

SEPTEMBER 2024 (Q1 FY25) QUARTERLY PRODUCTION REPORT

25 October 2024

A solid quarter of production and sales – all mines delivering as planned or better

QLD – strong production with productivity improvements at both Blackwater and Daunia

- Managed run-of mine (ROM) production of 5.3Mt from QLD operations, up 11% on June quarter.
- QLD sales of 3.6Mt, up 13% on June quarter, including improved rail performance on the Goonyella line transporting Daunia coal.
- **Average coal price**¹ of A\$259/t achieved, equivalent to 84% of the PLV HCC Index, up from 74% in the June quarter.
- **Cost out** initiatives and **productivity improvements** continued in Q1 FY25.

NSW – improved Narrabri production, open cuts focused on overburden in line with plan

- Managed **ROM production** of 4.4Mt from NSW, down 12% on the June quarter as planned.
- NSW **equity sales** of produced coal of 2.8Mt for the quarter, down 16% on June quarter.
- **Average coal price**¹ of A\$211/t achieved from NSW operations, in line with gC NEWC.
- **Reliability of longwall** operations at Narrabri continued to improve, while a focus on overburden removal at NSW open cuts was in line with FY25 mine plans.

Group performance

- Q1 FY25 **total recordable injury frequency rate (TRIFR) of 4.5** for employees & contractors reflects the higher average TRIFR attributable to QLD.
- Managed **ROM production** of 9.7Mt for the September quarter, in line with the June quarter.
- Total **equity sales** of produced coal of 6.4Mt for the quarter, down 2% on the June quarter.
- **Revenues** for the quarter reflected ~64% metallurgical and ~36% thermal coal sales².
- **Unit costs** are tracking at bottom end of guidance.
- **Net debt** at 30 September 2024 was A\$1.2 billion, reflecting disciplined capital management. US\$1.08 billion of proceeds from the 30% sell down of Blackwater expected to be received in Q3 FY25.

Comments from MD and CEO, Paul Flynn

"I am pleased to report a solid start to FY25, with another strong quarter of production from our new Queensland operations, and our New South Wales operations delivering in line with plan."

"In Queensland, we are seeing productivity gains and cost improvements. We remain focused on reshaping the business for long-term success."

"In New South Wales, we are encouraged by Narrabri's improving performance. In the open cuts, overburden is the focus in the first half with ROM coal production weighted more towards the second half of FY25."

"Our costs are tracking towards the bottom end of our full year cost guidance."

"We expect to receive US\$1.08 billion of proceeds from the 30% sell down of Blackwater in Q3 FY25."

¹ Before royalties in QLD and NSW

² On an equity sales basis, subject to final audit

Production, Sales Volumes and Stocks

Managed production and sales volumes for Group, QLD and NSW are below together with equity share at the Group and NSW level. Data by mine is provided in the tables on page 7.

Tonnes ('000)	Quarter Ended				Year to Date		
	Sep-24	Jun-24	QoQ Change	Sep-23	Sep-24	Sep-23	YoY Change
Whitehaven Production, Sales and Stock volumes							
Managed ROM Coal Production	9,678	9,744	(1%)	5,321	9,678	5,321	82%
Managed Saleable Coal Production	7,136	8,288	(14%)	4,397	7,136	4,397	62%
Managed Sales of Produced Coal	7,077	7,306	(3%)	3,818	7,077	3,818	85%
Total Managed Coal Sales	7,401	7,332	1%	4,069	7,401	4,069	82%
Managed Coal Stocks at period end	3,494	2,675	31%	2,061	3,494	2,061	70%
Equity ROM Coal Production	8,762	8,750	0%	4,259	8,762	4,259	106%
Equity Saleable Coal Production	6,459	7,429	(13%)	3,547	6,459	3,547	82%
Equity Sales of Produced Coal	6,396	6,506	(2%)	3,079	6,396	3,079	108%
Total Equity Coal Sales	6,720	6,532	3%	3,330	6,720	3,330	102%
Equity Coal Stocks at period end	3,255	2,486	31%	1,764	3,255	1,764	85%
QLD Production, Sales and Stock volumes							
Managed ROM Coal Production	5,328	4,805	11%	-	5,328	-	-
Managed Saleable Coal Production	3,885	3,986	(3%)	-	3,885	-	-
Managed Sales of Produced Coal	3,614	3,206	13%	-	3,614	-	-
Managed Coal Stocks at period end	2,319	1,564	48%	-	2,319	-	-
NSW Production, Sales and Stock volumes							
Managed ROM Coal Production	4,350	4,939	(12%)	5,321	4,350	5,321	(18%)
Managed Saleable Coal Production	3,250	4,302	(24%)	4,397	3,250	4,397	(26%)
Managed Sales of Produced Coal	3,463	4,100	(16%)	3,818	3,463	3,818	(9%)
Managed Coal Stocks at period end	1,175	1,111	6%	2,061	1,175	2,061	(43%)
Equity ROM Coal Production	3,434	3,945	(13%)	4,259	3,434	4,259	(19%)
Equity Saleable Coal Production	2,574	3,443	(25%)	3,547	2,574	3,547	(27%)
Equity Sales of Produced Coal	2,782	3,300	(16%)	3,079	2,782	3,079	(10%)
Equity Coal Stocks at period end	936	923	1%	1,764	936	1,764	(47%)

