

MEDIA RELEASE

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VICKERY EXTENSION PROJECT TO POWER NEW JOBS, INVESTMENT AND GROWTH IN LOCAL REGION

GUNNEDAH – Whitehaven Coal (ASX: WHC) today announced the Environmental Impact Statement (EIS) for its Vickery Extension Project (the Extension Project) is now on public exhibition. The exhibition period will run for 42 days and community members and other stakeholders are encouraged to have their say on the proposed development before 26 October 2018.

The Vickery Extension Project, located in the Gunnedah Coal Basin about 25kms north of Gunnedah, entails a number of beneficial, but incremental, changes to the existing Vickery Project which was granted development consent by the NSW Government in September 2014.

With a capital cost of around \$700 million, the Extension Project represents one of the most significant planned investments in North West New South Wales.

Whitehaven Coal Managing Director and CEO Paul Flynn said that Vickery was the next major step in Whitehaven's 20-year journey in the region which has seen the company grow from humble beginnings to become the single largest private sector employer in the North West with an established reputation for supporting local businesses.

"We have always said local communities should be the beneficiaries of our presence here and Vickery means exactly that: new jobs, more direct investment in the economy and a more prosperous and stronger community overall."

Subject to approval, Vickery is planned to be a predominantly metallurgical coal project that will deliver a range of meaningful benefits to the community over its 25-year mine life including:

- Generating around **500 jobs during the construction phase and roughly 450 jobs during operations**, adding to the company's existing 1,500+ strong workforce, 75 percent of which live locally.
- Contributing **\$271 million in local wages**.
- Delivering new mine infrastructure onsite that will enable Whitehaven to **remove coal haulage trucks from the Kamilaroi Highway and improve road safety and amenity**.
- Contributing a net **economic benefit to NSW of \$1.2 billion** including additional tax revenue and royalties – money that will help fund schools, hospitals, roads and other State Government priorities.
- Decommissioning – over time – of the Gunnedah coal handling and preparation plant.

The comprehensive EIS shows the Extension Project, which covers an area that has been previously mined, can proceed safely and in accordance with best practice environmental standards, while ensuring local communities remain a key beneficiary of the economic activity generated by the mine.

"Because we are building on an existing approval, and on an area that has already been mined, the community can have real confidence that the scientific and technical work underpinning the EIS is robust and that the mine can proceed safely.

Mr Flynn said community consultation, answering questions and addressing concerns will continue to be a focal point for the company as the exhibition got underway.

“Already, we have had over 400 interactions with local community members about Vickery. Our recent decision not to mine the Blue Vale Pit next to the Namoi River shows that not only are we listening, we are taking real steps to act on community feedback.

“With the EIS now on public display, we have created some new ways for community members to find out more about the project. As of today, if you would like to know more, you can visit our new Vickery website – www.vickery.com.au – or drop in to our Gunnedah Office or call 1300-WHCOAL if you have any questions.

“We are also encouraging locals to visit the [NSW Department of Planning and the Environment website](#) to make a submission before 26 October 2018”, Mr Flynn said.

The EIS will be thoroughly assessed against the strict requirements of the NSW and Commonwealth Governments to ensure it meets the highest environmental standards.

-ENDS-

See over page for Approved Project / Extension Project comparisons.

Supplementary information: Vickery Project and Vickery Extension Project comparison

Project Component	Summary of the Approved Mine	Summary of the Project
Mine life	Approximately 30 years.	Approximately 25 years.
Mining method	Open cut mining to a depth of approximately 250 m below ground level.	Unchanged from the Approved Mine.
Open cut extent	One open cut (Vickery Open Cut).	Extension of the Approved Vickery Open Cut.
Annual production rate	Up to 4.5 Mtpa of ROM coal.	Up to approximately 10 Mtpa ROM coal.
Total reserve	135 Mt ROM coal.	179 Mt ROM coal.
Management of waste rock, coal rejects and final landform	<p>Co-disposal of waste rock and coal rejects from the Whitehaven CHPP within the Western and Eastern Emplacements and within the footprint of the open cut voids.</p> <p>The Project area currently includes five final voids associated with historic mining activity.</p> <p>The final landform would include three final voids (Northern and Southern voids and existing Blue Vale final void).</p>	<p>Co-disposal of waste rock and coal rejects within the Western Emplacement and within the footprint of the open cut void.</p> <p>No requirement to construct the approved Eastern Emplacement.</p> <p>Final landform would reduce the number of voids from five to two (the Project open cut final void and the existing Blue Vale void).</p>
Coal handling, processing and transport infrastructure	<p>On-site coal crushing and screening facilities.</p> <p>Use of the Approved Road Transport Route to haul ROM coal from the Project to the Whitehaven CHPP for processing.</p> <p>Use of the Whitehaven CHPP, train load-out and rail spur infrastructure to transport product coal to market.</p>	<p>Use of the Approved Road Transport Route to haul ROM coal from the Project to the Whitehaven CHPP until the Project CHPP, train load-out facility and rail spur infrastructure reach full operational capacity.</p> <p>Ability to receive ROM coal via road from other Whitehaven mining operations for stockpiling and/or processing at the Project CHPP.</p> <p>On-site processing of up to approximately 13 Mtpa of ROM coal (combined) from the Project and other Whitehaven mining operations.</p> <p>Use of the Project train load-out facility and rail spur infrastructure to transport up to approximately 11.5 Mtpa of product coal (combined) to market from the Project and other Whitehaven mining operations.</p>
Water management	On-site water management system, comprising water management storages and collection drains, up-catchment diversions, sediment control and open cut dewatering.	As per the Approved Mine, with construction and use of a groundwater supply borefield to the north of the Project.
Water supply	Mine water supply to be obtained from inflows to open cut areas, sediment dams and storage dams, plus surface water and/or groundwater licences as required.	Unchanged from the Approved Mine.
Workforce	<p>Up to 60 full-time equivalent construction workforce plus additional contract personnel.</p> <p>Up to 250 full-time equivalent on-site operational personnel plus additional contract personnel.</p>	<p>Up to 500 full-time equivalent construction personnel.</p> <p>Up to 450 full-time equivalent on-site operational personnel.</p>
Operating hours	Mining would occur 24 hours per day, seven days per week.	Unchanged from the Approved Mine.