Annual Report
2023

Contents

Our strategy is to own and sustainably operate large, cost-efficient mines producing high-quality, high-CV thermal coal for premium markets in Asia and to grow our metallurgical coal business to have a more balanced portfolio.

We have a 2,750 strong workforce[1], with ~75% based in regional areas where we operate.

Our STRIVE Values unite us, direct our decision making and guide our interactions.

Safety	The safety of our people, workplaces and the communities around us comes first. We are committed to Zero Harm.
Teamwork	We work collaboratively and support one another.
Respect	We foster a diverse and inclusive culture and deal with all stakeholders respectfully.
Integrity	We are honest and do the right thing.
Value	We create value for shareholders, customers and local communities.
Excellence	We deliver on our commitments.

1 Includes 1,290 FTE employees and 1,457 FTE contractors.

Whitehaven Coal is playing a critically important role through the energy transition.

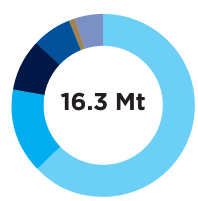
Our thermal coal, which offers more energy efficient and lower emissions outcomes than other coal products, is helping our customers to responsibly meet their decarbonisation goals.

At the same time, we are helping to provide much-needed energy security through the energy transition.

We are focused on delivering long-term, attractive returns for our investors.

Our long-life mining assets in Australia are well placed to continue to meet strong customer demand in Asia, support local communities in Australia and provide rewarding career opportunities for decades to come.

Managed sales (tonnes)[1]



- **63%** Japan
- **15%** Taiwan
- **9%** Korea
- **7%** Malaysia
- **1%** Europe
- **5%** Other[2]

1 Managed sales including third party purchases and excluding coal reservation sales.

2 Includes Indonesia, New Caledonia, Vietnam and Chile.

FY23 in Review

Leveraged record prices and strong underlying demand

- **A record average realised coal price of A$445/t** for FY23 compared with A$325/t for FY22 and A$95/t in FY21
- Whitehaven achieved a **1% premium to the gC NEWC index on its thermal sales** due to quality premiums in a tight supply environment and the decrease in the index
- **94% of sales to thermal and 6% to metallurgical customers** reflecting ability to divert semi-soft coking coal to achieve more attractive thermal prices

Produced 18.2M tonnes of ROM coal

- **Run-of-mine (ROM) managed production of 18.2Mt,** 9% below FY22, due to weather / flooding impacts in H1FY23, labour shortages and Maules Creek operational constraints
- Labour supply is improving and more favourable weather expected in FY24

Delivered exceptional financial results

- **Record NPAT of $2.7 billion** compared with $2.0 billion in FY22
- Record **EBITDA of $4.0 billion** compared with $3.1 billion in FY22
- **$4.2 billion cash generated from operations** compared with $2.6 billion in FY22

Returned capital to shareholders

- **$1.6 billion of capital returned to shareholders** in FY23 through dividends and buy-backs
- Fully franked **FY23 dividend of 42 cents per share** to bring the full year dividend to 74 cents per share (48 cents in FY22)
- **52% total shareholder returns**[1] ranked #9 in the ASX100
- **A payout ratio of 50% of FY23 NPAT,** aligned with the company's capital allocation framework

Made a meaningful contribution to communities

- **$1.65 billion of taxes and royalties paid** or payable for FY23
- **$4.35 million in corporate community partnerships** and donations
- **$357 million spent with local suppliers** incl **$14.4 million** with **16** Aboriginal and Torres Strait Islander businesses
- **Powered Japan for 41.3 minutes/day, Taiwan for 15.8 minutes/day** and **South Korea for 9.1 minutes/day**

Significantly improved safety & environmental results and engagement

- Employee and contractor **TRIFR**[2] **of 4.7, a 13% improvement** on FY22
- **ZERO environmental enforcement actions** versus four in FY22
- **1.3 million tonnes scope 1 and 2 CO_2-e emissions**
- **Employee engagement scores up ~5% to 6.6 out of ten** and community sentiment score improved to highest level yet with **51% positive sentiment** to Whitehaven

