

ASX RELEASE

2 September 2011

- **NCIG COMMITS TO DEVELOP FULL 66 MTPA PORT CAPACITY**
- **WHITEHAVEN NOMINATES FOR ADDITIONAL PORT CAPACITY AT PWCS**

The attached announcement from NCIG advises of its commitment to develop Newcastle's third coal port to its full capacity of 66 million tonnes per annum (Mtpa).

Whitehaven owns 11% of NCIG and has contracted capacity of approximately 6 Mtpa when the port reaches its full capacity in 2014.

With its existing contract with PWCS and port capacity contributions from its Tarrawonga joint venture partner, Whitehaven has a total of approximately 10.2 Mtpa of Newcastle port capacity under contract (100% basis), growing from 7.6 Mtpa in 2012 to 10.2 Mtpa in 2014 as NCIG is completed.

The commitment by NCIG to develop its port facilities to their full capacity was a pre-requisite to NCIG shareholders being able to nominate for additional port capacity from PWCS facilities and this pre-requisite has now been satisfied.

Whitehaven has therefore nominated for additional port capacity from PWCS, in order to meet its expected increase in export coal production up to approximately 15 Mtpa over the next five years.

Whitehaven expects to be notified of the outcome of its nomination by December 2011.

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Media Release

NCIG's Newcastle Export Coal Terminal expansion gets the go-ahead

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In response to continued strong demand for coal export capacity, the expansion of the third coal export terminal in the Port of Newcastle will continue to its maximum approved capability of 66 million tonnes per year (Mtpa).

Following completion of finance arrangements by Newcastle Coal Infrastructure Group (NCIG), the third and final stage of the terminal is expected to be commissioned in 2013 and completed in 2014.

The first stage of the terminal has been in operation since mid 2010, and is currently ramping up to capacity of 30 million tonnes per year. Construction of the second stage, increasing capacity to 53 Mtpa, began a year ago and is now more than 60% complete.

Works on the final stage of the terminal include a third ship berth, a fourth stacker-reclaimer, additional conveyors and a rail flyover to the west of the 136-hectare Kooragang Island site.

The total finance package for the final stage, to cover the estimated project construction cost, interest during construction and liquidity funding totals in excess of \$1-billion in a mixture of US and Australian dollars.

Funding for the final stage leveraged from the initial financing structure established in late 2007 and is supported by long-term throughput contracts.

NCIG was formed in 2004 to address fundamental capacity issues associated with coal handling facilities for regional coal exporters. In April 2007 the New South Wales Government granted NCIG approval to construct the new coal terminal, with an ultimate capacity of 66 Mtpa.

The members of the consortium are all major coal producers who have projects to materially increase their coal production to be shipped through the new terminal.

Partners in the project include BHP Billiton (through Hunter Valley Energy Coal), Peabody Energy, Centennial Coal, Gloucester Coal, Yancoal and Whitehaven Coal.

**For further information at any time contact Chris Ford at FordComm on
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