

## ASX RELEASE

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## WHITEHAVEN ANNOUNCES COST CUTTING INITIATIVES AT ROCGLEN AND TARRAWONGA MINES

Whitehaven Coal Limited (ASX:WHC) today announced a number of cost cutting initiatives designed to support the ongoing viability of its Tarrawonga and Rocglen open cut mines in north west New South Wales.

The decision has been taken as a result of the continued weakness in global coal prices, the unfavourable foreign exchange rate and increasing pressure on operating cash margins, and follows a detailed review of all of the company's operations.

The changes include amended mine plans that deliver reduced stripping ratios at both operations allowing a reduction in total installed mining fleet by two 2500 excavators, one located at Rocglen and one located at Tarrawonga. As a result, haul truck numbers at each site will be reduced by four – a total of eight less trucks across the group.

Approximately 30 permanent Whitehaven positions and 10 contractor roles will be made redundant as a result of the decision. The redundancies impact Whitehaven's mine operations and maintenance staff, as well as contractors.

All employees and contractors have been informed of the decision, with further briefings for night shift employees later today. Whitehaven has also informed the CFMEU in relation to the decision.

"While Whitehaven is a relatively low-cost operator, we are not immune from the continuing weakness in global coal prices, and are continuing to review our cost base on an ongoing basis," Whitehaven Managing Director Mr Tony Haggarty said.

"Our objective is always to keep our operations running safely, sustainably and profitably. The changes at Rocglen and Tarrawonga will mean that these operations remain viable at current coal prices.

"Reducing our workforce is a difficult decision to take. However, as part of the review process it became clear that decisive action needed to be taken in order to ensure our open cut business remained viable in the current low coal price environment.



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"Notwithstanding today's announcement Whitehaven will maintain its position as a major employer in the region with its ongoing open cut business, the world-class Narrabri underground mine and the major Maules Creek development expected to commence construction in the second half of this calendar year."

Whitehaven currently employs more than 600 people, with more than 75% of this workforce living and working in north-west New South Wales.

For further information please contact:

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