1 On a net TSR basis, which excludes franking benefits.
2 Total recordable injury frequency rate.

Maintained disciplined capital management

- Balance sheet strength – **$2.65 billion net cash at 30 June 2023**
- Re-secured contingent credit support facilities covering environmental bonding, rehabilitation, and port, rail and other financial guarantees

Capital allocation framework

Operating cash flows

1 Maintain & optimise operations

- **Sustaining capex**
- **Lease repayments**
- **Extend existing operations**
- Investments in **HSE, innovation** and **new technologies**

2 Retain cash / maintain balance sheet strength

- **Retain cash** on balance sheet for flexibility and optionality, and adequate **liquidity** through cycle
- Maintain **funding diversity**
- Target BB+ grade credit rating

3 Return **to shareholders**

Dividends | Buy-backs

- **Ordinary dividends** – maximise **franking**
- **Share buy-backs,** if value creating

Currently targeting 20-50% NPAT payout ratio for dividends and buy-backs combined. May exceed this if additional distributions are best use of surplus cash.

4 Use surplus capital for best use

Growth investments – M&A

- Consider increasing **equity positions** or other **M&A opportunities** eg. grow met coal, if compelling opportunities arise

Growth investments – Development projects

- Progress **development projects** to 'shovel ready' and invest if returns are compelling

Additional returns to shareholders

- Use surplus capital to **buy back additional shares** if returns are more attractive than growth investments

Progressed our strategy to supply high CV thermal and grow met coal

- Advanced **Early Stage Mining of Vickery** with commencement of a $150 million project
- Progressed **Winchester South** development approvals and **Narrabri Stage 3** approvals

Navigated regulatory changes

- Meeting our obligation under the **NSW Coal Reservation Policy** (effective 1 April 2023)
- **Expect Safeguard Mechanism** Reforms (effective 1 July 2023) to impact ~$1/t in FY24.

Chairman's introduction

Dear Shareholders,

Whitehaven reported another year of record earnings and capital returns for shareholders due to an exceptional thermal coal price and continued demand for high-quality thermal coal. We returned 50% of FY23 NPAT to shareholders through a 74 cent fully franked dividend and share buy-backs.

Ongoing global supply constraints for high-quality thermal coal and continued focus on energy security saw coal prices peak in the first half of the year. While prices retreated in the second half, external market drivers that underpinned our record result continue to imply favourable conditions for our high-quality coal products.

Our coal products remain highly sought after, particularly in premium markets in Asia.

In FY23, 63% of our volumes were delivered to Japan, and approximately 30% exported to Taiwan, South Korea and Malaysia. This meant we helped produce electricity that kept the lights on for 41 minutes every day in Japan, 16 minutes a day in Taiwan, and nine minutes per day in South Korea. These estimates highlight the daily contribution we make to the base load electricity supply in these key economies.

Whitehaven's coal is some of the highest quality thermal coal globally. The high energy content coupled with low ash and sulphur of our thermal coal delivers efficient energy supply with less CO_2 emissions than alternative coals. In fact, modern HELE plants in Asia that consume our coal produce in excess of 40% less CO_2 emissions than some of Australia's much older, less advanced coal fired power plants, so the markets in which we operate are very different to what we see here in Australia.

Whitehaven's strategy is to supply high-quality, high-CV thermal coal to provide energy security through the energy transition – and we are delivering on that promise.

Our strategy is also to grow our metallurgical coal business if compelling opportunities arise. That is why we invested in the Winchester South development and we continue to progress approval processes to develop that asset in the future. Our other development projects are also progressing.

Leveraging existing infrastructure will allow early stage mining of the Vickery development and we expect to start producing coal at Vickery by the end of FY24. Vickery coal will be the highest quality thermal coal in our portfolio, providing valuable blending opportunities to maintain our high-quality portfolio.

With our people maintaining focus on continuous safety and environmental improvement, we were pleased with the outstanding result of zero environmental enforceable actions received or expected to be received in relation to FY23.

