
Whitehaven Coal Limited

GLOBAL METALS, MINING & STEEL CONFERENCE

BARCELONA, SPAIN
12 – 14 MAY 2015



Disclosure

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ALL DOLLARS IN THE PRESENTATION ARE AUSTRALIAN DOLLARS UNLESS OTHERWISE NOTED.

Agenda

About Whitehaven Coal

Sales Destination and Quality

Coal Use

Comparison with Global Peers

Growth, Productivity & Costs

Operations

Community Contribution

Conclusion

Our goal



To become Australia's leading independent coal company

About Whitehaven Coal

LOW COST MINES PRODUCING HIGH QUALITY COAL

ASX Code: WHC

- 1025 million shares on issue
- Market Cap \$A1.6 billion
- Trading 90 million shares per month

Whitehaven Operations

- Narrabri U/G mine, Werris Creek, Tarrawonga and Rocglen O/C mines

Maules Creek O/C Mine

- Over 93% complete, operating at 6.0Mtpa

Saleable Production

- On track to produce 14.5Mt in FY2015
- Increasing to 23Mt by FY2018

Costs

- Unit costs reduced to \$63/t in H1 FY15, in the lowest cost quartile

Shareholders

– Farallon	16.6%
– AMCI	14.7%
– Eastspring	8.0%
– Manning & Napier	6.0%
– Martua Sitorus Group	5.0%
– Kerry Group	5.0%
– Australian Institutions	20.0%

Where we operate

LARGEST PRODUCER IN BASIN

Maules Creek (75%) Tier One Mine

- Reserves ~ 30 years, Permitted & Planned 13Mtpa
- SSCC, PCI and high energy thermal

Narrabri (70%) Tier One Mine

- Reserves ~ 25 years, Permitted 8Mtpa, Planned 7Mtpa
- PCI & low ash thermal

Werris Creek (100%)

- Reserves ~ 8 years, Permitted & Planned 2.5Mtpa
- PCI and thermal coal

Tarrawonga (70%)

- Reserves >20 years, Permitted 3Mtpa, Planned 2Mtpa
- SSCC, PCI and thermal coal

Rocglen (100%)

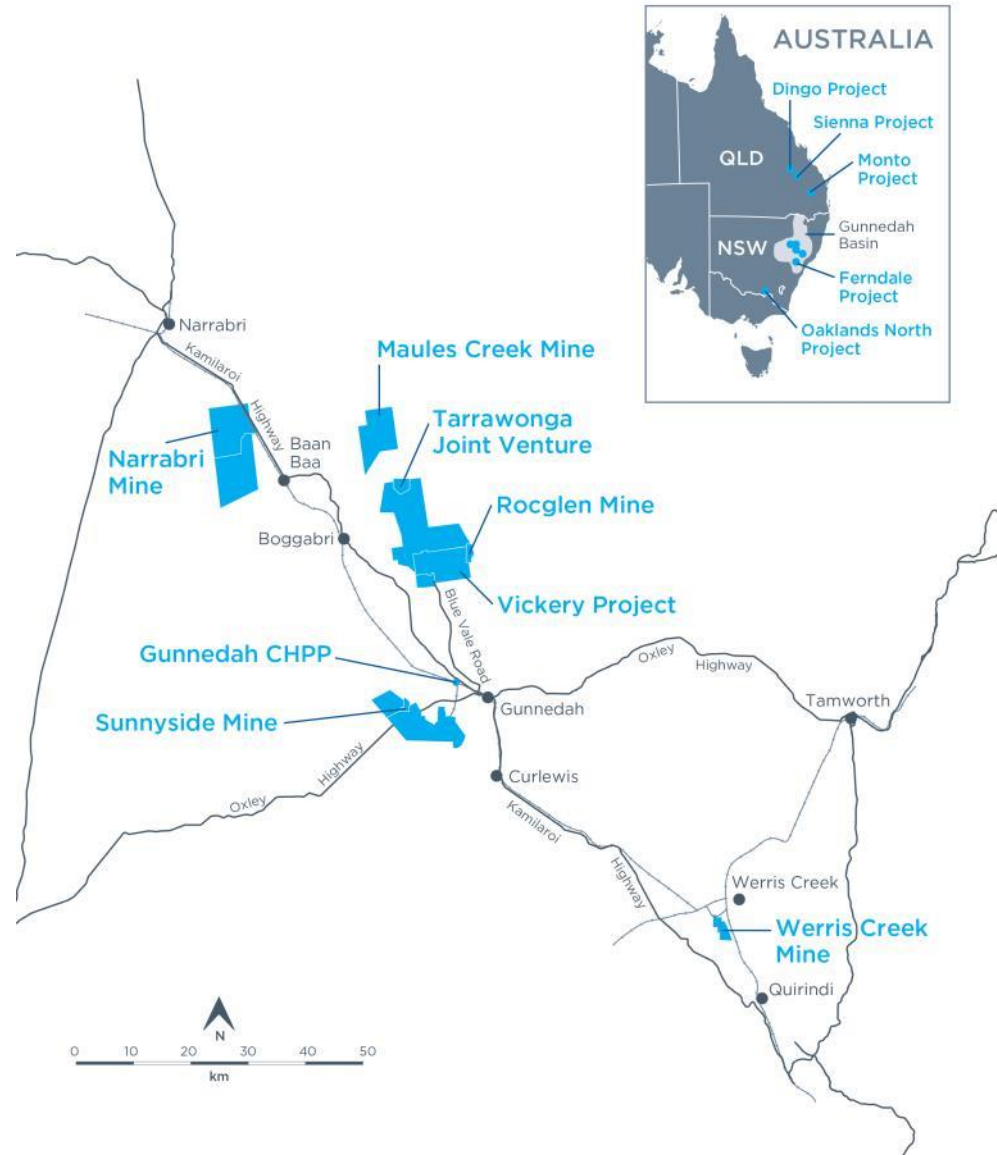
- Reserves ~3 years, Permitted & Planned 1.5Mtpa
- Thermal coal

