



WHITEHAVEN COAL

NARRABRI MINE

NEWSLETTER N⁰⁴

WINTER 2015

FROM THE GENERAL MANAGER

Welcome to the latest Whitehaven Coal Narrabri Mine community newsletter.

Since the previous newsletter Narrabri Mine has completed the extraction of the third longwall panel and is about to complete the fourth longwall panel. Extraction of the fifth panel should commence in the third quarter of 2015. Productivity has continued to improve such that the mine is now delivering above its planned 6.5Mtpa capacity. The workforce at the Narrabri mine remains stable at this difficult time in the industry. At the commencement of 2015, two apprentices were employed from the local area and Narrabri Mine will be seeking more apprentices during 2016. In addition, some of our long-term contractors are also seeking locals to fulfil roles, which is a good outcome. In total, the mine has 275 permanent employees and requiring them to live locally illustrates our commitment to the local community.

If you have any questions about the mine and its operations we encourage you to contact us directly or talk with the members of the Community Consultative Committee (CCC). Contact details are provided on Page 4.

Regards,

Steve Bow

General Manager — Narrabri Mine

ENVIRONMENTAL IMPROVEMENTS

Since the last newsletter, Narrabri Mine has made some improvements to the environmental safeguards in place at the mine. These include:

- The installation and commissioning of the coal processing area automated spray system. This project allows the coal processing area, including the stockpiles and dozer transfer roads, to be watered to limit dust generation. The system cost was just over \$1M to install and can be modified to allow for the planned increase to the coal stockpiles;
- An upgrade to the drilling fluid settling ponds to allow the drilling fines to settle so they can be dewatered for disposal;
- An upgrade to the existing hydrocarbon bioremediation area to allow the mine to treat hydrocarbon impacted soils prior to disposal; and
- The design, installation and commissioning of a new hydrocarbon storage facility to house the various oils and lubricants required for the operation.



SPONSORSHIP

Whitehaven Coal has extended its commitment to the community and the Westpac Rescue Helicopter Service by donating almost \$50,000 in the current year. Employees can donate through the payroll dedication program, with additional event contributions resulting in a total donated of almost \$103,000. Whitehaven committed to matching dollar for dollar, staff payroll deductions to the Service. The total donated is \$505,000 over the last 5 years.

VOLUNTARY PLANNING AGREEMENTS

As part of the approval process, Whitehaven has entered into Voluntary Planning Agreements with local Government to direct \$3.2m of funds to Narrabri Shire Council for a range of requirements including the redevelopment of the Narrabri Swimming Pool Complex, Gunnedah Urban Riverine Scheme and Community Enhancement funds for Gunnedah and Narrabri over a 5 year period and the upgrade and sealing of Kurrajong Creek Road.

Whitehaven's Narrabri Mine has also continued to sponsor local events during the year with more than \$15,000 directed to projects which benefit the broader community, including being a major sponsor for the 2015 Nosh on the Namoi. Narrabri Mine was also a proud supporter of the 2014 NBN BEST Narrabri Business Awards and the Narrabri Lioness Club hosting the 2014 Narrabri Garden, Flower and Craft Expo.

NARRABRI MINE PROJECT APPROVAL MODIFICATIONS

STOCKPILE MODIFICATION

Narrabri Mine is proposing to modify the ROM and product coal stockpiles at the mine. This will involve increasing the ROM coal stockpile by 2.3 hectares (Ha) and the product coal stockpile by 1.4 Ha. A new containment dam will be required to capture runoff from the expanded ROM stockpile and this will be sized to minimise the potential for mine water discharges from site. No other significant changes are proposed as part of the modification. Assessments of air quality and noise impacts have been undertaken and the results are presented below.