The Group safety outcome for the year also improved with a total recordable injury frequency rate of 4.7 for employees and contractors, a 13% improvement year-on-year.

Whitehaven's people are highly engaged when it comes to safety and environmental management and in other aspects of the business more broadly. Our workforce engagement which is measured annually, continued to strengthen – up 5% year-on-year. Given ~75% of our 2,750 strong workforce – employees and contractors – live locally to our operations, it's logical that our community engagement scores also strengthened this year.

We are continuing to work hard to attract and retain good people in our business; this includes at the Board level. I am delighted that since November 2022 we have welcomed three new Directors – Nicole Brook, Wallis Graham and Tony Mason – to the Board. These new Directors bring valuable industry experience and outstanding financial skills to the Board. John Conde retired from the Board in October 2022, Lindsay Ward stepped down in December 2022, and Julie Beeby will complete her time on the Board at this year's AGM. I thank John, Lindsay and Julie for their excellent contribution to Whitehaven.

On behalf of the Board and shareholders I thank Paul Flynn, the executive leadership team and the entire Whitehaven workforce for the outstanding results in FY23. I also thank members of our communities and our shareholders for their ongoing support.

The Hon. Mark Vaile, AO
Chairman

Managing Director and CEO's introduction

Dear Shareholders,

FY23 was a strong year for Whitehaven, with our record financial performance complemented by continued improvement in other key areas of focus across the business.

The global energy supply shortfall supported record high thermal coal prices, particularly in the first half of FY23. As a result, we achieved an average realised coal price for the year of A$445/t and record revenue of $6.1 billion.

We delivered a record NPAT of $2.7 billion and EBITDA of $4.0 billion, generating cash from operations of $4.2 billion and ending the period with $2.65 billion of net cash on the balance sheet.

Whitehaven finished the financial year having delivered a Total Shareholder Return of 52%, which placed us as the ninth highest returning stock in the ASX100 and follows our first place in FY22.

In FY23 we returned $1.6 billion to shareholders in the form of fully franked dividends and through our share buy-back program. We paid an interim dividend of 32 cents and declared a final dividend of 42 cents, to finish the year with a payout ratio of 50%, which is the top end of our targeted range.

Looking at some of our key non-financial metrics, the Chairman noted the pleasing improvement in our safety and environmental performance and our workforce engagement. It is encouraging to see this improved performance reflected in the sentiment recorded amongst the local communities in which we operate. In our latest quantitative survey of 603 respondents across the Gunnedah, Narrabri, Tamworth and Liverpool Plains LGAs, we achieved 51% positive local community sentiment towards Whitehaven and only 18% negative, yielding the highest ever net sentiment score since we began quantitative community surveys in 2014.

This is a testament to the great work of our teams and it is a welcome recognition of the important social and economic contribution we make to regional communities across North West NSW. Our 2023 Sustainability Report provides further details in this regard, as well as outlining improved diversity and inclusion outcomes, and reporting on our safety and environmental management and climate-related risks.

Looking ahead, strong operating cash flow will allow us to continue to optimise operations, maintain balance sheet strength and support returns to shareholders. It also provides us the funding optionality and flexibility to reinvest in our business and consider growth opportunities, within the parameters of our prudent and disciplined approach to capital allocation.

We will continue to play an important role in supporting the strategic objectives of our key customer countries in Asia. Most forecasters expect strong demand for thermal and metallurgical coal to continue over the coming decades, with our customers needing our coal to deliver on their emissions reduction goals, to make steel and for critically important energy security.

In FY24, we expect another strong year will materialise, with ROM production around 18.7 – 20.7 million tonnes and managed coal sales of between 16.0 – 17.5 million tonnes.

We recognise the opportunity to improve operational performance and reliability, and this will remain a key focus during the year ahead, alongside cost management. Our unit cost of production is increasing as a result of higher diesel, electricity, labour and other inputs, but we are well placed to continue to deliver strong margins as a result of the ongoing strong pricing environment.