For personal use only

QLD OPERATIONS

QLD operations delivered a solid and improving September quarter, with 5.3Mt of ROM production, up 11% on the June quarter. QLD sales of produced coal at 3.6Mt were up 13% quarter on quarter. QLD stocks at 2.3Mt at the end of the quarter were up 48% (0.8Mt) on the June quarter.

Railings from Daunia on the Goonyella line significantly improved in the September quarter, which is reflected in the 17% quarter on quarter increase in Daunia's sales.

Reshaping the QLD operations for success continued during the September quarter with the General Managers at Blackwater and at Daunia both commencing in the quarter, completing the recruitment of the senior leadership team for QLD. The focus on rebuilding blasted stocks and pre-strip inventories at Blackwater continued. Cost out initiatives are building towards our annualised run rate of \$100 million by the end of FY25.

- **Daunia's** September quarter ROM production of 1.6Mt was a 28% improvement on the June quarter, and sales of 1.1Mt were up 17%. Improvements in equipment productivity and coal processing were delivered, which together with the improved rail path volumes for Daunia on the Goonyella line, underpinned Daunia's solid September quarter results.
- **Blackwater's** September quarter ROM production of 3.7Mt was 5% higher than the June quarter reflecting productivity improvements and good mining conditions. A second explosives contractor was brought onsite at Blackwater in the September quarter to assist rebuild blasted stocks. The first of two new 800 tonne excavators to rebuild pre-strip inventories was commissioned in the September quarter. Sales volumes of 2.5Mt were 11% higher than the June quarter.

NSW OPERATIONS

NSW operations delivered managed ROM production of 4.4Mt in the September quarter, down 12% quarter on quarter, reflecting the open cuts planned mine sequence for FY25. Production in H1 is focused on overburden removal at both Maules Creek and Tarrawonga, while ROM coal production and sales are expected to be weighted more heavily towards H2 FY25. Narrabri is delivering improved consistency in performance in FY25.

Sales of produced coal of 3.5Mt were 16% lower in line with ROM production. Managed closing stocks of coal at 1.2Mt were broadly flat on the previous quarter.

- **Maules Creek's** September quarter ROM production of 2.2Mt was 14% below the June quarter, reflecting the planned sequencing for FY25 of higher stripping in the first half and higher ROM production in the second half. Sales of 1.5Mt were down 31%, in line with ROM production for the quarter.
Narrabri delivered a solid September quarter's ROM production of 1.6Mt, which was up 5% compared with the June quarter. Sales of 1.4Mt were up 27% on the June quarter.
Narrabri's solid ROM production reflects continued improved reliability of the longwall. Additional hydraulic works to further improve performance are scheduled to occur during the 8-week longwall move in Q3 FY25.
- **GOC's** September quarter ROM production of 0.5Mt was 35% below the June quarter, with sales for the quarter of 0.6Mt in line with ROM production.
Tarrawonga's September quarter ROM production of 0.3Mt was 40% below the June quarter reflecting the planned mining sequence.
Vickery ROM production of 0.2Mt in the September quarter reflects the continued development of the box cut. ROM production from box-cut operations is expected to increase in Q2 FY25.

