

## ASX RELEASE

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### **SIGNIFICANT IMPACT OF WET WEATHER ON FIRST HALF RESULTS**

Whitehaven advises that unusually wet weather in the current quarter has continued to adversely affect coal production at the company's open cut mines in the Gunnedah Basin.

As previously reported, wet weather had a significant impact on coal production in the first quarter and this has continued during the second quarter. During the five months ending 30 November 2010, Whitehaven has lost a total of approximately 3,200 operating hours across its four open cut mines due to wet weather, compared to approximately 950 hours during the same period last year.

The wet weather has continued in December and at this stage it is expected that, while saleable coal production for the first half will be approximately 10% up on last year, it will fall short of budget by approximately 700,000 tonnes (24%).

As a consequence of this, Whitehaven has increased its purchases of coal to meet fixed sales commitments, with a total of more than one million tonnes expected to be purchased for the first half. The need to purchase additional coal, particularly at a time when coal availability is generally low as a result of the wet weather and prices are rising, will have a significant negative impact on first half earnings.

Whitehaven is not yet able to estimate half year earnings accurately, due to uncertainty around shipping at the end of December, but will be able to provide profit guidance to shareholders in January, ahead of the half year reporting date.

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