Whitehaven continues to present a compelling investment proposition and we are excited about our future.

As we look forward to the year ahead, I thank all of Whitehaven's people and our Board of Directors for their contribution and support in FY23. I thank our customers, suppliers, joint venture partners and shareholders for their continued support, as well as our local communities and Traditional Owner groups who continue to be valued partners on our journey.

Paul Flynn
Managing Director and CEO

Directors' Report

For the year ended 30 June 2023

1. Principal activities

The principal activity of Whitehaven Coal Limited and its controlled entities (the 'Group') during the period was the development and operation of coal mines in New South Wales and Queensland.

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year that have not been noted in the review of operations.

2. Directors and Executives

2 (a) Directors

The Directors of the Company at any time during or since the end of the financial year are:

The Hon. Mark Vaile AO

Chairman

Non-Executive Director

Appointed: 3 May 2012

As Deputy Prime Minister of Australia and Leader of the National Party from 2005 to 2007, Mark established an extensive network of contacts throughout Australia and East Asia. His focus at home was with regional Australia and particularly northern NSW. As one of Australia's longest serving Trade Ministers from 1999 until 2006, Mark led negotiations which resulted in Free Trade Agreements being concluded with the United States of America, Singapore and Thailand, as well as launching negotiations with China, Japan and ASEAN.

Importantly, early in his ministerial career as the Minister for Transport and Regional Services, Mark was instrumental in the establishment of the ARTC, which operates the Hunter Valley rail network.

Mark brings significant experience as a Company Director having been Chairman of Aston Resources, CBD Energy Limited and SmartTrans Limited, a former independent Director on the board of Virgin Australia Holdings Limited and former Director Trustee of HostPlus Superfund. Mark is currently a Director of ServCorp Limited, which is listed on the ASX (since June 2011), Stamford Land Corp, which is listed on the Singapore Stock Exchange.

Former ASX-listed directorships in the last three years:
Nil

Chairman of the Governance & Nomination Committee
Member of the Audit & Risk Management Committee
Member of the Remuneration Committee
Member of the Health, Safety, Environment & Community Committee

Dr Julie Beeby

BSc (Hons I), PhD (Physical Chemistry), MBA, FAICD, FTSE

Non-Executive Director

Appointed: 17 July 2015

Julie has more than 25 years' experience in the minerals and petroleum industries in Australia, including major Australian and US resources companies, and as Chief Executive Officer of the ASX-listed coal seam gas producer WestSide Corporation Ltd. Julie has technical, operations and strategy expertise and has held senior and executive positions in coal mining, mining services and coal seam gas, after commencing her career in coal and mineral processing research. Julie was formerly the Chairman of the Queensland Electricity Transmission Corporation Limited, and Non-Executive Director of Gloucester Coal Limited, OzMinerals Limited, CRC Mining, Queensland Resources Council and Australian Coal Research. Currently, Julie is a Non-Executive Director of Tasmanian Networks Pty Limited and a Non-Executive Director and Chair of ElectraNet Pty Limited.

Former ASX-listed directorships in the last three years: Nil

Chairman of the Health, Safety, Environment & Community Committee
Member of the Governance & Nomination Committee

Paul Flynn

BComm, FCA

Managing Director

Appointed: 25 March 2013

Previously Non-Executive Director

Appointed: 3 May 2012

Paul has extensive experience in the mining, infrastructure, construction and energy sectors gained through 20 years as a professional advisor at Ernst & Young. Paul was formerly Chief Executive Officer and Managing Director of the Tinkler Group and was instrumental in the merger of Whitehaven Coal with Aston Resources. Paul joined the Board of Whitehaven on 3 May 2012 and assumed the role of Managing Director and CEO on 27 March 2013. Prior to joining the Tinkler Group, Paul was the managing partner of Ernst & Young's Sydney office and a member of its Oceania executive team. As a partner for over eight years, Paul managed many of the firm's largest mining and energy clients across Australia, Asia, South and North America. Paul has also fulfilled various leadership roles with large corporations on secondment, including as the CFO of a top 50 listed company.