Air Quality Assessment

Air quality modelling predicts:

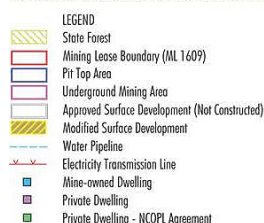
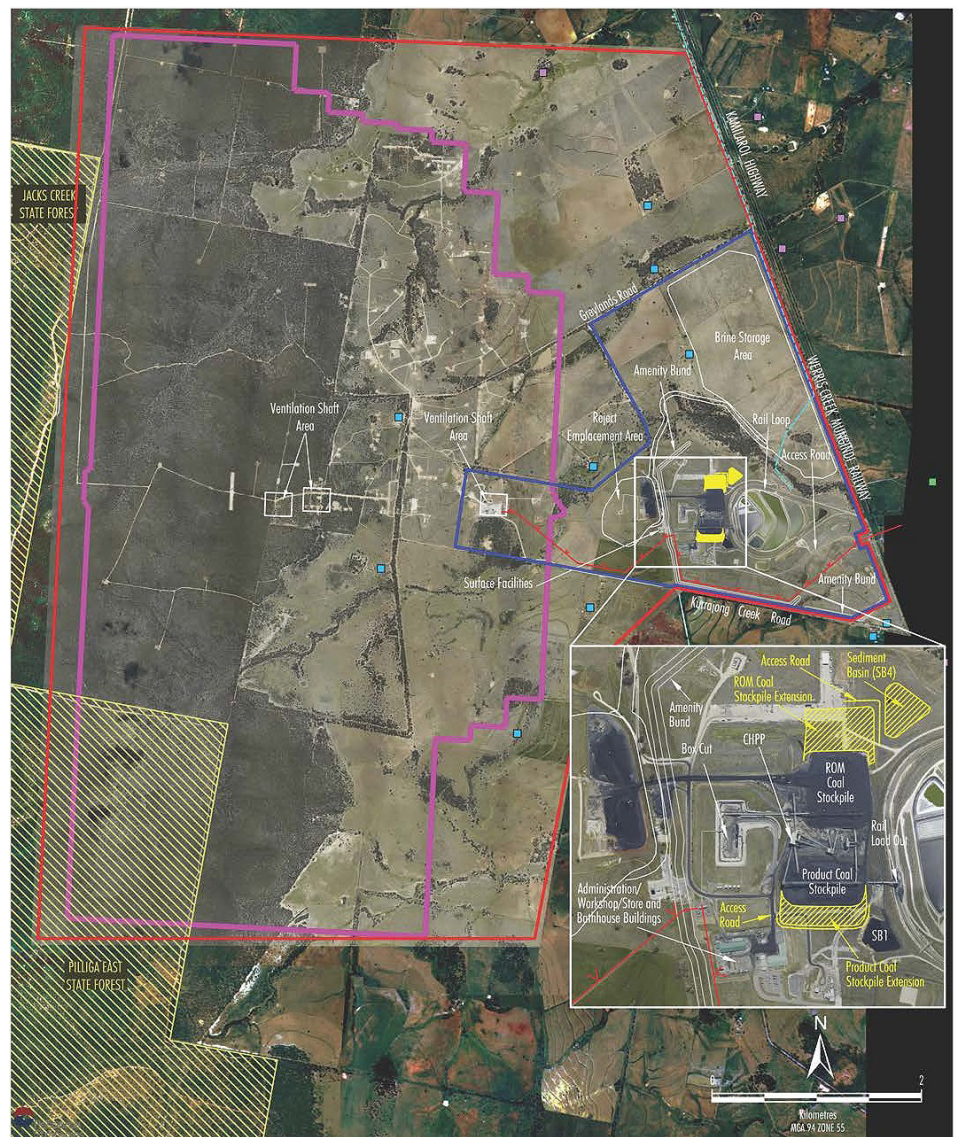
- Compliance with existing project-only air quality limits at all privately-owned properties; and
- Compliance with existing cumulative air quality limits at all privately-owned properties except for a minimal risk (<0.2%) of an additional cumulative 24-hour PM₁₀ criterion exceedance.

