,198	\$2
Share based payment expenses	9,234		6,995		6,259	
Total cost of coal	1,195,732	\$84	1,070,486	\$74	1,072,162	\$75
Sales of own coal kt ²	14,166		14,425		14,278	



¹ Administrative expenses are presented net of sundry revenues of \$2,114k (FY21: \$2,094k, FY20: \$1,612k) which appear in the 'Other income' line of the P&L.

² FY20 includes Rocglen's sales of produced coal of 77kt and excludes Sunnyside's sales of 232kt

D&A and net finance expense

	FY22	FY21	Drivers
Depreciation & amortisation	\$238.9m	\$260.7m	Reflects the impact of 30 June 2021 impairment
D&A per tonne (sales of own coal)	\$17/t	\$18/t	
Net finance expense	\$55.3m	\$62.0m	Commitment fees for undrawn facility
Average balance of drawn senior secured bank debt facility during the period	\$290m	\$652m	

FY23 capital expenditure guidance

Key elements		FY22 actual	FY23 guidance	Comments
Open Cuts	\$m	69	67 - 88	\$10m - \$13m environmental & regulatory \$39m - \$46m fleet overhauls \$18m - \$29m sustaining / productivity
Narrabri	\$m	51	150 - 177	\$31m - \$35m sustaining / productivity \$10m - \$12m environmental / regulatory \$50m - \$63m 200 Series Precinct / CHPP upgrade \$40m - \$45m mains development \$19m - \$22m Narrabri Stage 3 - biodiversity offsets
Growth Projects	\$m	34	70 - 95	Winchester South (\$20m - \$30m), Vickery (\$35m - \$45m), employee housing (\$12m - \$17m) and solar farm (\$3m)
Total capex	\$m	154	287 - 360	