Former ASX-listed directorships in the last three years: Nil

Fiona Robertson AM

MA (Oxon), FAICD, MAusIMM

Non-Executive Director

Appointed: 16 February 2018

Fiona has a corporate finance background, with more than 20 years' experience as CFO of ASX-listed emerging and mid-tier mining and oil and gas companies, preceded by 14 years with Chase Manhattan Bank in London, New York and Sydney in corporate banking, credit risk management and mining finance roles. Previous Non-Executive Directorships include ASX-listed oil and gas producer, Drillsearch Energy Limited, where she chaired the Audit & Risk Committee and Heron Resources Limited. Currently Fiona is a Non-Executive Director of Bellevue Gold Limited (since May 2020) and 29Metals Limited (since May 2021).

Former ASX-listed directorships in the last three years: Nil

Chairman of the Audit & Risk Management Committee
Member of the Remuneration Committee
Member of the Governance & Nomination Committee

Raymond Zage

BSc Finance

Non-Executive Director

Appointed:
27 August 2013

Raymond is the founder and CEO of Tiga Investments Pte Ltd. He is also senior advisor to Farallon Capital Management, L.L.C., one of the largest alternative asset managers in the world, an independent Non-Executive Director of Toshiba Corporation (listed on the Tokyo Stock Exchange), a Non-Executive Director of PT Lippo Karawaci Tbk (listed on the Indonesian Stock Exchange), and independent director of EDBI Pte Ltd, the investment arm of the Singapore Economic Development Board. Raymond has been involved in investments throughout Asia in various industries, including financial services, infrastructure, manufacturing, energy and real estate. Previously, Raymond was on the Board of Commissioners of Indonesian company Gojek, the Managing Director and CEO of Farallon Capital Asia, and prior to that he worked in the investment banking division of Goldman, Sachs & Co. in Singapore, New York and Los Angeles.

Former ASX-listed directorships in the last three years: Nil

Member of the Audit & Risk Management Committee

Nicole Brook

BE (Mining)(Hons), MBA, FAusIMM

Non-Executive Director

Appointed:
3 November 2022

Nicole has a background in mining engineering, with over 25 years' experience in the resources industry. After starting her career as an underground miner, Nicole went on to hold a number of site technical and consulting roles before taking on a leadership role with Glencore Coal Australia, where she led a team of resources professionals responsible for business development, project assessment and technical governance of mining operations.

A Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), Nicole has served as Chair of the AusIMM Hunter Region Branch and sat on a number of industry advisory boards for tertiary mining education. In 2018, Nicole was named Exceptional Woman in NSW Mining at the NSW Minerals Council awards and was selected for the 100 Global Inspirational Women in Mining in 2018.

Nicole was elected to the AusIMM Board in 2021, where she is currently President of the Board and Chairs the Joint AIG/AusIMM Competent Person Review Taskforce. She has a Bachelor of Engineering (Mining) (Hons) from UNSW and a Master of Business Administration from the University of Melbourne.

Former ASX-listed directorships in the last three years: Nil

Member of the Health, Safety, Environment & Community Committee

Wallis Graham

BA Economics (Applied Mathematics), GAICD

Non-Executive Director

Appointed:
20 February 2023

Wallis has over 20 years' experience as a finance professional in funds management, corporate finance, private equity and investment banking. Wallis has spent more than two decades in diverse finance roles in New York and Australia with Goldman Sachs, Saks Inc, Forstmann Asset Management, Pequot Capital and Energy Capital Partners.

Wallis is currently a Director of Servcorp Limited, where she chairs the Remuneration Committee. She is also a Director of the Wenona School, Wenona Foundation, Sydney Youth Orchestras, and the Garvan Research Foundation. She also holds a Senior Consulting role focused on energy transition with Energy Capital Partners. Wallis has a BA in Economics Modified with Mathematics from Dartmouth College in the United States.

