

JANUARY 2018



## COMMUNITY FOCUS PAYING DIVIDENDS

### Local community views of Whitehaven Coal and mining in general continue to improve, research has found.

Independent research carried out by Newgate Research of the North West NSW population has revealed that people with a positive or neutral view

of the company has climbed 11% to 72% since 2015.

In Gunnedah, two thirds of the community support mining, and 70 per cent of the broader community agree that Whitehaven has a positive effect on the local economy.

Nearly three quarters of respondents reported a meaningful interaction

with the company in the last year. This includes the estimated 1,000 people who attended Open Days and visits to our mine sites, community meetings, visiting our website, receiving this newsletter or seeing us in the media.

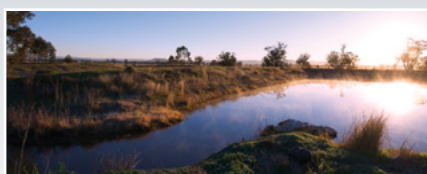


More details on the community research findings can be found on [Page 4](#).



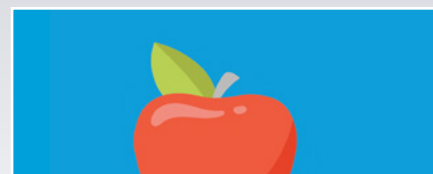
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# NEW YEAR MESSAGE FROM PAUL FLYNN



In the past few years we have consistently delivered record production. During the toughest of times, the company was always cash flow positive and now with supportive pricing, we are recording the strongest profits in the company's history.

At the ten year anniversary of our listing on the ASX, it is fitting to thank our hard-working team for helping grow Whitehaven Coal into the premier ASX listed coal company, one of scale and international relevance. Heading into 2018, we can look forward with confidence. Here are a few milestones achieved this year.



## Safety

Whitehaven Safety is our number one priority and has been a very good improver. Our Group TRIFR of 6.75 at the end of September 2017 was the lowest TRIFR ever for the company. Four of Whitehaven's operations have not reported a recordable injury for over a year. Our seven Safehaven rules are the guiding safety principles that has been the basis for this improvement. We need to continue our efforts in the New Year in an effort to ensure not a single person is being injured on our sites.



## Production

Now two years old, Maules Creek continues to deliver for the company. We are on track to deliver a 50/50 product split between metallurgical coal and thermal coal within 5 years of operations of Maules Creek. To the credit of the team led by Peter Wilkinson, Maules Creek continues to establish new ROM and saleable coal production records and is operating at a 10Mtpa rate. The next step up in production will occur in early FY2019 after additional mining equipment is added to the fleet.

At Narrabri, the team led by Steve Bow have commissioned the 400m face and overcome a number of challenges to produce a solid year. Whilst Narrabri is still a young mine, only five years old, the potential to extend the mine life is substantial by converting the exploration licence into a mining lease. Like Maules Creek, Narrabri will be around for a long time to come contributing to the local community, the State's coffers and underpinning Whitehaven Coal for many years to come.

Not to be outdone, our Gunnedah operations led by Nigel Wood have set their own records this year. Not only are they the stand outs in the group from a safety perspective, but they have just closed their best year operationally, financially and from a safety perspective.



## Sales and Marketing

As a result of our growth, Whitehaven is now an important player in the seaborne market in Asia. Our combination of market leading coal quality, asset lives and independent status means that customers are drawn to Whitehaven for security of supply of coal of the quality they require for their power stations.

A couple of key statistics bears out our importance. We keep the lights on in Japan for 45 minutes every day and our metallurgical coal contributes to the production of 5 million cars per annum.

Thanks to the efforts of Scott Knights and his team, our customer base has grown and deepened. Our logistics team have done an excellent job in transporting more coal than ever to the port in the history of Whitehaven



## Community

We work as hard at community engagement as we do with mining. There is no real notion of sustainability if the community does not see the benefit of your presence in our view. The ways in which we evidence our presence are varied but here are a few key statistics for you.

