



WHITEHAVEN COAL

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

DECEMBER 2014 HIGHLIGHTS

- First coal was railed from Maules Creek in December, three months ahead of schedule and first coal sales occurred on Friday 9 January
- Safety performance improved with reduction in both the TRIFR and LTIFR rates from the previous quarter. Both measures are below the NSW coal industry averages.
- Managed coal sales of 2.9Mt for the quarter and a new record of 6.0Mt for the half year.
- Managed ROM coal production of 2.2Mt for the quarter and 5.7Mt for the half year.
- Managed saleable coal production of 2.4Mt for the quarter and a new record of 5.7Mt for the half year.
- The third longwall change out at Narrabri was completed ahead of schedule and on budget. Mining of LW04 commenced on 30 November.
- Construction at Maules Creek was 87% complete as at 31 December, ahead of schedule and on budget.
- A total of 94kt of ROM coal was produced at Maules Creek during the quarter.

**WHITEHAVEN COAL**

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

MANAGED PRODUCTION AND SALES HIGHLIGHTS

PRODUCTION AND SALES HIGHLIGHTS

Thousands of tonnes	Quarter Ended			YTD		
	Dec 2014	Dec 2013	Change	Dec 2014	Dec 2013	Change
Managed ROM Coal Production	2,196	3,281	(33%)	5,656	5,943	(5%)
Managed Saleable Coal Production	2,380	2,860	(17%)	5,669	5,209	9%
Managed Total Coal Sales	2,949	3,161	(7%)	5,995	5,654	6%

WHITEHAVEN EQUITY PRODUCTION AND SALES HIGHLIGHTS

Thousands of tonnes	Quarter Ended			YTD		
	Dec 2014	Dec 2013	Change	Dec 2014	Dec 2013	Change
Whitehaven Equity Totals[^]						
Equity ROM Coal Production	1,780	2,545	(30%)	4,457	4,636	(4%)
Equity Saleable Coal Production	1,850	2,211	(16%)	4,429	4,081	9%
Equity Sales of Produced Coal	2,326	2,422	(4%)	4,713	4,302	10%
Sales of Purchased Coal	-	63	-	-	204	-
Total Equity Coal Sales	2,326	2,485	(6%)	4,713	4,506	5%
Equity Coal Stocks at period end	730	907	(19%)	730	907	(19%)

[^] Includes equity share of Maules Creek pre-commercial production data



WHITEHAVEN COAL

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

SAFETY AND ENVIRONMENT

Improved safety performance across the company has continued with lower TRIFR and LTIFR rates at the end of the quarter. The rolling average TRIFR at the end of December declined to 9.49 from 12.54 at the end of the September quarter. The rolling average LTIFR also declined to 2.23 from 2.57 reported at the end of the September quarter. Both rates are below the most recent NSW coal industry averages and are a positive reflection on safety emphasis following the introduction of Whitehaven's "Safehaven Rules" in early 2014.

COAL SALES AND COAL MARKET OUTLOOK

Total coal sales for the December quarter were 2.949Mt. Export sales comprised 0.622Mt of metallurgical coal and 2.318Mt of thermal coal with domestic sales making up the balance. Maules Creek coal sales commenced in early January.

Whitehaven achieved an average price of US\$87.56/t from sales of its metallurgical products in the December quarter. Whitehaven expects the price for these products in the next quarter to be in the range of US\$86/t to US\$88/t.

During the December quarter, the benchmark Newcastle thermal coal index (GlobalCOAL NEWC Index) averaged US\$63.81/t, a 6.7% decrease from the previous quarter. Whitehaven achieved an average price for its export thermal coal sales of US\$66.07/t for the quarter.

Demand for thermal coal continues to grow with recent IEA forecasts (Medium Term Coal Market Report 2014) indicating the demand growth will average 2.1% per year until 2019.

The sharp fall in the oil price has materially impacted global energy markets. Thermal coal's position as the lowest cost source of energy for power generators has limited the negative impact on pricing in recent months. There is growing evidence of reduced export growth from Indonesia offsetting increased Australian exports. Demand from China has weakened while it has increased elsewhere in Asia and in India. Whitehaven expects a stable to gradual increase in the price for its thermal coal qualities over the next year, although the challenging markets make forecasting difficult and prices for low quality thermal coal will likely remain under pressure subject to Chinese demand.