Former ASX-listed directorships in the last three years: Nil

Chairman of the Remuneration Committee
Member of the Audit & Risk Management Committee

Lindsay Ward

BAppSc (Hons I), GradDip (Mgt), FAICD

Non-Executive Director

Appointed:
15 February 2019

Retired:
31 December 2022

Lindsay has more than 35 years' experience across industries including mining, exploration, mineral processing, ports management, rail haulage, power generation, gas transmission, renewables and logistics. He is currently a Non-Executive director of Qube Holdings Limited and Port of Portland. Prior to this, he was CEO of Palisade Integrated Management Services, which had nine diverse infrastructure assets under management including 750MW of renewable energy, and President of Iris Energy, a sustainable Bitcoin miner. Lindsay also has extensive senior operational experience in ports, rail and coal fired power generation.

Lindsay started his career in the mining industry having worked with BHP Australia Coal (Bowen Basin – Queensland), Camberwell Coal (Hunter Valley – NSW) and Yallourn Energy (Latrobe Valley – Victoria), as well as Western Mining and Westralian Sands, in various mine engineering and senior leadership roles including Mine Manager and General Manager.

Lindsay is a Fellow of the Australian Institute of Company Directors and is an experienced Director of both listed and unlisted companies.

Former ASX-listed directorships in the last three years:
Nil

John Conde AO

BSc, BE (Electrical) (Hons), MBA (Dist)

Deputy Chairman

Non-Executive Director

Appointed: 3 May 2007

Retired:
26 October 2022

John has over 30 years of broad-based commercial experience across a number of industries, including the energy sector, and was Chairman of the company prior to the merger with Aston Resources. John is Chairman of Cooper Energy Limited (since February 2013), the Dexus Wholesale Property Fund and the McGrath Foundation, as well as President of the Commonwealth Remuneration Tribunal. He was Chairman of Bupa Australia and New Zealand, the Sydney Symphony Orchestra, Ausgrid (formerly Energy Australia) and Destination NSW. He was also formerly Chairman and Managing Director of Broadcast Investment Holdings, as well as a Non-Executive Director of BHP Billiton Limited, Excel Coal Limited and Dexus Property Group.

Former ASX-listed directorships in the last three years: Director, Dexus Property Group (April 2009 – September 2020)

2 (b) Senior Executives

**Paul Flynn —
Managing Director and Chief Executive Officer**

Refer to details set out in section 2(a) Directors on page 8.

**Kevin Ball —
Chief Financial Officer**
BComm, CA

Appointed Chief Financial Officer of Whitehaven Coal in October 2013, Kevin Ball has over 25 years' experience working in the mineral and energy industry across coal, oil and gas, and in complex consulting practices.

A finance graduate of the University of New South Wales, Kevin is a Chartered Accountant, having spent 11 years with Ernst & Young at the commencement of his career, predominantly in EY's natural resources group. Kevin has a graduate Diploma in Geoscience (Mineral Economics) from Macquarie University.

**Timothy Burt —
General Counsel and Company Secretary**
B.Ec, LLB (Hons) LLM

Timothy joined Whitehaven as General Counsel and Company Secretary in July 2009. He has more than 20 years' experience in legal, secretarial and governance roles across a range of industries for ASX-listed companies. Prior to joining Whitehaven, Timothy held senior roles at the ASX-listed companies Boral Limited, UGL Limited and Australian National Industries Limited. He holds a Master of Laws from the University of Sydney.

Daniel Cram —
Executive General Manager – People and Culture
BComm, MIR

Daniel joined Whitehaven in March 2021 and was appointed Executive General Manager – People and Culture in June 2021. Daniel has 25 years' experience as a HR professional, including more than a decade leading large resourcing, remuneration, workplace relations and organisational culture functions for a range of publicly listed companies. Most recently, Daniel ran his own consultancy firm, specialising in human resources, employee relations and remuneration strategy, mergers and acquisitions and change management. Prior to this, Daniel spent over a decade in senior human resources roles at AGL Energy covering the industrial aspects of that business, including its power generation assets and coal mining operations.