Equity Coal Sales and Realised Pricing

Coal sales and pricing data is provided on page 8.

September quarter equity sales of produced coal of 6.4Mt (3.6Mt from QLD and 2.8Mt from NSW) were 2% lower than the June quarter reflecting a 13% increase in QLD and 16% lower sales in NSW. The sales mix by revenue was 64% from metallurgical coal and 36% from thermal coal.

Whitehaven's **QLD metallurgical coal operations** achieved an average price¹ of A\$259/t for sales of produced coal.

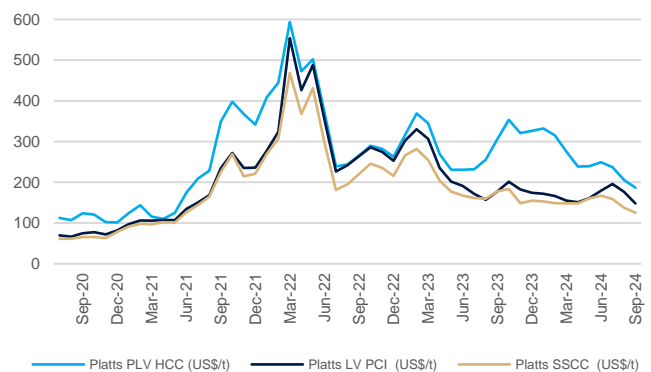
The Platts PLV HCC FOB Australia Index ("PLV HCC") averaged US\$210/t for the quarter (compared with US\$243/t in the June quarter). Whitehaven achieved US\$176/t or 84% of the Platts PLV HCC for sales of metallurgical coal from its Queensland operations in the quarter.

Through the cycle² HCC and SHCC products from QLD operations have realised approximately 85% - 90% of PLV HCC, and QLD PCI and SSCC products have realised ~75% of PLV HCC.

55% of QLD operations coal sales were HCC or SHCC, which achieved 91% of PLV HCC, and 43% of QLD coal sales revenues were PCI or SSCC, which achieved 75% of PLV HCC. The remaining 2% of revenues were from high CV thermal coal sales. The September quarter realisations in part reflect the lagged effect of pricing mechanisms, an improved sales mix and reversion of the differential between PCI and PLV HCC, as shown in the accompanying chart. Realisations for SSCC continue to reflect the impact of Russian coals in this market segment.

NSW operations achieved an average price¹ of A\$211/t for sales of produced coal during the quarter. Whitehaven's realised thermal price for the September quarter was US\$139/t, compared with the gC NEWC Index average of US\$140/t (with the monthly index ranging between US\$135-\$147/t).

Metallurgical coal (monthly indices, US\$/t)



Coal Market Dynamics and Outlook

The expected structural shortfall in global metallurgical coal production, particularly the long-term production constraints of HCC from Australian producers, combined with increased seaborne demand from India, is anticipated to drive higher metallurgical coal prices. Whitehaven's metallurgical coal portfolio is expected to benefit from these supply constrained market dynamics.

Subdued steel production and metallurgical coal demand in the September quarter brought on by an extended Indian monsoon and soft steel demand in China resulted in a softening of the metallurgical coal price indices. In October, the end of the Indian monsoon, combined with announcements of stimulus packages by China, lifted the PLV HCC index from its low in the September quarter.

The demand for high CV thermal coal to fuel HELE (high-efficiency, low-emissions) power generation remains robust in Asia. The structural supply shortfall in seaborne high CV thermal coal, due to underinvestment in new supply and depletion of existing supply, continues to be supportive of high CV thermal coal prices.

Seasonality often causes the September quarter to exhibit softer pricing. However, with prices in the range of ~US\$135/t-\$150/t, high CV thermal coal has demonstrated strong price resilience.

¹ Before royalties in QLD and NSW

² Based on historical weighted average realisation over the period 2019-2023.