Gunnedah CHPP (100%)

- Permitted to 4.1Mtpa product coal

Vickery (100%)

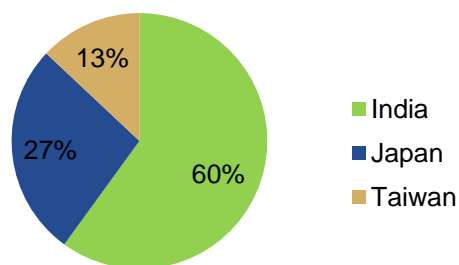
- Reserves ~ 30 years, Permitted to 4.5Mtpa
- SSCC, PCI and high energy thermal coal



Sales destination

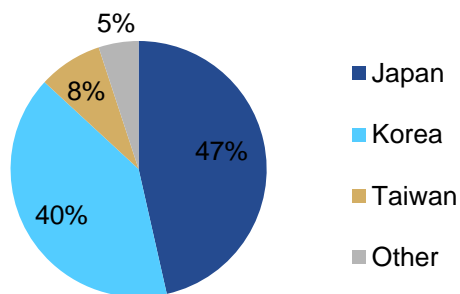
NO COAL SALES IN CHINA

Metallurgical Coal Sales FY15 (Est)



- Thermal coal sold into premium Asian markets
- Coal quality to improve as high quality production from Maules Creek ramps up
- Sales mix improves as higher margin metallurgical coal product rises from 20% to over 35% of total sales as Maules Creek ramps to full production

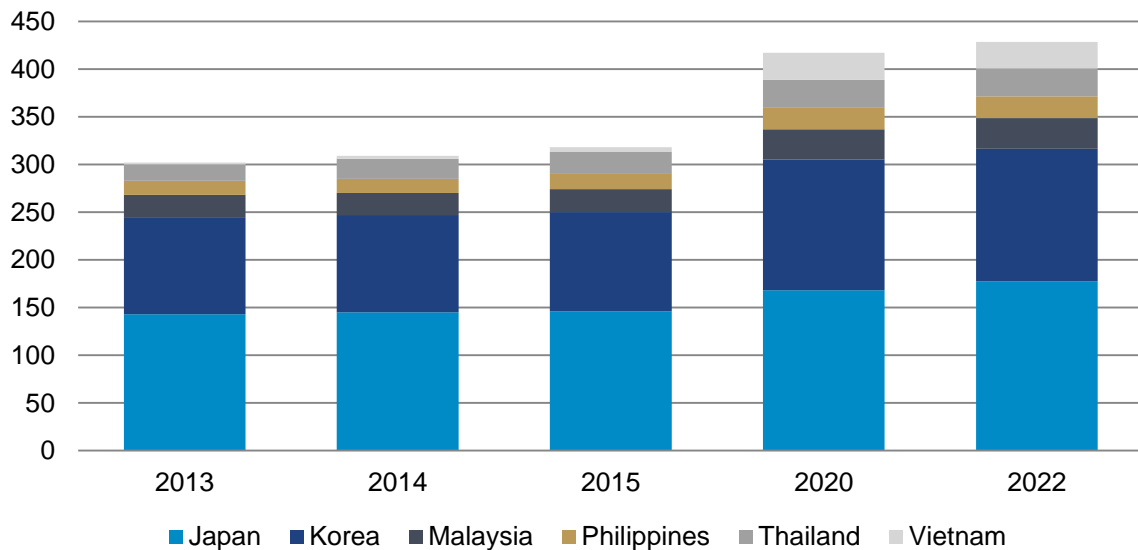
Thermal Coal Sales FY15 (Est)



Whitehaven's markets

STRONG DEMAND GROWTH IN WHITEHAVEN'S MARKETS

Asian Region Thermal Coal Imports (Mtpa)