Ian Humphris —
Executive General Manager – Operations
BE Mining (Hons)

Appointed Executive General Manager – Operations in April 2020, Ian is a mining engineer with more than 20 years' experience in the Australian resources sector, with a diverse and deep background across open cut and underground operations. Ian was most recently Vice President – Health, Safety and Environment at Peabody Energy Australia. Prior to this, he fulfilled a broad range of senior roles covering many aspects of Peabody Energy's business, including managing the company's open cut operations, supply chain and infrastructure assets. Ian began his career in resources as a mining engineer in various Queensland mines before transferring to the New South Wales coalfields and working in senior roles for a number of mine owners and for the mining services provider, Thiess.

Michael van Maanen —
Executive General Manager – Corporate, Government and Community Affairs
BA (Hons)

Michael has nearly 20 years' experience across corporate communications and public policy roles in both the government and private sectors. He was appointed Executive General Manager – Corporate, Government and Community Affairs in May 2018. Prior to joining Whitehaven, Michael was a founding partner of Newgate Communications and led the firm's mining and resources practice group. Michael was previously a ministerial advisor in the Howard government and worked in a range of national security policy roles for the departments of the Prime Minister and Cabinet, Foreign Affairs and Trade and Defence.

Jason Nunn —
Executive General Manager – Marketing and Logistics
BEng (Hons), MEMB

Jason was appointed Executive General Manager – Marketing and Logistics in December 2020. Before joining the marketing team at Whitehaven Coal in 2014, Jason held a range of roles in the resources sector, primarily in the coal industry, across research, production and commercial functions at Yancoal, White Energy and BHP Billiton in Australia and the Netherlands. Jason holds a Bachelor of Engineering (Chemical) and Master of Environmental Management and Business from the University of Newcastle.

Mark Stevens —
Executive General Manager – Project Delivery
BSc (Hons), MSc, MBA

Mark joined Whitehaven as Executive General Manager – Project Delivery in January 2020. Mark has more than 30 years of Australian and international experience in project management and delivery across infrastructure, coal, and oil and gas. A qualified mining engineer, Mark has successfully delivered projects across all phases, from concept to completion, with a combined capital cost in the billions, most recently for the Australian Rail Track Corporation's Inland Rail project and prior to that, for Santos GLNG.

Sarah Withell —
Executive General Manager – Health, Safety and Environment
BSc, MEngSc

Sarah joined Whitehaven as Executive General Manager – Health, Safety and Environment in July 2020. Sarah has more than 20 years' experience in the mining and resources sector with a proven track record of delivering major mining approvals, effective safety and governance systems, and excellent HSEC performance. Sarah has held senior positions across open cut and underground operations in both NSW and Queensland. Most recently, Sarah led the HSE function for BHP's NSW Energy Coal and BMC division, and has also held roles at Coal & Allied and Peabody.

2 (c) Directors' interests

The following table lists each Director's relevant Company-issued shares and options, as notified by the Directors to the ASX in accordance with section 205G(1) of the *Corporations Act 2001* (Cth), at the date of this report.

	Ordinary shares
Mark Vaile	1,312,167
Julie Beeby	65,000
Nicole Brook	-
Paul Flynn	1,070,451
Wallis Graham	12,000
Fiona Robertson	75,395
Ray Zage	11,065,134

2 (d) Directors' meetings

The following are the number of Directors' meetings (including meetings of committees of Directors) and the number of meetings each Director attended during the financial year.

Director	Directors' Meetings		Audit & Risk Management Committee Meetings		Remuneration Committee Meetings		Health, Safety, Environment & Community Committee Meetings		Governance & Nominations Committee Meetings		Special Committee Meetings	
	A	B	A	B	A	B	A	B	A	B	A	B
Mark Vaile	12	12	6	6	4	4	3	3	4	4	3	3
Julie Beeby	12	12	-	-	-	-	4	4	4	4	3	3
Nicole Brook	8	8	-	-	-	-	3	3	-	-	3	3
Paul Flynn	12	12	-	-	-	-	-	-	-	-	3	3
Wallis Graham	5	5	1	1	2	2	-	-	-	-	3	3
Fiona Robertson	12	12	6	6	2	2	1	1	2	2	3	3
Ray Zage	12	11	4	3	-	-	-	-	-	-	-	-
John Conde	4	4	2	2	2	2	-	-	2	2	-	-
Lindsay Ward	5	5	-	-	2	2	1	1	-	-	-	-

A – Number of meetings held during the time the Director held office during the year.
B – Number of meetings the Director attended.