Corporate and Regulatory

Production costs

Unit cost of production (excluding royalties) for the September quarter was at the lower end of our FY25 guidance range of \$140-\$155/t for the quarter.

At a Group level, average royalties for the quarter were ~\$30/t.

Cost reduction initiatives in the QLD operations are underway to deliver savings at an annualised run rate of ~\$100 million by the end of FY25.

Contingent payments to BMA

The acquisition of BMA's Blackwater and Daunia mines includes contingent payments that are payable when realised pricing exceeds thresholds of US\$159/t in year one, and US\$134/t in years two and three. Contingent payments are payable three months after the first, second and third anniversaries, and are capped at US\$350 million per annum and US\$900 million in total.

The first contingent payment is due to be made in July 2025. Based on the average realised price of US\$178/t for Q4 FY24 and Q1 FY25, the amount payable for the six months ended 30 September 2024 is approximately US\$44 million. The payment is tracking towards less than one-third of the US\$350 million maximum for the year ending 2 April 2025.

Any estimates provided are subject to third party verification.

In addition to the contingent payments, there are three tranches of deferred payments payable for the acquisition of Daunia and Blackwater. These deferred payments consist of US\$500 million, US\$500 million and US\$100 million payable on the first, second and third anniversaries of the completion date of 2 April 2024.

Sale of 30% Blackwater mine completion update

The completion of Whitehaven's sale of 30% of Blackwater mine to Nippon Steel (20%) and JFE Steel (10%) is progressing in line with expectation. The transactions are expected to complete in Q3 FY25 with sale proceeds of US\$1.08 billion expected to be received on completion, providing enhanced flexibility to allocate capital in line with Whitehaven's capital allocation framework.

Development Projects and Exploration

All of Whitehaven's development projects are subject to the Company's strict capital allocation framework. Under this framework each project must pass through a series of stage-gates (DFS, FID).

The timing of development plans and capital expenditure will reflect competing opportunities for capital. Decisions around major capex are currently postponed while integration of the Queensland assets occurs and the first two years of deferred payments to BMA are made.

During the September quarter, \$3.6 million of expenditure was incurred on the Winchester South, Narrabri Stage 3 and Vickery development projects. This included drilling at Winchester South to support mine planning, infrastructure development, and exploration activities. An additional \$1.9 million was spent on exploration activities across both the NSW and QLD operations for coal quality and geotechnical analysis.

	Ave price realisation US\$/t	Own coal sales Mt	Revenues US\$m
Q4 FY24	\$ 180	3.2	\$ 576
Q1 FY25	\$ 176	3.6	\$ 634
Q2 FY25			\$ -
Q3 FY25			\$ -
Year 1 YTD	\$ 178	6.8	\$ 1,211
Average realisation US\$/t			\$ 178
Threshold price US\$/t			\$ 159
Increment \$/t			\$ 19
Proportion paid to BMA			35%
Contingent US\$/t to BMA			\$ 6
Amount Payable to BMA¹ US\$m			\$ 44

1. As at end of Sep-24; to be updated for Q2 FY25 & Q3 FY25

For personal use only

Narrabri Underground Mine Stage 3 Extension Project

As reported on 25 September 2024, the Narrabri Stage 3 Project was approved by the Federal Government, subject to conditions, in accordance with the Environment Protection and Biodiversity Conservation Act (Cth). The Narrabri Stage 3 Project extends the approved life of the mine from 2031 to 2044 and converts Narrabri's adjacent Exploration Licence into a Mining Lease using the existing portals, CHPP, rail loop and associated infrastructure to extract, process and export high-energy thermal coal products using the longwall mining method.

Following this approval, Whitehaven will continue to progress the project in accordance with the mine plan. Details of the development of Stage 3 will be provided as required.

Further details can be found at <https://whitehavencoal.com.au/narrabri-extension/>

Winchester South Metallurgical Coal Project

The Queensland Department of Environment, Science and Innovation (DESI) has approved the Winchester South Coal Mine Draft Environmental Authority, and the Commonwealth EPBC approval process is progressing. Objections have been received against the Winchester South Draft Environmental Approval and Mining Lease Applications and referred to Queensland Land Court. Land Court review is scheduled for July 2025.