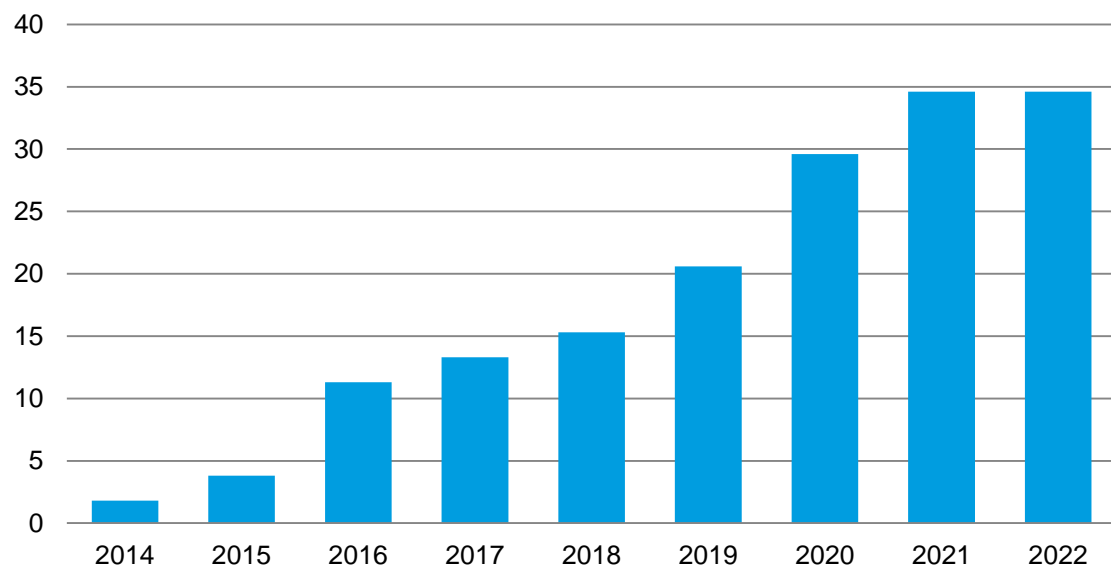
Source: Whitehaven, Macquarie and IHS

- Korea and Japan are adding new coal fired thermal power station capacity
- New capacity will reduce carbon emissions by utilising either ultra super critical (USC) or advanced USC technology
- ASEAN nations are also increasing imports and Whitehaven is bidding for LT supply contracts in these countries
- Incremental demand in Whitehaven's markets will be over 110Mtpa by 2022

Premium market growth

INCREASING PRODUCTION CAN BE SOLD INTO GROWTH MARKETS

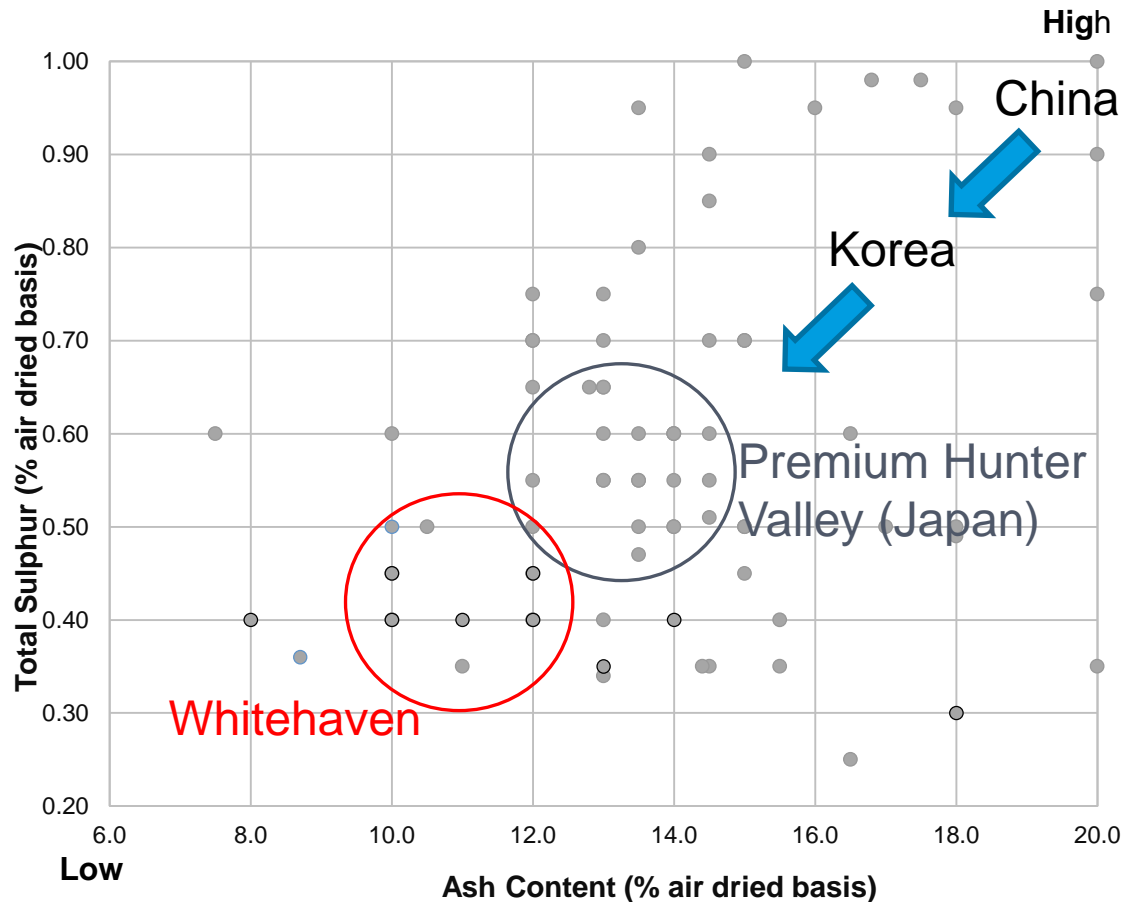
Korean and Japan Incremental Electricity Capacity (GW)



- Over the next eight years Korea and Japan will add a further 34.5GW of thermal power station capacity
- Each GW of generation requires about 2.5Mt of coal each year
- Whitehaven well placed to sell its high quality coal into this growing market

