

# MEDIA RELEASE

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WHITEHAVEN COAL

## FY2015 RESULTS: STRONGLY POSITIONED FOR FURTHER GROWTH

SYDNEY – Whitehaven Coal (ASX:WHC) today released its FY2015 Results to the Australian Securities Exchange.

Significantly the result includes a modest return to profit of \$1.7 million during the second half of the year, excluding significant items (canvassed in more detail below). This is the first profit recorded by the company in three years and reflects Whitehaven's strong performance in managing its costs in a more subdued pricing environment.

Whitehaven Coal CEO and Managing Director Paul Flynn said that, considering market headwinds, the result was a positive one which cements Whitehaven's place as one of the world's leading independent producers of high quality coal.

"The fact that Whitehaven has delivered on its commitments, and achieved a modest return to profitability in the second half despite subdued global demand is a strong endorsement of our product, performance and potential," Mr Flynn said.

At an operating level, EBITDA increased by 44% to \$130.3 million for the year. Fully absorbed costs fell by 12% to average \$61/t excluding royalties for the year as record production from the Narrabri underground, combined with improvements at the open cut mines, continued the trend of declining costs achieved since early 2013.

Maules Creek was declared commercial on 1 July 2015 and is set to become a major contributor to the company as production ramps up to its full 13Mtpa ROM coal capacity over the next three years. Pre-commercial production in FY2015 was 2.6Mt.

Construction at the mine was completed ahead of schedule and under budget. First coal was railed three months ahead of schedule and less than a year after construction officially commenced.

"On almost any measure Maules Creek is an extraordinary achievement in current circumstances and the mine is now poised to help underpin Whitehaven's value proposition over its 30-year mine life.

"Our performance on project delivery, production and costs should give investors who have stuck with us through the harder times real confidence about the upside potential Whitehaven offers" Mr Flynn said.

The net loss for FY2015 before significant items was \$10.7 million, a 62% improvement on the previous year.

Whitehaven reported a full year loss after tax and significant items of \$342.7 million. The most significant component of this loss relates to an impairment arising from the revised valuation of early stage exploration assets brought into the group as part of Whitehaven's merger with Aston Resources – based on continuing subdued market conditions.

"This is a prudent albeit relatively significant piece of housekeeping which reflects our judgement that capturing the value of these assets is now a longer term proposition."

Mr Flynn said he remains enormously positive about the long term outlook for coal, and particularly the high quality coal being demanded by countries that understand the crucial role it had to play in helping achieve a lower emissions future.