- We are approaching 1500 people and proud to say 75% of these people are local.
- Indigenous people now make up 11% of our workforce. Real progress has been made in the areas of female representation which is now 12% of our operational roles.
- Around 1,000 people attended visits and Open Days at our various sites over the course of the year.

- We have supported some 90 different organisation across the region with donations to worthy community causes.



## Financials

We will report our results for the first half of FY18 on 16 February and we expect another strong result as coal prices remain robust. The company rewarded shareholders with a 20c distribution in November and with the company generating healthy cash flows, shareholders can expect to receive more returns in the future.

## Priorities

**In the more immediate future, the New Year requires the same focus as we have applied in previous years.**

- Safety must continue to improve, that's non-negotiable.
- Costs must be controlled. We have a good track record in achieving our goals in this regard but this is a different market from what we have been experiencing in the past few years.
- Maules Creek will run at 10.5mt this year, a little more would be even better.
- The pursuit of an enlarged Vickery approval will be crucial.

To wrap up, it has been a year of significant records. We are very pleased with the operational and financial results that we have been able to deliver. It's a fitting end to our tenth year as a listed company so I thank all my executive team and our hard working employees for another excellent year and look forward to charting the course for the next ten years.

# NEWS IN BRIEF



## BLUE VALE REMOVED FROM VICKERY EIS FOOTPRINT

A portion of land – known as ‘Blue Vale’ – will be excised from the Environmental Impact Statement (EIS) for the Vickery Extension Project, which is expected to be lodged with the NSW Department of Planning and Environment in Q1 of 2018.

The Blue Vale ‘pit’ forms part of the site’s previous open cut mine workings and was partially mined and then rehabilitated during the late 1990s and early 2000s. It sits to the south west of the project site.

Whitehaven has sought initial feedback from the community on a range of aspects of the Project

through broad based pre-EIS lodgement consultations with stakeholders including local residents, farmers, other landholders, councils, businesses and local community representatives. These consultations have indicated some sensitivity about the proximity of Blue Vale to the Namoi River, which Whitehaven recognises is a valuable water resource and ecological feature of our community.

The history of the site, and the extensive independent hydrogeological survey work undertaken by Whitehaven in support of the Vickery EIS, clearly illustrates

there will be no adverse or material impacts on the Namoi River from mining.

Whitehaven Coal CEO and Managing Director Paul Flynn said the decision to remove Blue Vale from the current Vickery EIS showed the company placed a high value on the confidence the community places on Whitehaven to properly manage the shared water resources in a region with such a strong reliance on farming, agriculture and mining.



[Read more here](#)

## NEW VIDEO PROFILES REHABILITATION



As Whitehaven has grown as a business, we have worked to ensure the business maintains strong sustainability practices throughout every stage of the mining

process, from prior to commencement, during operations until well after eventual close.

Each Whitehaven operation also implements rehabilitation plans, working to minimise potential impacts on the local environment and where appropriate returns mining areas to pre-mining vegetation communities such as pastoral, woodland and forest for future use.

To showcase some of our achievements in this important area, a new corporate video has been created which includes interviews and showcases at our Werris Creek and Rocglen mine and team in the Gunnedah office.



[The video can be viewed here](#)

## WHITEHAVEN COAL BACKS EX-SERVICE PERSONNEL INTO MINING WORKFORCE

Whitehaven Coal has acknowledged the ex-service men and women who have served our nation and are now employed by the company.

Employees and former defence personnel gathered recently at Maules Creek mine to share their stories and reflect on the transition from a life in the defence force to a job in mining.

The Whitehaven team also got behind Legacy this year with Tamworth Legacy and Boggabri RSL to help raise funds for the charity.



[Read more here](#)





# WHITEHAVEN COAL: LOCALLY-BASED, COMMUNITY FOCUSED

## OUR HISTORY

Whitehaven's story began in 1999 as a small Australian-owned company exporting some of the world's best quality coal from the Gunnedah Basin.

Since then, we've become Australia's largest independent coal miner, and with the community's backing we have grown into the single largest non-government employer in North West NSW, with a workforce of 1,500 men and women working across six mines. We prioritise local employment, with more than 75% of our workforce living in this area.