Source: Whitehaven, Macquarie and IHS

Whitehaven redefining thermal coal quality



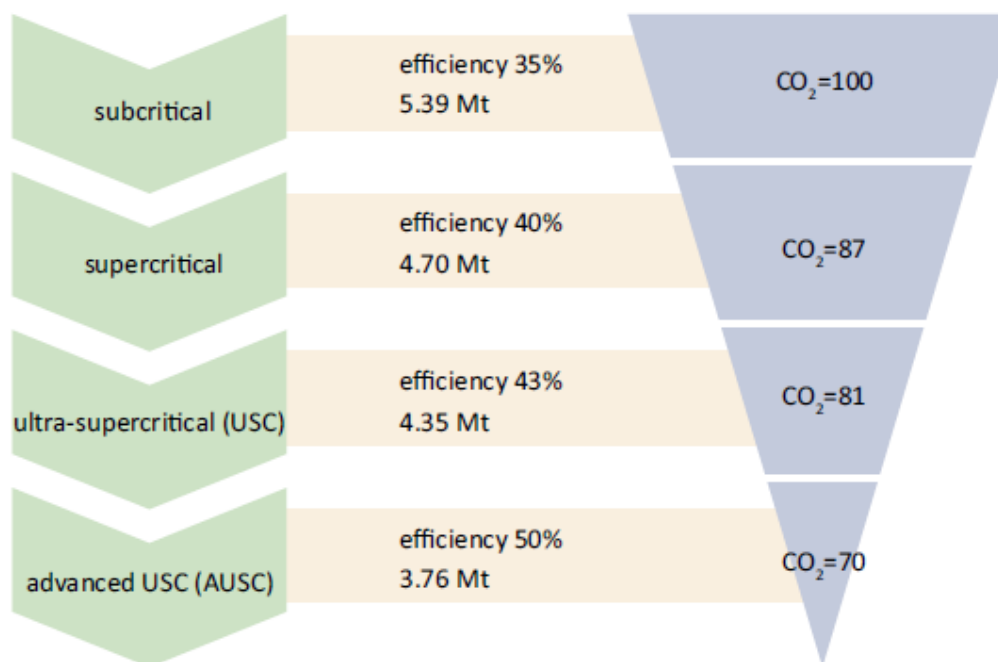
	NCV (kcal/kg)	BTU/lb
Indonesian sub-bit	4,000 – 5,200	8,280
NSW High Ash	5,400 – 5,500	9,540
Surat Basin	5,650	10,170
Rolleston	5,700	10,260
Moolarben 17%	5,850	10,530
Ulan Premium	6,200	11,160
Premium Hunter Valley	6,200 – 6,300	11,250
Maules Creek	6,200 - 6,300	11,250

Pathway to lower carbon emissions

USING COAL MORE EFFICIENTLY

Improving efficiency of coal fired power stations will reduce carbon emissions

Utilising USC technology or advanced UCS technology will lower emissions by 30% (820gCO₂/kWh to 570gCO₂/kWh) compared to gas combined cycle plants which emit 490gCO₂/kWh



Source: Article - Upgrading the efficiency of the world's coal fleet, Cornerstone Magazine

Whitehaven in global context

INVESTORS HAVE LIMITED OPPORTUNITIES SEEKING COAL EXPOSURE

Company	Market Cap	YTD Change	Coal Prod	Coal Quality	Market	EBITDA Margin	Margin US\$/t
	US\$m's	%	Mt			%	
Foresight Energy	1,871	-14.2	20.4	Thermal	US Domestic	34.9%	18.97
New Hope Corp	1,470	-4.5%	5.7	Thermal	Asian Seaborne	11.2%	6.76
Whitehaven	1,330	17.9%	10.5	Met/Thermal	Asian Seaborne	16.0%	9.00
Peabody	1,208	-43.8%	204	Thermal/Met	US Domestic/Asia	12.0%	4.05
Westmoreland Coal	442	-16.4%	25.7	Thermal	Us & Canada	15.0%	4.15
Cloud Peak	363	-35.2%	78	Thermal	US Domestic	15.0%	3.03
Arch	213	-43.8%	122	Thermal/Met	US Domestic	9.5%	3.75
Alpha	182	-51.1%	77	Met/Thermal	US Domestic	11.6%	0.12
Walter	40	-59.4%	10.7	Metallurgical	US Domestic	0.9%	