Noise Assessment

Noise modelling predicts that:

- No privately-owned properties would be in the noise affectation zone; and
- Two privately-owned properties would be in the noise management zone and both of these properties are in negotiations with the mine.

The Environmental Assessment was lodged during April 2015. Narrabri Mine anticipates an approval from the Department of Planning and Environment (DP&E) during the third quarter of 2015.





NARRABRI MINE PROJECT APPROVAL MODIFICATIONS (CONT)

FACE WIDENING AND PRODUCTION RATE INCREASE MODIFICATION

Narrabri Mine is proposing to widen the longwall face from 300m to 400m. This will allow the more efficient extraction of coal from the underground mining area. The mine will also seek an increase to the annual run-of-mine (ROM) coal approved rate from 8 million tonnes per annum (Mtpa) to 11Mtpa. The increase will ensure that longwall mining can continue uninterrupted in each one year period.

Key information is as follows:

- An increase in longwall panel widths for LW107 to LW120 from 300 m to 400 m (LW101 to LW106 unchanged).
- A reduction in the number of longwall panels from 26 to 20.
- An increase in gateroads per heading from 2 to 3 for improved ventilation.
- An increase in the approved ROM coal production from 8Mtpa to 11Mtpa.
- An increase in the average number of trains from 3 trains/day to 4 trains/day (peak would remain unchanged).

Key environmental assessments in the Environmental Assessment will include:

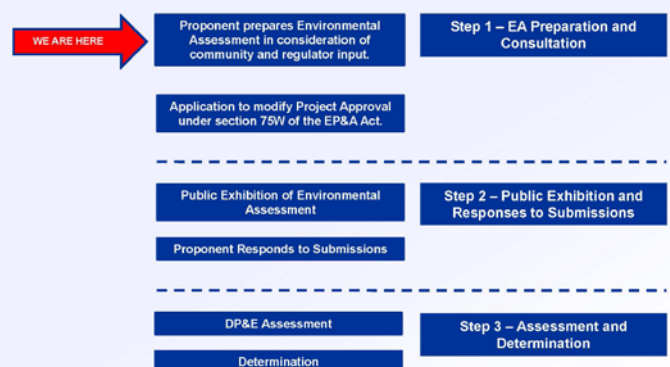
- Subsidence.
- Groundwater and surface water.
- Aboriginal cultural heritage.
- Biodiversity.
- Air quality and noise.

The following timeframes are proposed:

- Currently undertaking specialist studies and preparing Environmental Assessment.
- Third Quarter 2015 – Modification EA submission.
- First Quarter 2016 – Determination sought.

An overview of the assessment process is illustrated below.