Whitehaven is continuing to work on the Feasibility Studies including synergies with the recently acquired Daunia coal mine.

Further project details can be found at <https://whitehavencoal.com.au/our-business/our-assets/winchester-south>

FY25 Guidance

FY25 guidance remains unchanged at the end of the quarter.

		FY25 guidance ³
Managed ROM coal production	Mt	35.0 – 39.5
QLD operations		17.6 – 19.7
NSW operations		17.4 – 19.8
Managed coal sales¹	Mt	28.0 – 31.5
QLD operations		14.4 – 16.1
NSW operations		13.6 – 15.4
Equity coal sales¹	Mt	25.1 – 28.3
QLD operations		14.4 – 16.1
NSW operations		10.7 – 12.1
Unit cost of coal (excl. royalties)	\$/t	140 – 155
Capital Expenditure²	\$m	440 – 550

¹. Excludes sales of third party purchased coal

². Excludes deferred settlement payments for past acquisitions

³. Excludes the impact of the sell down of 30% interest in the Blackwater Mine

PRODUCTION AND SALES VOLUMES – BY OPERATION

Tonnes ('000)	Quarter Ended						FY24
	Sep 24	Jun 24	Mar 24	Dec 23	Sep 23	Jun 23	
QLD Managed Totals							
ROM Coal Production	5,328	4,805	-	-	-	-	4,805
Saleable Coal Production	3,885	3,986	-	-	-	-	3,986
Sales of Produced Coal	3,614	3,206	-	-	-	-	3,206
Sales of Purchased Coal	-	-	-	-	-	-	-
Total Coal Sales	3,614	3,206	-	-	-	-	3,206
Coal Stocks at period end	2,319	1,564	-	-	-	-	1,564
Daunia (Whitehaven 100%)							
ROM Coal Production	1,599	1,250	-	-	-	-	1,250
Rolling Yield	80%	80%	-	-	-	-	80%
Saleable Coal Production	1,195	1,031	-	-	-	-	1,031
Sales of Produced Coal	1,103	944	-	-	-	-	944
Blackwater (Whitehaven 100%)							
ROM Coal Production	3,729	3,555	-	-	-	-	3,555
Rolling Yield	78%	76%	-	-	-	-	76%
Saleable Coal Production	2,690	2,955	-	-	-	-	2,955
Sales of Produced Coal	2,511	2,261	-	-	-	-	2,261
NSW Managed Totals¹							
ROM Coal Production	4,350	4,939	4,368	5,027	5,321	5,079	19,655
Saleable Coal Production	3,250	4,302	3,868	4,161	4,397	3,834	16,728
Sales of Produced Coal	3,463	4,100	3,688	4,412	3,766	3,642	15,966
Coal Reservation Sales	-	-	145	153	52	299	350
Sales of Purchased Coal	324	26	-	176	251	137	453
Total Coal Sales	3,787	4,126	3,833	4,741	4,069	4,077	16,769
Coal Stocks at period end	1,175	1,111	1,018	1,471	2,061	1,534	1,111
Maules Creek (Whitehaven 75%)							
ROM Coal Production	2,247	2,620	2,773	3,140	2,883	3,356	11,416
12-Month Rolling Yield	74%	74%	72%	71%	73%	75%	74%
Saleable Coal Production	1,587	2,117	2,347	2,257	2,098	1,974	8,819
Sales of Produced Coal	1,545	2,225	2,348	2,326	1,892	1,987	8,791
Narrabri (Whitehaven 77.5%)							
ROM Coal Production	1,574	1,506	657	1,075	1,513	448	4,751
12-Month Rolling Yield	96%	97%	96%	96%	97%	98%	97%
Saleable Coal Production	1,244	1,468	614	1,055	1,448	854	4,585
Sales of Produced Coal	1,351	1,065	639	1,225	1,247	904	4,176
Gunnedah Open Cuts¹ (Whitehaven 100%)							
ROM Coal Production	529	814	938	812	925	1,275	3,489
12-Month Rolling Yield	83%	85%	84%	84%	85%	87%	85%
Saleable Coal Production	419	717	907	849	851	1,006	3,324
Sales of Produced Coal	567	810	846	1,014	679	1,050	3,349