Industry consolidation has reduced the number of investable companies

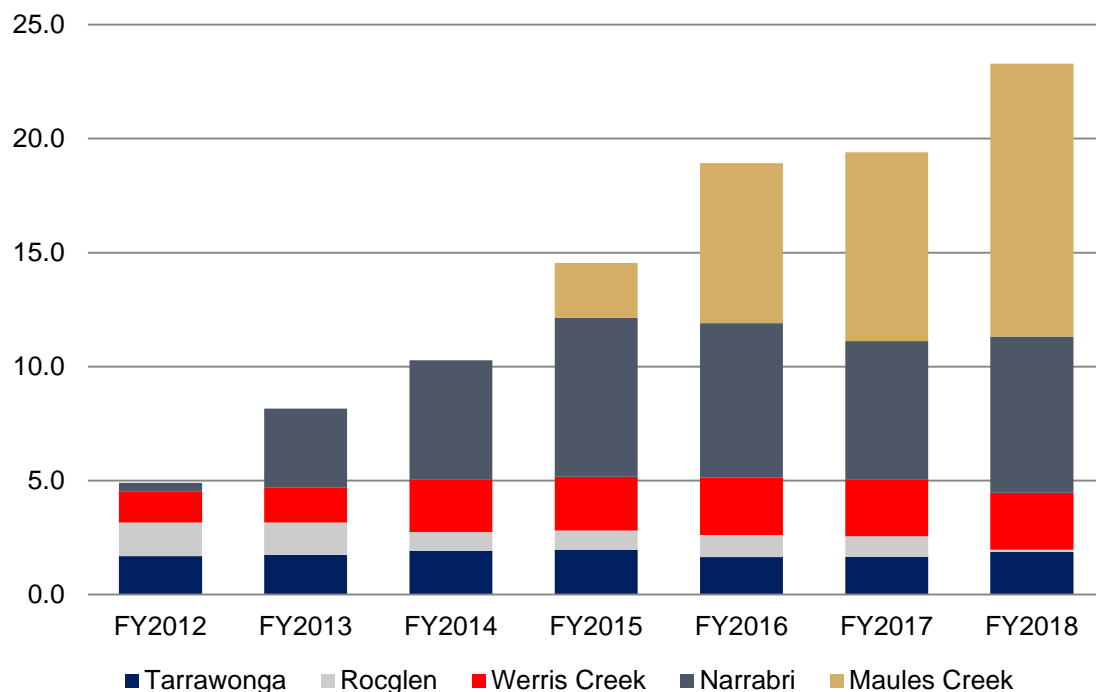
Whitehaven's key features

- Two tier one mines, Low cost; High quality coals; Production will double; Long life large resources
- Capex spent; Funding in place; Cash generating at cycle low prices
- All sales into premium Asian markets; **No sales to China**

Delivering production growth

LOW COST PRODUCTION GROWTH

Saleable Coal Production by Mine (Mt)



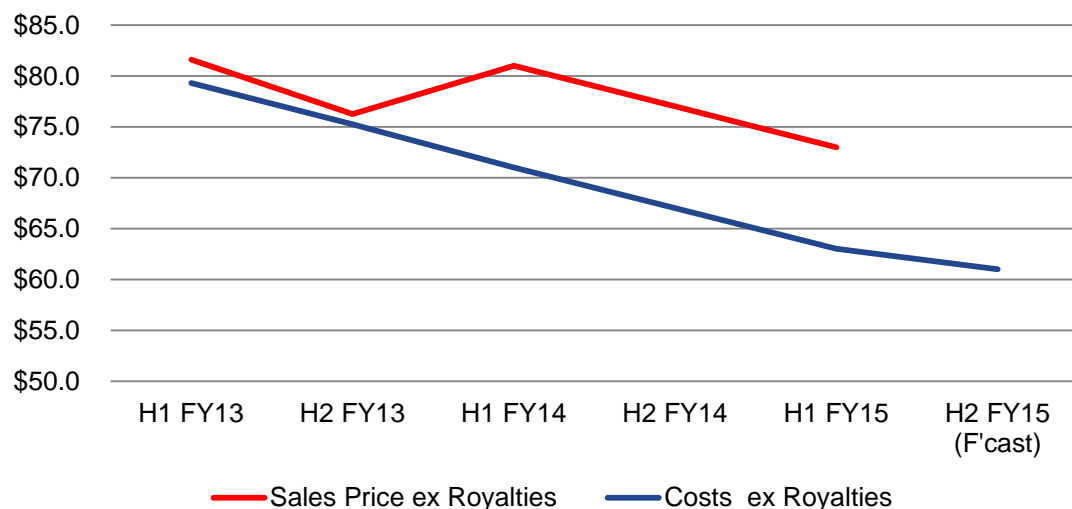
- Production will double by FY2018 from FY2014 as Maules Creek ramps up to 13Mtpa ROM coal
- Following an upgrade at Narrabri and pre-commercial production from Maules Creek production is expected to be about 14.5Mt (100% basis) in FY2015
- The approved Vickery project provides another growth option beyond FY2018

Note: Graph depicts saleable coal on a 100% basis including coal destined for domestic and export sales

Costs into first quartile

DELIVERING SUSTAINABLE COST REDUCTION AND MAINTAINING MARGINS

ASP, Costs and Margin (A\$/t)