## OUR RESPONSIBILITY

For more than 200 years, mining has played a vital role in the growth and prosperity of NSW. Whitehaven is proud of this history but has always understood a simple fact:

**MINING ONLY WORKS WHEN IT COEXISTES WITH OTHER LOCAL INDUSTRIES AND ABIDES BY VALUES SET BY THE COMMUNITY.**

It is our responsibility to ensure our operations and activities align with the expectations of the local community. This has been our focus from day one, because without local support we cannot prosper.

## INDEPENDENT RESEARCH

We believe that being community-focused starts with listening. We do this by engaging locals and our employees, hosting community events, and conducting independent community research.

Independent research helps us understand the thoughts of everyone, not just those with a strong view, and it helps us respond to our communities' concerns and ensure their needs are met.

Independent research tells us that the local community supports mining and backs Whitehaven. In Gunnedah, two thirds of the community support mining, and 70 per cent of the broader community agree that Whitehaven has a positive effect on the local economy.

## WE'RE LISTENING AND MAKING REAL CHANGES.

IN GUNNEDAH

66%

OF PEOPLE SUPPORT MINING

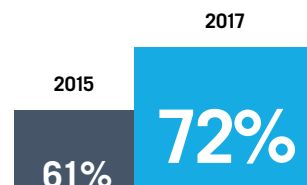
ACROSS THE COMMUNITY

70%

AGREE WHITEHAVEN HAS A POSITIVE EFFECT ON THE LOCAL ECONOMY

## LOCAL COMMUNITY VIEWS OF WHITEHAVEN ARE INCREASINGLY POSITIVE.

Community perceptions of Whitehaven continue to improve with **almost half of people from our areas of operation saying they have a positive view or opinion of the company.** People with a positive or neutral view of the company has also climbed 11% to 72% since 2015.



## WHITEHAVEN'S REPUTATION

Our research indicates Whitehaven has the best reputation amongst mining companies in the Gunnedah basin. Our reputation, like perceptions of mining, has improved over the last four years.



# 72%

OF THE LOCAL AREA REPORTED A MEANINGFUL INTERACTION WITH THE COMPANY IN THE LAST YEAR

This includes attending our open mine visits and community meetings, visiting our website, receiving our newsletter, or seeing us in the media.

# 70%

OF PEOPLE RECOGNISE WHITEHAVEN'S COMMUNITY CONTRIBUTIONS

Whitehaven has contributed more than \$1 billion to the local economy since 2012.






**The majority of people believe Whitehaven listens to their concerns**

## WHITEHAVEN ACKNOWLEDGES THERE IS MORE TO BE DONE

Our next project in the region—the Vickery Extension Project—will be a mine built to benefit the community, and shaped around the community's perspectives, thoughts and needs. We will keep talking and listening to local people to ensure support for mining and our operations remains strong.

## RESEARCH FINDINGS:

### WHAT'S IMPORTANT TO THE LOCAL COMMUNITY AND HOW WHITEHAVEN IS HELPING

EMPLOYMENT	FLOW THROUGH	COMMUNITY	ENVIRONMENT, LAND & WATER	STRONG ECONOMY
 <ul style="list-style-type: none"> <li>We have a <b>1,500</b> strong work force across <b>seven</b> sites.</li> <li>Paid <b>\$159.4 million</b> in wages and salaries in 2016/17.</li> </ul>	 <ul style="list-style-type: none"> <li>Whitehaven sources products and services from more than <b>350</b> local businesses and suppliers totalling <b>\$237 million</b> each year.</li> <li>Committed \$3.5 million to local infrastructure and service upgrades to benefit us all.</li> </ul>	 <ul style="list-style-type: none"> <li>Since 2009 we've made nearly <b>900 charitable grants, donations and sponsorships</b> to community groups and local causes.</li> <li>In 2015, Whitehaven opened a dedicated office in Gunnedah to enhance its connection with the local community.</li> </ul>	 <ul style="list-style-type: none"> <li>Whitehaven works hard to maintain its strong track record on water – a critical resource for farmers, households and local businesses.</li> <li>The company operates under <b>stringent noise guidelines</b>, and all our mines have <b>systems for monitoring and managing air quality</b> in place.</li> </ul>	 <ul style="list-style-type: none"> <li>Since 2012 we have contributed <b>more than \$1 billion</b> to the local economy in North West NSW through wages, payments to councils, and support for local businesses and suppliers.</li> </ul>

“Whitehaven Coal has provided for a significant expansion of the local and regional economy through employment generation and utilisation of businesses throughout the Gunnedah basin.”