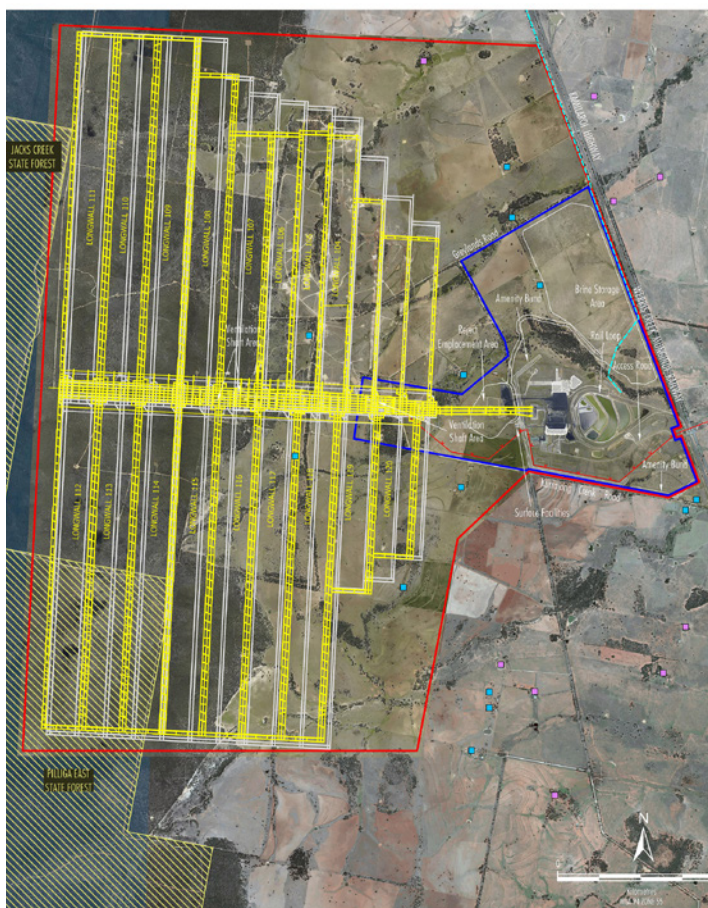
Assessment Process



OPERATIONS UPDATE

The amount of ROM coal produced during FY 2015 was 7.7Mt with longwall mining progressing through the third and fourth longwall panels.

Since mining began to June 2015, a total of 17.65Mt of ROM coal has been produced.



ABOUT US

Whitehaven Coal is the leading coal producer in north west NSW. Our vision is to be Australia's leading independent coal company. We are delivering on plans to double 2014 production to achieve sales of 23Mtpa on a 100% basis by FY2018.

Whitehaven Coal owns four open cut mines (Maules Creek, Werris Creek, Tarrawonga and Rocglen), one large underground mine (Narrabri) and operates a Coal Handling and Processing Plant at Gunnedah.

Our coal travels from north west NSW by rail to the Port of Newcastle before being shipped to our customers mostly in Japan, Korea, Taiwan and India.

As the single largest employer in the north west NSW region, Whitehaven makes a significant contribution to the local community.

Here are a few key facts and figures on our community contribution.

- Whitehaven employed 761 people as at 31 December 2014 – with 74% living in the region surrounding our operating mines
- The wages paid to our employees in the region were over \$65m in the half year to 31 December 2014 – money spent in the local economy.
- We are focusing on widening the diversity of the workforce and are hiring more women and Aboriginal employees.
- Our increased engagement with the local Aboriginal community includes working with Reconciliation Australia on the development of a Reconciliation Action Plan.

WHITEHAVEN REPORTS \$67M SPEND INTO NARRABRI SHIRE



Whitehaven Coal have held a 'Meet the Biz' evening with Narrabri Chamber of Commerce to outline future opportunities for Narrabri businesses.

The meeting heard that the company has increased its annual spend to local suppliers and businesses in the Narrabri Shire to \$67.3m for FY2015. The total spend across the NW NSW region is \$214.9m and support for nearly 700 businesses.

"The number of company people here to talk to our business community means a lot to us," said Narrabri Chamber of Commerce President Russell Stewart according to the Narrabri Courier.

More opportunities were ahead, said Whitehaven Group Procurement Manager Tony Warham. However, Whitehaven required a range of criteria to be met from suppliers, importantly their commitment to their local community.

ENVIRONMENTAL AND COMMUNITY ENQUIRIES

ENVIRONMENTAL ENQUIRIES

Steve Farrar

Environmental Superintendent

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COMMUNITY CONSULTATIVE COMMITTEE (CCC)

Mr Russell Stewart (Independent Chair), Narrabri

Mrs Sally Hunter, Boggabri

Mr James Stieger, Baan Baa

Mr Peter Webb, Baan Baa

Mr Mark Foster, Baan Baa

Mr Rodney Dunlop, Narrabri

Cr Catherine Redding, Narrabri Shire Council Representative.

COMMUNITY ENQUIRIES

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COMPLAINTS HOTLINE

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GENERAL ENQUIRIES

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FOR MORE INFORMATION PLEASE VISIT

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