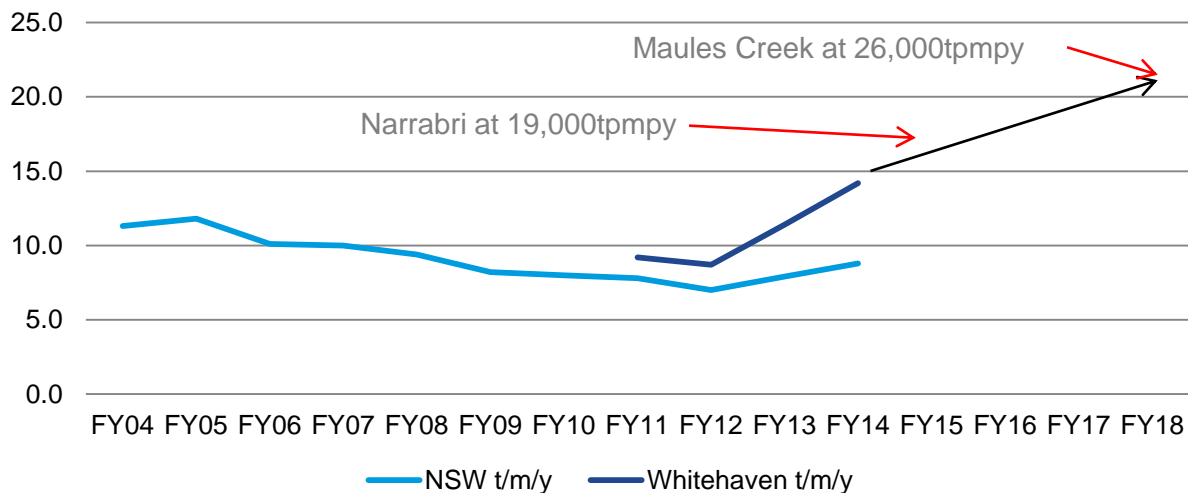


- Unit costs down 20% from H1 FY2013 to A\$63/t in H1 FY2015
- Costs expected to fall another A\$1/t to A\$2/t in the current half
- Whitehaven has successfully maintained margins over the past six quarters whilst the coal price has declined
- Costs are positioned in the lowest quartile of the cost curve

Coal mine productivity

PRODUCTIVITY IMPROVING RAPIDLY

NSW and Whitehaven Mine Productivity



- NSW coal mine productivity improving as companies lower numbers and reduce costs
- Productivity at Whitehaven's mines is higher than average and will continue to improve as Maules Creek ramps up production

Capital efficiency

GROWTH CAPEX COMPLETED

Sustaining Capital

- For the open cut mines sustaining capital is between \$1.0/t and \$1.5/t of annual production
- At Narrabri sustainable capital is about \$2.50/t
- Total sustaining capex in the range of \$35m to \$45m per year

Expansion Capital

- The capex spend at Maules Creek will be completed by early FY2016
- No major projects are currently planned for the future

Operating cash flow from the mines more than sufficient to fund the business and reduce debt

Funding – refi completed

REFINANCING COMPLETED, LOW PRICE AND FLEXIBLE

Current Facility

- The facility \$1.4 billion comprises a combination of term loan, revolver and guarantee facilities maturing in June 2019

Flexible Structure

- Lower interest rate, longer tenor with appropriate covenants and ability to partially refinance early without penalty

Participants

- Syndicate of Australian and international banks fully supportive

Maules Creek

PROJECT ALMOST COMPLETED

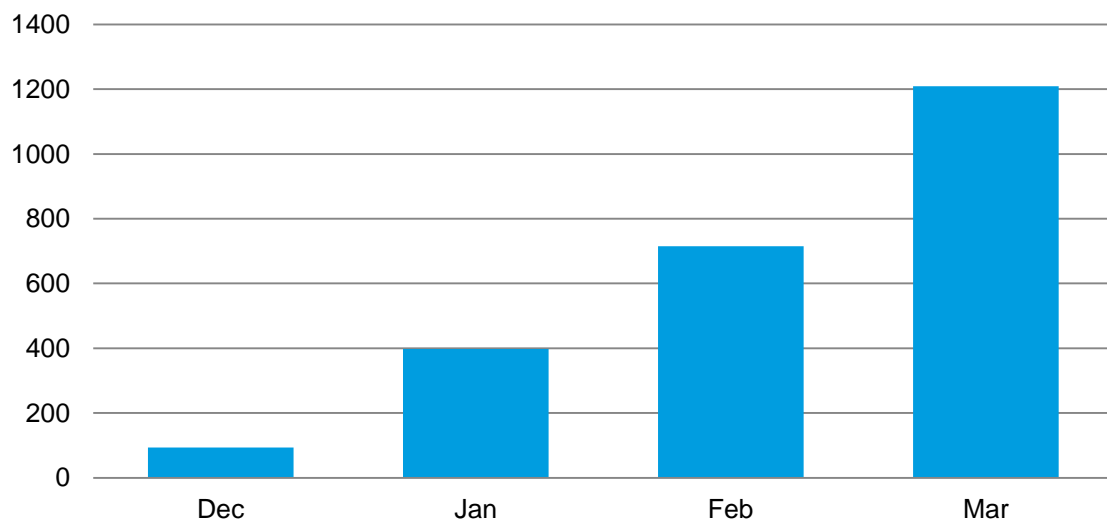


- Construction over 93% complete with capex \$25 million less than original estimate of \$767 million
- Installed capacity at \$62/t of product coal, low compared to other recent developments
- CPP commissioning underway and coal reclaimers being installed
- Project to be declared commercial from 1 July 2015, eighteen months after construction commenced