¹ Includes Werris Creek mine production up to June 2024

For personal use only

EQUITY COAL SALES AND REALISED PRICING

	Quarter Ended						FY24
	Sep 24	Jun 24	Mar 24	Dec 23	Sep 23	Jun 23	
Whitehaven Equity coal sales, Mt							
Total Equity coal Sales,	6.72	6.53	3.12	3.89	3.33	3.40	16.87
Sales of purchased coal	0.32	0.03	-	0.18	0.25	0.14	0.45
Equity coal reservation sales	-	-	0.15	0.15	0.05	0.30	0.35
Equity sales of produced coal ¹	6.40	6.51	2.97	3.56	3.03	2.97	16.07
QLD Equity coal sales, Mt							
Total Equity coal Sales	3.61	3.21	-	-	-	-	3.21
Sales of purchased coal	-	-	-	-	-	-	-
Equity sales of produced coal	3.61	3.21	-	-	-	-	3.21
NSW Equity coal sales, Mt							
Total Equity coal Sales	3.10	3.33	3.12	3.89	3.33	3.40	13.66
Sales of purchased coal	0.32	0.03	-	0.18	0.25	0.14	0.45
Equity coal reservation sales	-	-	0.15	0.15	0.05	0.30	0.35
Equity sales of produced coal ¹	2.78	3.30	2.97	3.56	3.03	2.97	12.86
Coal sales mix – by revenue¹, %							
Metallurgical coal	64%	59%	13%	10%	11%	5%	31%
Thermal coal	36%	41%	87%	90%	89%	95%	69%
Coal sales mix – by volume¹, %							
QLD							
Metallurgical – HCC & SHCC	55%	55%	-	-	-	-	55%
Metallurgical – SSCC & PCI	43%	45%	-	-	-	-	45%
Thermal coal	2%	0%	-	-	-	-	0%
NSW							
Thermal coal	93%	94%	91%	91%	91%	96%	92%
Metallurgical coal	7%	6%	9%	9%	9%	4%	8%
Pricing², US\$/t							
Platts PLV HCC Index	210	243	308	333	264	244	287
Platts LV PCI Index	174	164	165	186	169	209	171
Platts SSCC Index	137	153	150	162	166	183	158
gC NEWC Index	140	136	126	135	148	161	136
Price achieved³ on sales of produced coal							
Whitehaven average coal price, A\$/t	238	238	219	216	224	264	228
QLD							
Average metallurgical price, US\$/t	176	180	-	-	-	-	180
% of PLV HCC	84%	74%	-	-	-	-	74%
Whitehaven average coal price QLD, A\$/t	259	271	-	-	-	-	271
NSW							
Average thermal coal price, US\$/t	139	137	136	142	147	177	140
% of gC NEWC Index	99%	101%	108%	105%	99%	110%	103%
Whitehaven average coal price NSW, A\$/t	211	207	219	216	224	264	217
Average coal price for coal reservation, A\$/t	-	-	112	115	113	115	114

Note: Figures may not add due to rounding.

¹ Sales of produced coal. Revenue split is subject to final audit of financial results

² Source: S&P Global Commodity Insights and Global Commodities Holdings Limited

³ Sales of produced coal before applicable royalties

For personal use only

This Quarterly Report is authorised for release to the market by the Board of Whitehaven Coal Limited.

Investor and Analyst teleconference

Managing Director and Chief Executive Officer Paul Flynn will host a teleconference to provide an overview of the September 2024 Quarter Production Report, followed by a sell-side analyst Q&A session.

Date: Friday, 25 October 2024

Time: 10:30 AEDT (Sydney time)

Dial-in details: <https://loghic.eventsair.com/936585/732372/Site/Register>

Investor Contacts

Kylie FitzGerald
+61 401 895 894 kfitzgerald@whitehavencoal.com.au

Keryn Zambrowski
+61 455 094 595 kzambrowski@whitehavencoal.com.au

Media Contact

Sam Deans
+61 449 988 209 sdeans@whitehavencoal.com.au

For personal use only