Whitehaven does not expect to sell any of its high quality coals to China in the next year.

Production cuts in the metallurgical coal market of about 25Mtpa announced during 2014 are working through the coal market as evidenced by the recent Q1 2015 quarterly price settlement of US\$117/t for premium hard coking coal. This price outcome was slightly lower than the US\$119/t agreed for the previous quarter. However lower grade coking coal saw slight price increases quarter on quarter and PCI was unchanged, which is indicative of a metallurgical coal market close to balance.

**WHITEHAVEN COAL**

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

NARRABRI MINE

Whitehaven (Manager)	70.0%
Electric Power Development Co Ltd	7.5%
EDF Trading	7.5%
Upper Horn Investments Limited	7.5%
Daewoo International Corporation and Korea Resources Corporation	7.5%

Production at the Narrabri Mine recommenced on 30 November three days ahead of schedule following completion of the longwall changeout from LW03 into LW04. The changeout was completed on budget. Longwall mining in LW04 is progressing according to plan.

Coal production for the quarter was 0.770Mt ROM coal and 1.233Mt saleable coal. High saleable coal production was due to washing coal stocks built up prior to the longwall changeout. Both ROM and saleable coal production was lower than the previous corresponding quarter as a six week longwall changeout was completed during the quarter.

Production from Narrabri for the first half was 2.852Mt ROM coal and 3.052Mt saleable coal. ROM coal production was 13% lower than the previous corresponding period and saleable coal production was 5% higher than the previous corresponding period.

OPEN CUT PRODUCTION AND DEVELOPMENT

Tarrawonga Mine

Tarrawonga produced 0.537Mt ROM coal and 0.491Mt saleable coal for the quarter, up 1% and 25% respectively on the previous corresponding quarter.

Production from Tarrawonga for the first half was 1.069 Mt ROM coal and 1.034 Mt saleable coal. ROM coal production was in line with the previous corresponding period and saleable coal production was 22% higher than the previous corresponding period. The mine operated at capacity for the first half.

Rocglen Mine

Rocglen produced 0.300Mt ROM coal and 0.201Mt saleable coal for the quarter. ROM coal production was 4% higher than the previous corresponding quarter and saleable coal production was 15% lower than the previous corresponding quarter. Overall production is in line with current operating plans.

A solid performance was achieved by the mine during the half year with ROM production of 0.585Mt and saleable coal production of 0.424Mt.

Werris Creek Mine

Werris Creek produced 0.496Mt ROM coal and 0.402Mt saleable coal for the quarter, down 8% and 13% respectively from the previous corresponding quarter.

ROM and saleable coal production was 1.057Mt and 1.105Mt for the first half, higher by 10% and 15% respectively from the previous corresponding period.



WHITEHAVEN COAL

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

MAULES CREEK PROJECT

Whitehaven (Manager)	75%
ITOCHU Corporation	15%
J-Power Australia Pty Limited	10%

A major milestone was achieved at Maules Creek during the quarter with the commencement of coal railings in mid-December as reported to the ASX (17 December). The initial coal railings were three months ahead of schedule and reflect positively of the high quality construction and operating teams in place at the mine. A total of 9 trains were loaded and dispatched to Newcastle by the end of December.

The number of trains leaving Maules Creek will gradually increase through January, currently averaging one per day, as production increases.

ROM and saleable coal production for the quarter were 94kt and 54kt respectively, the first production from the mine.

The mining rate at Maules Creek will progressively increase during the March quarter with the annualised rate of 6.0Mt likely to be achieved by mid-March following commissioning of the full fleet of the ultra-class and ancillary mining equipment. The number of employees will also gradually increase from 151 at the end of December as people are recruited to operate the additional mining equipment. Orders have been placed for more mining equipment that will be used to increase production to an annualised rate of 8.5Mt. This equipment which includes a further Hitachi EX8000 excavator and seven Hitachi EH5000 trucks is expected to start arriving onsite at the end of CY2015 and be operational from early CY2016.