Maules Creek production

SOLD OUT FOR THE FIRST YEAR

**Maules Creek Cumulative Production
(000's t)**

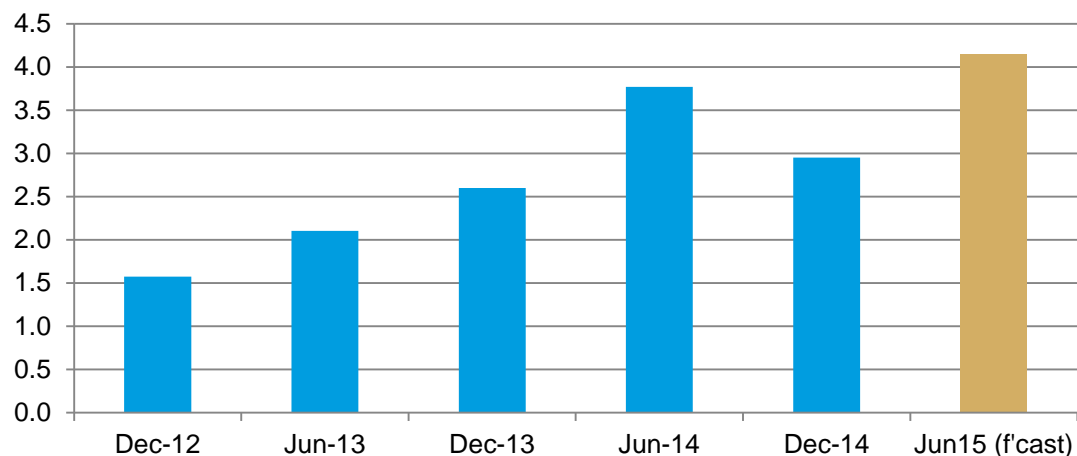


- Sales in the first three months were 1.0Mt
- Thermal coal sales are priced at the GlobalCOAL Newc Index with an energy adjustment, sold out for first year
- Production expected to total 2.5Mt by end of June 2015
- Metallurgical coal sales to commence in the second half of CY15 when the CPP is commissioned
- Equipment required to increase production to 8.5Mtpa arriving on site at the end of CY15

Narrabri exceeding expectations

HIGHLY PRODUCTIVE LOW COST MINE

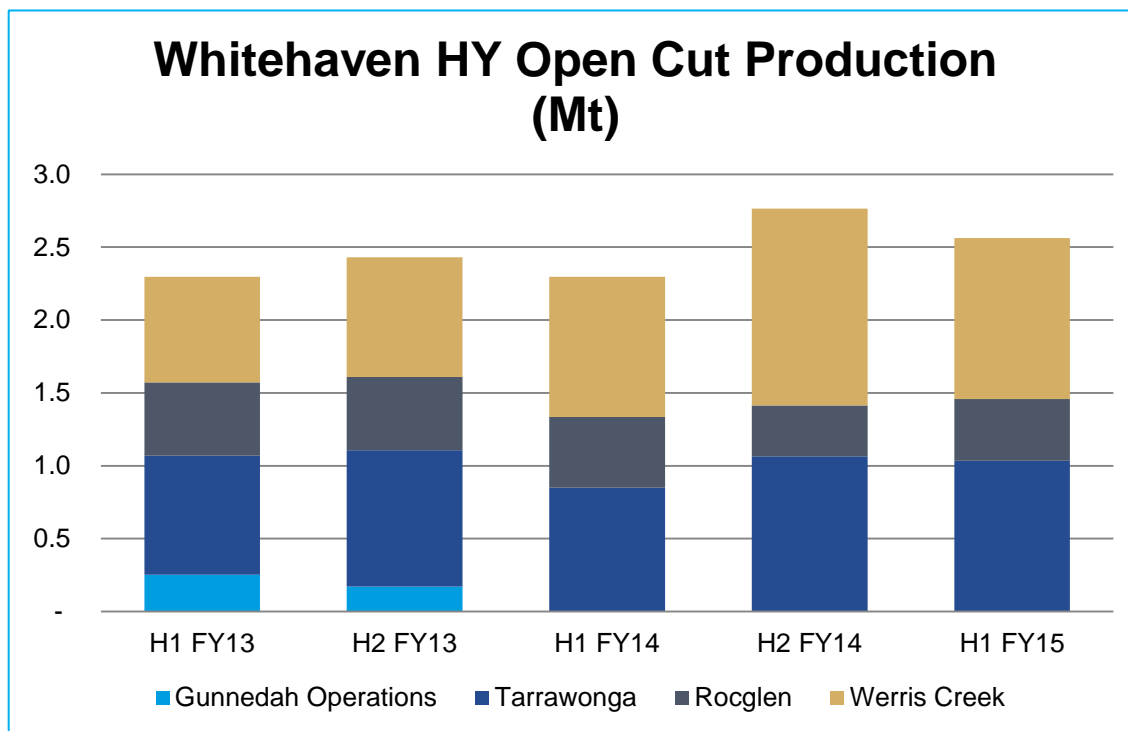
**Narrabri HY ROM Coal Production
(Mt)**



- ROM coal production for FY15 upgraded to range of 7.0Mt to 7.2Mt
- Longwall changeout time to decline to five weeks following purchase of additional equipment
- Decision on moving to wider panels expected in the current half
- Wider panel face (~400 metres)
 - Increases annual production
 - Lowers operating costs
 - Low risk expansion option
 - Lessens roadway development over LOM

Stable open cut production

STABLE PROFILE UNDERPINS BUSINESS



- Three existing open cut mines produce in the range of 5.2Mtpa to 5.3Mtpa
- Recent restructure has reduced costs at each of the mines and the CHPP
- Tarrawonga and Werris Creek produce both met and thermal coals
- Rocglen will close in FY2018 as Reserves are depleted

Werris Creek open cut



Vickery – Whitehaven’s next project

ANOTHER SIGNIFICANT GROWTH OPTION

Approval granted by the NSW Government in September 2014

Location

- About 25kms north of Gunnedah

Resources and Reserves

- Reserves of 204Mt within Resource of 508Mt, same seams as Maules Creek

Ownership

- Whitehaven 100%, Seeking the form a JV (selling up to 30%)

