

ASX RELEASE

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WHITEHAVEN FORMALISES AGREEMENT WITH BOGGABRI COAL ON EXTENSION OF TARRAWONGA JOINT VENTURE

Whitehaven Coal Limited (ASX:WHC) today announced it has entered into formal Agreements with Boggabri Coal Pty Limited, a wholly-owned subsidiary of Idemitsu Australia Resources Pty Ltd (Idemitsu), in relation to an extension of the existing Tarrawonga Joint Venture.

Whitehaven operates and has a 70% interest in the Tarrawonga Joint Venture, with the remaining 30% interest held by Boggabri Coal. The adjacent Boggabri Coal operation is wholly-owned by Idemitsu.

As announced previously, a Heads of Agreement in relation to this transaction was signed by the two companies in May 2011.

The formal Agreements are subject to a number of conditions, including approval of expansion plans at both Tarrawonga and Boggabri Coal. The Boggabri Coal expansion includes the development of a rail spur and Coal Handling and Preparation Plant (CHPP).

Under the proposed arrangements:

- Tolling arrangements would be put in place to provide the Tarrawonga JV with access to the Boggabri Coal CHPP and rail spur; and
- Tenement ownership within the expanded JV area would be restructured to ensure WHC and Boggabri Coal have a 70% and 30% interest respectively in each tenement within the project area. (Boggabri Coal will continue to hold a 100% interest in the Boggabri Mine.)

“This proposed extension of the Tarrawonga Joint Venture has benefits for both companies and promotes the most efficient use of assets in this part of the Gunnedah Basin,” Whitehaven Managing Director Mr Tony Haggarty said.

“Economic benefits flow for both companies from the better utilisation of Boggabri’s new CHPP and rail loading facilities. In addition, the arrangements will free-up existing Gunnedah CHPP and rail loading capacity for use by other Whitehaven mines, including the proposed Vickery Project,” he said.

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