



**WHITEHAVEN COAL LIMITED**

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**28 April 2009**

**ASX ANNOUNCEMENT**

**AMENDED QUARTERLY REPORT**

Attached is a revised quarterly report for Whitehaven Coal Limited for the Period ended 31 March 2009.

The revisions in the report (from the report lodged on Monday 27 April) are limited to the Corporate section on page 3, specifically bullet points 3 and 5.

Paul Marshall  
Company Secretary



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**WHITEHAVEN COAL LIMITED**  
**QUARTERLY REPORT TO 31 MARCH 2009 (Q3 FY 2009)**

**Highlights**

<i>Thousands of tonnes</i>	Quarter Ending			Year to Date		
	Mar 2009	Mar 2008	% Var	FY 2009	FY 2008	% Var
<b>Saleable Coal Production - 100%</b>	<b>876</b>	<b>603</b>	<b>45%</b>	<b>2,291</b>	<b>1,996</b>	<b>15%</b>
<b>Total Coal Sales – 100%</b>	<b>1,159</b>	<b>650</b>	<b>78%</b>	<b>3,003</b>	<b>2,030</b>	<b>48%</b>
<b>Saleable Coal Production - Equity</b>	<b>763</b>	<b>520</b>	<b>47%</b>	<b>1,914</b>	<b>1,423</b>	<b>35%</b>
<b>Total Coal Sales - Equity</b>	<b>1,027</b>	<b>618</b>	<b>66%</b>	<b>2,634</b>	<b>1,528</b>	<b>72%</b>

- Marketable Reserves were increased during the March quarter, as detailed in Whitehaven’s release to the ASX dated 10<sup>th</sup> March 2009. At planned production rates, coal resources and reserves at Werris Creek and Gunnedah are expected to be sufficient to support mining for a further 20 years at both locations;
- Record raw coal production (ROM) of 1.025 Mt for the March quarter (100% basis), up 67% on the previous corresponding period;
- Record saleable coal production of 876 thousand tonnes (Kt) for the March quarter (100% basis), up 45% on the previous corresponding period;
- Record coal sales of 1.159 Mt for the March quarter (100% basis), up 78% on the previous corresponding period; comprising 931 Kt of produced coal and 228 Kt of traded coal;
- Increased rail capacity now able to deliver an average of 300 Kt per month to Newcastle, with performance at this level demonstrated during the March quarter;
- Whitehaven port capacity allocation at Port Waratah Coal Services (PWCS) of 3.6 Mt confirmed, subject to any system capacity adjustments during the year;
- Construction of the new NCIG coal loading terminal at Newcastle, of which Whitehaven owns 11%, remains on track to be commissioned in early 2010;
- Construction of the Narrabri Project (Stage 1) progressing well with the underground drift entries scheduled to reach the coal seam in Q2, FY 2010;
- Whitehaven continued to generate strong cashflow from operations in the March quarter. At 31 March, available cash was approximately \$102 million;
- Whitehaven has now fixed the majority of its FY 2010 sales tonnage and prices, with thermal coal prices around US\$70 per tonne FOB and PCI/SSCC prices around US\$80 per tonne FOB;
- Whitehaven had a total of approximately US\$433m in forward US\$/A\$ exchange contracts at the end of March, at an average exchange rate of AUD 1.00 = USD 0.7593;
- The proposed merger of Whitehaven and Gloucester Coal, announced on February 19<sup>th</sup>, remains the subject of a review by the Takeovers Panel. A decision by the Review Panel is expected shortly.

### **Coal Production**

- The rate of increase in Whitehaven's saleable coal production accelerated in the March quarter, due to a number of positive factors:
  - Continuing excellent performance at Tarrawonga, which produced at a rate of ~1.5 million tonnes per annum (Mtpa) for much of the quarter;
  - Significantly improved performance at Werris Creek, following Whitehaven taking over operations in late December 2008, with production running at a rate of ~1.2 Mtpa in the March quarter. This compares to the rate of 0.9 Mtpa in the December 2008 quarter;
  - Following the delayed start-up of Rocglen, it has steadily increased production during the quarter to a rate of 0.85 Mtpa, and is scheduled to produce 1.3 Mt in FY 2010;
- Good progress was also made during the March quarter in developing the Sunnyside pit and Sunnyside will be a significant coal contributor in the current quarter;
- Canyon continued to wind down, with approximately 100,000 tonnes remaining to be mined in the current quarter.