**STACEY COOKE,**  
President, Gunnedah Chamber of Commerce

“Whitehaven recognises the importance of maintaining and improving farming land for future generations... Whitehaven has helped secure my family's future in this district.”

**TRENT HALL,**  
Local Farmer

## GET IN CONTACT

Whitehaven encourages all members of the local community to get in contact with us. If you have a concern, a question or simply want to find out more about us, we have a permanent office in Gunnedah and can be contacted by phone or in person.

**GUNNEDAH OFFICE**  
231 Conadilly Street Gunnedah, NSW 2380  
Phone: 02 6741 9301  
[www.whitehavennews.com.au](http://www.whitehavennews.com.au)

**WHITEHAVEN COAL**

# REMINDER WIN A TABLET!



## DOWNLOAD AND REGISTER FOR WHITEHAVEN UPDATES FOR A CHANCE TO WIN A SAMSUNG GALAXY S2 TABLET.

Stay in touch with Whitehaven Coal's latest news and updates, direct to your Smart Phone.  
Download the Konnective App and connect to Whitehaven Coal in 3 easy steps.

- 1 Download the 'Konnective' app from the AppStore or Google Play.
- 2 Register and login, then Search for Whitehaven Coal in My Connections.
- 3 Once you are approved, return to MyFeed to see your Konnective messages.



No Smartphone?  
You can still access  
Konnective via the website  
[www.konnective.com.au/register](http://www.konnective.com.au/register)

Need help? Contact River City Help Desk or email [support@konnective.com.au](mailto:support@konnective.com.au)

### GET IN TOUCH

If you have any news, stories or ideas for future editions of Whitehaven News, please get in touch with:

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[WHITEHAVENCOAL.COM.AU](http://WHITEHAVENCOAL.COM.AU)





## Start your journey to health!

The HEALTHHaven Hub provides a confidential Wellness Assessment to track improvements in your health, lifestyle programs that encourage positive change, healthy recipes, a medical encyclopaedia and more.

Remember, everyone that registers and completes their Wellness Assessment and health check enters the draw to win a *FitBit Ionic!*

**Registration opens on 15th January 2018** - for a chance to win, simply follow the steps below:

1. Visit [www.healthhaven.net.au](http://www.healthhaven.net.au) using your computer, tablet or mobile.
2. Click 'Register' and fill in your details.
3. Click the 'log in' tab and enter your username and password.
4. Complete your Wellness Assessment.
5. Participate in an onsite 15-minute health assessment with a Coal Services Health Nurse.

Those who complete the above steps will be eligible to join our 12-week activity challenge with prizes for:



### 3 Highest Steppers

Voucher at either BCF, Sportsman's Warehouse or a local fitness facility

- 1st - \$750 + Fit Bit HR Charge 2
- 2nd - \$500 + Fit Bit HR Charge 2
- 3rd - \$250 + Fit Bit HR Charge 2



### Champion Site

(Total steps divided by number of persons)

**\$5000 to nominated charity**



### Most Improved Health

Voucher at either BCF, Sportsman's Warehouse or a local fitness facility

- 1st - \$750 + Fit Bit HR Charge 2
- 2nd - \$500 + Fit Bit HR Charge 2
- 3rd - \$250 + Fit Bit HR Charge 2

HEALTHHaven is hosted by HealthLogix, which adheres to strict privacy and confidentiality protocols. Any personal data is protected by HealthLogix's secure encryption system and is not made known to your employer or a third party. Only de-identified data is used for analysis, reporting and planning of wellbeing initiatives.

