

# MAULES CREEK

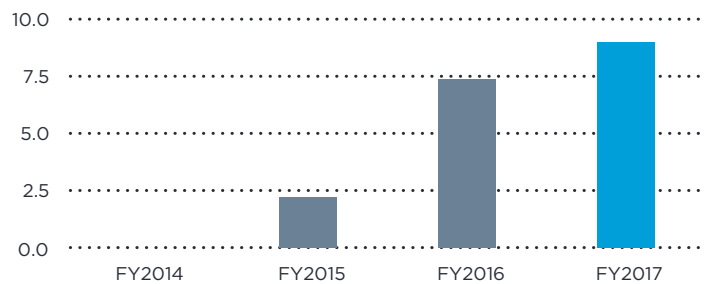
Whitehaven’s newest and largest coal mine produced 9.7Mt of ROM coal and 9.0Mt of saleable coal in FY2017. The production ramp up continued in line with schedule as more mining equipment was added progressively to the mining fleet.

The pace of ramp up is limited by the amount of space within the open cut where the large ultra class equipment can operate safely and efficiently. Maules Creek was operating at an annualised rate of 10.5Mt in the second half of the financial year and will continue to operate at that rate for all of FY2018. It is worth noting that commercial operations only began two years ago and already the mine is making a significant contribution to Whitehaven’s total production, profitability and cash flow.

It is pleasing to report that market acceptance of the Maules Creek thermal and metallurgical coal products has been outstanding. The high-quality thermal coal is being eagerly sought by many of Whitehaven’s key customers along with new customers. Most of the thermal coal production is now sold under longer term contracts with pricing linked to the globalCOAL NEWC Index. Customers are paying an average premium of around 9% over the Index price for the coal because of its higher energy and low ash qualities.

Sales of metallurgical coal are increasing ahead of expectations and reached 26% of total coal sales from the mine for the year. Expectations are that coal sales from Maules Creek will reach 50:50 thermal and metallurgical coal mix over the next three years. Many metallurgical coal customers are still in the testing phase for the coal, seeing how the coal performs in their respective coking coal blends, before they will commit to longer term contracts. However, several spot/trial customers have already signed up to longer term contracts and are likely to become long-term customers for the product.

**Maules Creek Saleable Coal Production (Mt)**



Mining has commenced below the Braymont seam with the first of several lower seams likely to be accessed later this year. These seams contain higher quality coking coal and will enhance the overall quality of the coking coal sold into the market. This should attract more customers in the future.

The number of employees at the mine continues to increase. Around 80 employees at the mine are from an Indigenous background. The number of female operators at the mine is 12% of the workforce.

Production guidance for FY2018 is in the range of 10.3Mt and 10.6Mt ROM coal. Actual production of 9.7Mt ROM coal for FY2017 was in the range provided as guidance for the year.

## Maules Creek Mine Timeline 2007 – 2017

