

ASX RELEASE

28 July 2010

APPROVAL RECEIVED FOR NARRABRI STAGE TWO

Whitehaven Coal Limited (ASX:WHC) today announced that it has received approval from the NSW Minister for Planning, The Hon Tony Kelly MLC, for Narrabri Coal Project Stage Two.

The Project Approval under Part 3A of the Environmental Planning and Assessment Act 1979 will permit the development of a longwall mining operation and associated infrastructure at the Narrabri Mine to an approved level of production of 8 million tonnes per annum (Mtpa).

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

Stage One of the project was approved in late 2007 and mining by continuous miners began in June with the first train of coal from Narrabri railed last week. Initial production (under Stage One approval) is approximately 0.5 - 0.7 Mtpa with a limit of 2.5 Mtpa.

The Stage Two development involves capital expenditure of approximately \$300 million. This is in addition to the \$227 million already invested in the Stage One development.

"We are extremely pleased by the Minister's decision to award Project Approval to the Narrabri Coal Stage Two Project," Whitehaven Managing Director Mr Tony Haggarty said.

"The coal handling and preparation plant, and other key Stage Two facilities have already been designed and tendered and construction will commence as soon as we complete the final steps in the approvals process, which includes final approval under the Federal Environmental Conservation and Biodiversity Conservation Act" Mr Haggarty said.

"The longwall for Stage Two was ordered in September 2009, to commence delivery in early 2011, and longwall panel 1 is currently scheduled to be installed in the third quarter of 2011.

Mr Haggarty said the project would continue to make a significant contribution to the local economy, as well as to the New South Wales economy.

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.

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:



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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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