Construction activity at Maules Creek is progressing ahead of schedule and was 87% complete at the end of the quarter.

The construction workforce on site has begun to wind down as work is completed on several major elements of the project. Safety performance over the whole site has been commendable with more than 1,000,000 man hours worked without an LTI. The project management team is also keenly aware of the environment and having implemented a range of management plans is pleased to report that no reportable environmental incidents have occurred during construction.

The assembly and erection of the coal handling and preparation plant (CHPP) and associated facilities are proceeding to schedule with mechanical construction activity of the by-pass facility completed in December enabling the loading of the coal onto trains in mid-December. The main washing section of the CHPP is due to be completed in early May and commissioned over a two month period enabling the production of metallurgical coal products from July 2015.

The Maules Creek project is currently the largest coal mine under construction in Australia. Maules Creek has an expected life of mine strip ratio of 6.4:1. Financial year 2016 production costs are forecast to be \$62/t while costs during the first five years are expected to be in the range of \$63/t to \$64/t as metallurgical coal production increases. Maules Creek will be one of the lowest cost open cut coal mines in Australia. Its initial production rate is planned to be 6Mtpa (from the March 2015), however, over a period of three years production is expected to ramp to its approved production level of 13Mtpa ROM coal. Production is expected to consist of high quality thermal coal, for use by electricity generators, and specialist metallurgical coals, for use by steel makers, both marketed to end users in the premium Asian markets. When operating at full capacity Maules Creek is expected to employ about 450 people sourced locally.



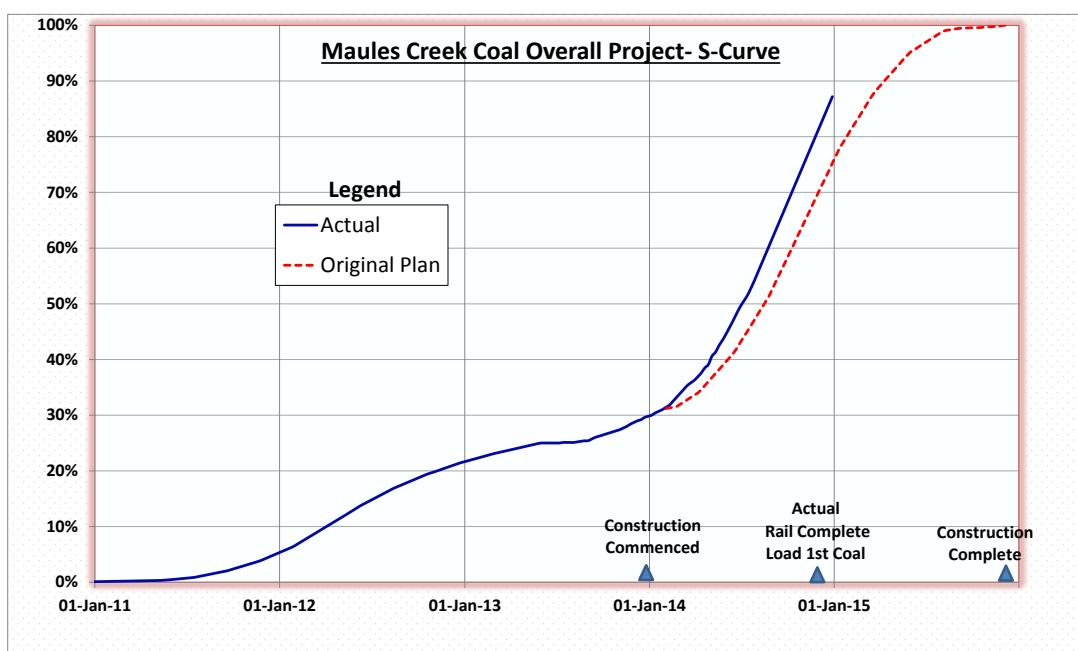
WHITEHAVEN COAL

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

The following table and diagram ("S" Curve) provide an update on construction progress of the project's key components.

