

ASX RELEASE

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COAL PRODUCTION COMMENCES AT NARRABRI MINE

Whitehaven Coal Limited (ASX:WHC) today announced that coal production has commenced at its Narrabri Mine in north-west New South Wales.

The first of the mine's three continuous miners began cutting coal today.

The Narrabri Mine is located 28km south of Narrabri and when in full production is expected to produce approximately 6 million tonnes per annum (Mtpa) of low ash, high energy, low sulphur thermal and PCI coal for the export market.

Initial production using continuous miners will be 0.5 - 0.7Mtpa.

"This is a very significant day for Whitehaven Coal and the broader Narrabri community," Whitehaven Managing Director Mr Tony Haggarty said.

"During the past three years Whitehaven has invested approximately \$227 million to deliver a modern underground mine with the highest safety levels and most efficient mining practices available," he said.

"The environmental and planning processes we have participated in have been significantly advanced in recent years and we are pleased to be able to deliver a project which meets, and will continue to meet the stringent guidelines now in place.

"While ground conditions have caused some delay and increased cost in relation to construction of the drifts for seam access, the remainder of the project has been developed on time and on budget.

"This is a significant achievement and I congratulate all of those who have been involved in this process."

As part of the development, a rail loop and associated coal handling and processing equipment has been constructed to facilitate the transport of coal from the project site to Newcastle for export.

Stage Two plans for the project include the production of an additional 5.3 million tonnes per year from longwall mining.

More than 120 people were employed during the mine's construction phase and more than 25 contracting businesses were involved in the development.

Full time employment is expected to rise to 208 as the mine moves into full production.



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"We are very pleased with the quality of people we have brought on board and are continuing our recruiting drive to support the increasing production at the mine," Mr Haggarty said.

"The underground coal industry has very strict operating and safety requirements, and the safety of our people is paramount. There is a very extensive training process that must be followed and it is not possible to start an underground coal mine without first starting with experienced people."

About Narrabri Coal

Whitehaven's Narrabri Joint Venture is situated 28km south of Narrabri in north-west New South Wales. It is a joint venture with:

Whitehaven (operator)	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%

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