

Quarterly Report

July to September 2015



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Contents

Highlights	3
Production and Sales	4
Russell Vale	4
Wongawilli Colliery	4
Health, Safety, Environment & Community	5
Health and Safety	5
Environment & Community	6
Operational Update	8
Wongawilli Colliery	8
Corporate & Financial.....	9
US \$630 Foreign Currency Term Loan.....	9
Capital Structure as on 30 September 2015	9
Board of Directors.....	9
Chief Executive Officer	10
For Further information.....	10
Business Address	10

Highlights

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| • Approved partial Longwall6 (365m) extraction completed. |
| • Continued Restructuring of Russell Vale Colliery |
| • \$100 million facility from Jindal Steel & Power increased to \$150 million. |



Production and Sales

	Russell Vale Colliery		Wongawilli Colliery		WLC Totals	
	April – Jun 2015	July– Sept 2015	April – June 2015	July– Sept 2015	April – June 2015	July– Sept 2015
Development Metres	809	375	0	0	809	375
ROM Production	218,423	37,580	0	0	218,423	37,580
Saleable Production	218,423	37,580	0	0	218,423	37,580
Sales	70,204	88,000	20,000	0	90,204	88,000

Russell Vale

On the 1st September, WCL announced the Russell Vale Mine would be placed under Care and Maintenance due to a range of external factors including completion of existing approved longwall mining areas and changing dynamics of coal markets. This resulted in a reduction of approximately 75 positions at Russell Vale.

The Approved section of Longwall 6 (365m) was completed in July with the longwall equipment currently remaining in position.

Limited gateroad development for Maingate 7 was completed until August 2015 prior to the announcement of the mine being placed onto care and maintenance.

Wongawilli Colliery

The Wongawilli Mine continues under care and maintenance.

Infrastructure continues to be maintained to an operational standard.

Health, Safety, Environment & Community

Health and Safety

Following the decision to place the Russell Vale Mine onto care and maintenance, there has been a review of the Health and Safety Management system to bring the system in line to the new operational requirements



Incidents that occurred during the July - September Quarter were:

Russell Vale:

- 14 incidents
- 3 notifiable incidents
- 4 injury reports
- 2 medically treated injuries

Wongawilli:

- 1 incident - notifiable
- 1 first aid
- 1 injury report only

Environment & Community



Russell Vale Colliery

There was 1 complaint during the period regarding delivery truck braking noise. Immediate Investigation by Wollongong Coal could not locate a delivery truck on site. This information was relayed to complainants and no

further actions were required.

On February 3, 2015, Public Hearing was held by the NSW Planning Assessment Commission (PAC) on the Preferred Project Report (PPR) for the Underground Expansion Project Pt3A (UEP) prior to releasing its Review Report on the proposal.

The PAC Review Report was submitted to the NSW Department of Planning and Environment (DPE) on 8 April 2015. WCL has now completed its response to the Recommendations in the PAC Review Report.

The DPE has prepared an Assessment Report to forward to the PAC. The report is currently passing through internal DPE quality reviews and management approval prior to it being released to the PAC.

A Referral under the federal Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act) has been submitted to the Department of the Environment (DoE) to address relevant Matters of National Environmental Significance (MNES) that are listed in the EPBC Act and may be affected by the Underground Expansion Project longwall extraction. An EIS was placed on Public Exhibition between 28 April and 25 May 2015 with total 1941 public submissions received.

The EIS was amended to address relevant issues from the public submissions and resubmitted to the DoE for assessment on 9 July 2015. The DoE has

accepted the amended EIS and is now waiting for the DPE state approval process to be completed. Once the determination is made in NSW the information will be forwarded to DoE for final determination of the EPBC Referral.

Wongawilli Colliery

There have been no environmental incidents or complaints during the quarter. All approvals remain current although the major Pt3A approval (MP09_0161) for the operation of the mine lapses on 31 December 2015.

An application has been lodged to extend the current Pt3A approval until 2020 to allow extraction of the remaining approved coal blocks in the Nebo and Elouera areas. The DPE has completed its assessment report and has forwarded the report to the PAC. The PAC panel has been formed and the PAC currently anticipates holding a public meeting toward the end of October 2015.

Work continues on a real time air and noise monitoring system in compliance with current approval requirements. This system will involve real time noise monitoring, weather monitoring and air quality monitoring of PM2.5 and PM10 particles. It is currently anticipated that this system will be operational by the end of 2015.

Operational Update

Russell Vale Colliery

During the Quarter, the approved component of longwall 6 extraction was completed. The longwall now remains stored insitu in a geologically stable area. Management strategies have been developed to ensure the long-term strata stability of this area.

Following the decision to place the Russell Vale Mine onto Care and Maintenance, the Maingate 7 gateroad was demobilised.

A remaining Care and Maintenance team at Russell Vale has been selected with management plans and strategies to ensure full statutory compliance is maintained.



Wongawilli Colliery

The Care and Maintenance team continues to ensure operational compliance, as well as focussing on maintaining existing infrastructure in an operational condition.

Planning and constraints analysis is ongoing for the Wonga South Project. This is coupled with the collation of environmental data and data studies for the planning process.

Corporate & Financial

\$100 million facility agreement was increased to \$150 million

To assist the Company with its cash flow parent entity, Jindal Steel & Power (Mauritius) Limited, has further increased \$100 million facility to \$150 million and renewed it until 31 March 2016.

To date, the Company has withdrawn around \$122 million and not paid any interest.

US \$630 Foreign Currency Term Loan

AS disclosed earlier, the Company with the support of and guarantee from its parent entity, Jindal Group has been working with its existing consortium of banks (Lenders) to obtain a Foreign Currency Term Loan of US \$630 million approximately in two Tranches – to repay existing loans and to part-finance capital expenditures.

To date, US \$131.03 million has been disbursed by few of the banks to the Company through Jindal Steel & Power Australia Pty Ltd. Funds were used to repay existing loans, which were classified as current liabilities in accordance with AASB101. The Company continues to work with remaining banks for their shares.

Capital Structure as on 30 September 2015

Shares on issue	6,894,913,576
Unlisted options	11,850,000
Unlisted Bonds (US \$50,000 face value)	200

Board of Directors

Mr Ashish Kumar – Chairman & non-executive director
Dr Andrew Firek – non-executive director
Mr Maurice Anghie – non-executive director
Mr Azad Bhura – non-executive director



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Chief Executive Officer

Mr Milind Oza

For Further information

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Business Address

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