Coal Quality

- Similar to Maules Creek – SSCC, PCI and High CV thermal coal

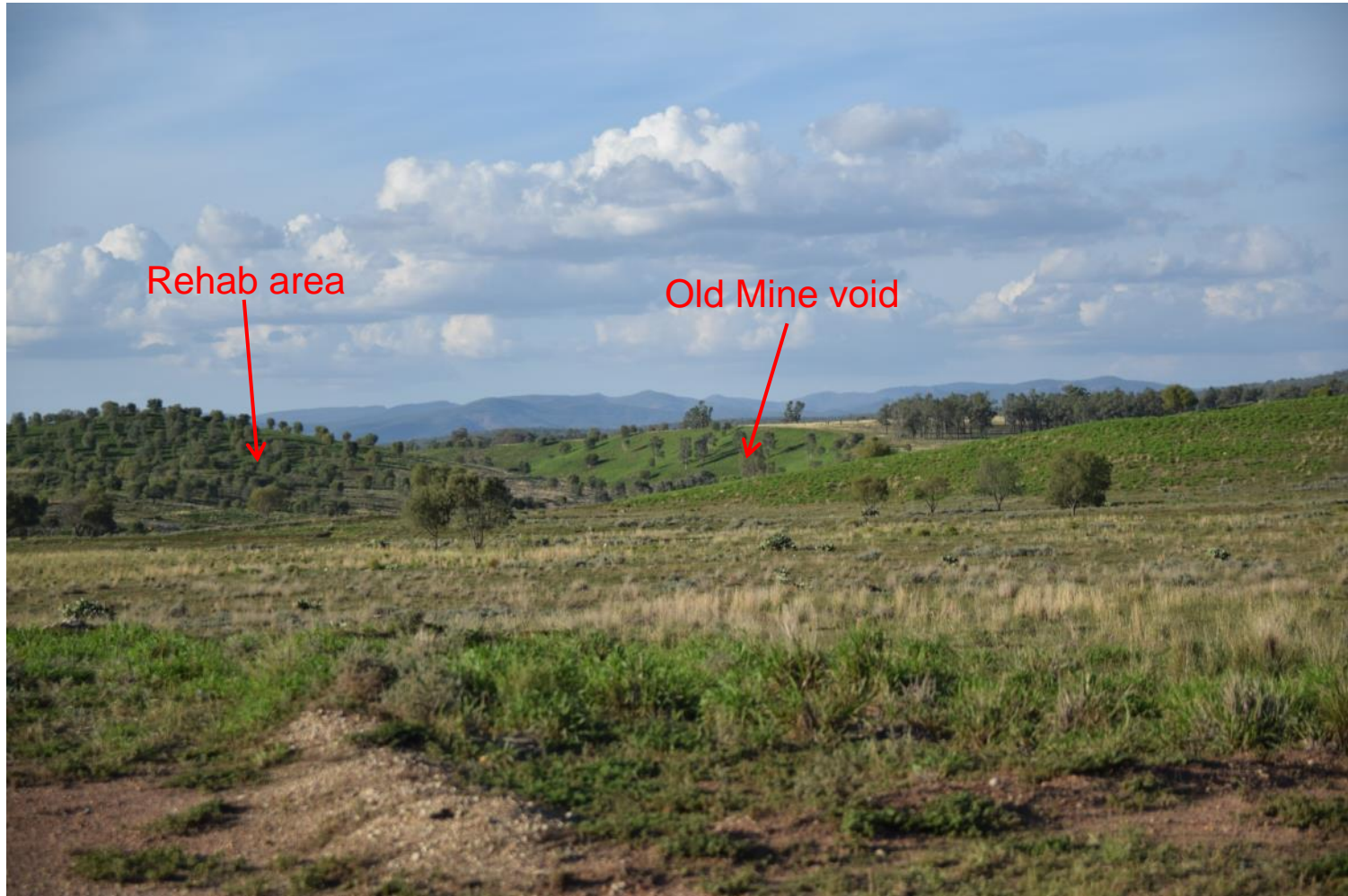
Project Concept

- Low capex startup open cut mine producing 4.5Mtpa ROM coal, washing at Gunnedah CHPP, looking to expand up to 8.0Mtpa

Startup

- Earliest production likely after Maules Creek is fully ramped

Vickery project area



Community contribution

MAJOR CONTRIBUTOR TO THE LOCAL COMMUNITY

- Whitehaven does not support FIFO with over 74% of its employees living in the region around its mines
- Wages paid to employees provide significant economic benefits to the region
- Recruitment at Maules Creek continues with 215 employed at Maules Creek at the end of March
- Whitehaven is actively pursuing greater diversity in its workforce with women making up 10% and aboriginal employees 15% of the total at Maules Creek
- The company supports local community groups with an active programme of donations and sponsorships
- Increased engagement with local Aboriginal community includes working with Reconciliation Australia on the development of a Reconciliation Action Plan



The year ahead

FOCUSSED ON SAFETY AND PRODUCTION GROWTH

Maintaining focus on improving safety performance at all operations

Completing construction of Maules Creek and commercial declaration

Successfully ramping up Maules Creek beyond current production

Improving efficiencies and seeking further cost reductions in the business

Progressing expansion options for Narrabri and Vickery



Conclusion

CREATING AUSTRALIA'S PREMIER ASX LISTED COAL COMPANY

Strategically Whitehaven is well positioned for the future

- There is strong demand for the high quality coals produced from the Gunnedah Basin
- Costs are in the lowest cost quartile
- Production growth is being delivered by two tier one mines
- Vickery provides a large scale low capital intensity growth option for the future
- Strong support from the local community and both the State and Federal Governments for the company and its operations

SR 17 Narrabri 35

17 Maules Ck SR 11 Boggabri 18



THANK YOU

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