Area	Contractor	Overall % Complete at End December 2014
Rail and Access Road	Leighton	96%
Bulk Earthworks	Ditchfield	85%
CHPP Design, Supply	Sedgman	100%
CHPP Erect	Downer	65%
Water Supply	Stripes	100%
Power Supply 132kV	Transgrid	80%
Mine Infrastructure (Temp)	Various	100%





WHITEHAVEN COAL

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT





WHITEHAVEN COAL

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

VICKERY PROJECT

Whitehaven	100%
------------	------

As announced to the ASX on 22 September, Whitehaven has received notification from the NSW Department of Planning and Environment that the NSW Minister for Planning has approved the project application for the Vickery project.

Whitehaven owns 100% of the Vickery project and is actively seeking to form a joint venture with potential customers by selling down up to a 30% interest in the project. Potential joint venture partners may be supplied with similar coal from the Maules Creek mine until the Vickery project comes into production.

Timing for startup of the Vickery project is still to be determined but is unlikely to occur prior to Maules Creek ramping up to its approved production level of 13Mtpa. As is usual with project approvals Whitehaven has committed to observe a range of conditions to ensure that the environmental impacts arising from the project are properly minimised. Federal Government approval is not required for Vickery as mining had previously occurred in the project area. Vickery is located on flat open grazing land largely owned by Whitehaven.

CORPORATE

Whitehaven received a tax refund of \$46 million including interest in December.

There are approximately US\$69.0 million in forward A\$/US\$ exchange contracts currently in place at an average exchange rate of A\$1.00 = US\$0.8931. These contracts are deliverable between January 2015 and June 2015.

EXPLORATION

Whitehaven spent a total of \$0.136 million on exploration during the June quarter.


WHITEHAVEN COAL

QUARTERLY REPORT

DECEMBER 2014 QUARTERLY PRODUCTION REPORT

PRODUCTION AND SALES BY MINE

Thousands of tonnes	Quarter Ended			YTD		
	Dec 2014	Dec 2013	Change	Dec 2014	Dec 2013	Change
Narrabri						
ROM Coal Production	770	1,924	(60%)	2,852	3,287	(13%)
Saleable Coal Production	1,233	1,770	(30%)	3,052	2,913	5%
Sales of Produced Coal	1,399	1,804	(22%)	3,196	2,858	12%
Coal Stocks at period end	148	521	(72%)	148	521	(72%)
Tarrawonga						
ROM Coal Production	537	530	1%	1,069	1,069	(0%)
Saleable Coal Production	491	394	25%	1,034	849	22%
Sales of Produced Coal	698	450	55%	1,116	968	15%
Coal Stocks at period end	200	306	(35%)	200	306	(35%)
Maules Creek ^						
ROM Coal Production	94	-	-	94	-	-
Saleable Coal Production	54	-	-	54	-	-
Sales of Produced Coal	-	-	-	-	-	-
Coal Stocks at period end	94	-	-	94	-	-
Rocglen						
ROM Coal Production	300	287	4%	585	627	(7%)
Saleable Coal Production	201	236	(15%)	424	486	(13%)
Sales of Produced Coal	241	266	(9%)	441	545	(19%)
Coal Stocks at period end	176	69	154%	176	69	154%
Werris Creek						
ROM Coal Production	496	540	(8%)	1,057	959	10%
Saleable Coal Production	402	460	(13%)	1,105	961	15%
Sales of Produced Coal	611	578	6%	1,242	1,078	15%
Coal Stocks at period end	241	259	(7%)	241	259	(7%)
Whitehaven Group Managed Totals						
ROM Coal Production	2,196	3,281	(33%)	5,656	5,943	(5%)
Saleable Coal Production	2,380	2,860	(17%)	5,669	5,209	9%
Sales of Produced Coal	2,949	3,099	(5%)	5,995	5,450	10%
Sales of Purchased Coal	-	63	-	-	204	-
Total Coal Sales	2,949	3,161	(7%)	5,995	5,654	6%
Coal Stocks at period end	858	1,155	(26%)	858	1,155	(26%)

^ Pre-commercial production data