### **Coal Sales**

- Coal sales of 1.159 Mt for the March quarter were up 66% on the previous corresponding period, reflecting higher saleable coal production and improved rail and port capacity;
- Sales in the March quarter included 228 Kt of purchased coal, which included some coal to meet existing sales commitments early in the quarter, but was mainly to take advantage of spot sales opportunities. Overall, March quarter coal purchases were profitable;
- The downturn in metallurgical coal markets has resulted in a lower than planned proportion of metallurgical coal sales year to date, however customers are continuing to take delivery of contracted tonnage;
- Whitehaven currently has sales tonnages and prices fixed for the majority of planned production through until June 30, 2010. A detailed update of the status of Whitehaven's fixed price coal contracts will be provided to shareholders shortly.

### **Project Development**

- Construction of the Narrabri Stage 1 project continues to progress on plan. Surface works are well advanced and construction of the three drifts is progressing well. First coal is expected during Q2 FY 2010;
- Contracts have now been awarded for more than 90% of the Narrabri Stage 1 work. Tunnelling is progressing in all 3 drift entries with ground conditions being consistent with expectations so far. Total expenditure up to the end of March 2009 is approximately \$120 million. Construction costs for Narrabri Stage 1 are currently expected to be within 10% of the A\$185m budget, however the final cost of the underground drifts remains exposed to ground conditions as work progresses;
- Detailed design of Stage 2 for installation and operation of the longwall is progressing well with lodging of an application for approval with the NSW Department of Planning expected in the current half year;
- Work is also progressing on mine planning and environmental studies to support an application for a 20 year life-of-mine approval for the Werris Creek mine. This follows recent substantial upgrades to Werris Creek coal resources and reserves.

### **Infrastructure**

- Rail track capacity upgrades by ARTC as far as Gunnedah were completed in December, providing track and train capacity to deliver Whitehaven's current requirement for an average of 300,000 tonnes per month to be railed to port from Gunnedah and Werris Creek;
- Further ARTC track upgrades are currently underway to further extend the additional capacity to Narrabri;

- In total, 6 train paths per day are currently available to the Gunnedah Basin, representing approximately 10.2 Mtpa of capacity. Whitehaven has access to 60% of this capacity
- Further upgrades are planned to increase daily train paths to 9, representing approximately 15 Mtpa;
- An agreement in principle (MOU) was reached during the quarter and provided to ACCC between Newcastle Ports Corporation, PWCS and NCIG, regarding a system for providing access to additional port capacity at Newcastle. This agreement calls for binding contracts to be agreed by June 30. Under this MOU, Whitehaven will have access to at least 9.5 Mtpa of port capacity from PWCS and NCIG stages 1 and 2;
- Construction of the new NCIG coal loading terminal (Whitehaven owns 11%) remains on track with first coal shipments expected in early 2010.

### **Coal Reserves and Resources**

- Whitehaven's JORC coal resources and reserves were updated during the quarter as detailed in a release to the ASX on March 10<sup>th</sup>, 2009. Marketable Reserves were increased while Coal Resources remained similar to those quoted previously.
- Whitehaven is continuing to carry out mine planning and economic studies which are expected to increase open cut reserves to a level sufficient to support a further 20 years of mining at both Werris Creek (at 1.5 Mtpa) and Gunnedah (at 3.0 Mtpa) .

### **Corporate**

- Relocation of the Corporate office from Brisbane to Sydney is virtually complete;
- Whitehaven continued to generate strong cash flow from operations in the March quarter. At 31 March, net available cash was \$102 million.
- Whitehaven had approximately \$62.7 million in equipment finance lease liabilities at 31 March with no drawn debt. Available undrawn credit lines stood at \$5.9 million;
- Discussions have progressed satisfactorily during the quarter with a consortium of four major Australian banks, with the objective of consolidating Whitehaven's existing equipment leasing, bank guarantee and FX facilities, along with establishing a stand-by overdraft facility;
- Whitehaven had a total of approximately US\$432.5 million in forward US\$/A\$ exchange contracts at the end of March, at an average rate of US\$/A\$ 0.7593. For the balance of FY 2009, Whitehaven has forward exchange contracts covering 100% of expected US\$ receipts. At 31 March, the forward hedging book for the period FY 2010 to FY2012 was as follows:

		FY 2010	FY 2011	FY 2012
Principal	US\$m	188.6	93.2	12.0
Rate	US\$/A\$	0.7730	0.8189	0.8215

Subsequent to 31 March, US\$66 million of par forward contracts were taken out at an average exchange rate of US\$/A\$ 0.6962 and US\$45 million of the existing hedging profile was repositioned from FY2009 to FY2010. Inclusive of these changes, the current forward hedging book for the period FY2010 to FY2012 is as follows:

		FY 2010	FY 2011	FY 2012
Principal	US\$m	299.6	93.2	12.0
Rate	US\$/A\$	0.7426	0.8189	0.8215

Detailed production results for the third quarter of FY 2009

Thousands of tonnes	Quarter Ending			Year to Date		
	Mar 2009	Mar 2008	% Var	July- Mar 2009	July- Mar 2008	% Var
<b>Gunnedah Operations (100 %)</b>						
ROM Coal Production	736	389	89%	1,691	1,333	27%
<b>Saleable Coal Production</b>	<b>578</b>	<b>376</b>	<b>54%</b>	<b>1,528</b>	<b>1,176</b>	<b>30%</b>
Sales of produced coal	613	263	133%	1,467	1,082	36%
Sales of purchased coal**	228	47	380%	788	57	1276%
<b>Total Coal Sales</b>	<b>841</b>	<b>310</b>	<b>171%</b>	<b>2,256</b>	<b>1,139</b>	<b>98%</b>
Coal stocks at period end	307	270	14%	307	270	14%

<b>Werris Creek (100%)</b>						
ROM Coal Production	289	225	28%	754	823	-8%
<b>Saleable Coal Production</b>	<b>297</b>	<b>227</b>	<b>31%</b>	<b>763</b>	<b>820</b>	<b>-7%</b>
Sales of produced coal	318	340	-6%	747	891	-16%
Sales of purchased coal**	0	0		0	0	
<b>Total Coal Sales</b>	<b>318</b>	<b>340</b>	<b>-6%</b>	<b>747</b>	<b>891</b>	<b>-16%</b>
Coal stocks at period end	69	66	4%	69	66	4%

<b>Total Whitehaven Group (100 %)</b>						
ROM Coal Production	1,025	614	67%	2,445	2,156	13%
<b>Saleable Coal Production</b>	<b>876</b>	<b>603</b>	<b>45%</b>	<b>2,291</b>	<b>1,996</b>	<b>15%</b>
Sales of produced coal	931	603	55%	2,215	1,973	12%
Sales of purchased coal**	228	47	380%	788	57	1276%
<b>Total Coal Sales</b>	<b>1,159</b>	<b>650</b>	<b>78%</b>	<b>3,003</b>	<b>2,030</b>	<b>48%</b>
Coal stocks at period end	375	336	12%	375	336	12%

\*\* sales of externally purchased coal

<b>Gunnedah Operations (Equity Share)</b>						
ROM Coal Production	602	303	99%	1,309	1,080	21%
<b>Saleable Coal Production</b>	<b>466</b>	<b>293</b>	<b>59%</b>	<b>1,151</b>	<b>930</b>	<b>24%</b>
Sales of produced coal	481	231	109%	1,099	891	23%
Sales of purchased coal**	228	47	380%	788	57	1283%
<b>Total Coal Sales</b>	<b>709</b>	<b>278</b>	<b>155%</b>	<b>1,887</b>	<b>948</b>	<b>99%</b>
Coal stocks at period end	265	203	30%	265	203	30%

<b>Werris Creek (Equity Share)</b>						
ROM Coal Production	289	225	28%	754	481	57%
<b>Saleable Coal Production</b>	<b>297</b>	<b>227</b>	<b>31%</b>	<b>763</b>	<b>493</b>	<b>55%</b>
Sales of produced coal	318	340	-6%	747	580	29%
Sales of purchased coal**	0	0		0	0	
<b>Total Coal Sales</b>	<b>318</b>	<b>340</b>	<b>-6%</b>	<b>747</b>	<b>580</b>	<b>29%</b>
Coal stocks at period end	69	66	4%	69	66	4%

<b>Total Whitehaven Group (Equity Share)</b>						
ROM Coal Production	891	528	69%	2,063	1,561	32%
<b>Saleable Coal Production</b>	<b>763</b>	<b>520</b>	<b>47%</b>	<b>1,914</b>	<b>1,423</b>	<b>35%</b>
Sales of produced coal	799	571	40%	1,846	1,471	25%
Sales of purchased coal**	228	47	380%	788	57	1283%
<b>Total Coal Sales</b>	<b>1,027</b>	<b>618</b>	<b>66%</b>	<b>2,634</b>	<b>1,528</b>	<b>72%</b>
Coal stocks at period end	333	269	24%	333	269	24%

\*\* sales of externally purchased coal

**For further information, please contact:**

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