3. Other

3 (a) Dividends

Paid during the year

Dividends of $640,005,000 were paid to shareholders during the year ended 30 June 2023 (2022: $79,890,000).

Declared after end of year

On 24 August 2023, the Directors declared a fully franked final dividend of 42 cents per share totalling $337.1 million to be paid on 15 September 2023.

3 (b) Share options

Shares issued on exercise of options

There were no options exercised during the reporting period.

Unissued shares under options

At the date of this report there were no unissued ordinary shares under options of the Company.

3 (c) Indemnification and insurance of officers

Indemnification

The Company has agreed to indemnify, to the fullest extent permitted by law, all current and former Directors of the Company against liabilities that may arise from their position as Directors of the Company and its controlled entities. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

Insurance premiums

During the financial year the Company paid premiums in respect of Directors' and officers' liability and legal expenses insurance contracts. Such insurance contracts insure persons who are or have been Directors or officers of the Company or its controlled entities against certain liabilities (subject to certain exclusions).

The Directors have not included details of the nature of the liabilities covered or the amount of the premiums paid in respect of the Directors' and officers' liability and legal expenses insurance contracts, as such disclosure is prohibited under the terms of the contract.

3 (d) Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

3 (e) Rounding

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191, dated 24 March 2016 and, in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

4. Operating and financial review

Financial headlines

Revenue ($m)

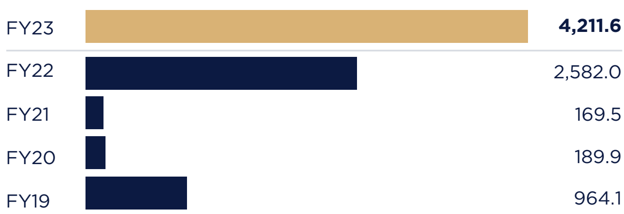
6,064.7

EBITDA ($m)

3,985.6

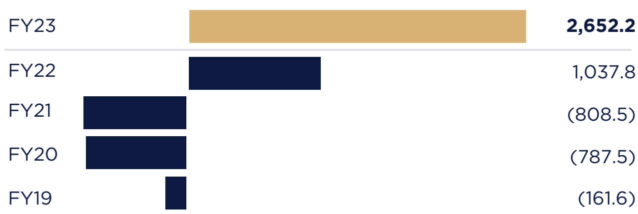
Cash generated from operations ($m)

4,211.6



Net cash/(debt) ($m)

2,652.2



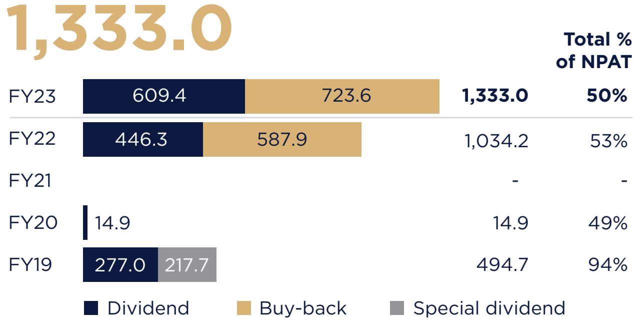
Capital returned to shareholders ($m)

1,587.7

Capital returns paid during the period per the consolidated statement of cashflows.

Capital allocated to shareholders ($m)

1,333.0



Capital returns allocated out of profits for the period.

- Safety remains a top priority for Whitehaven. The Company delivered an improved safety performance for the rolling 12 months to 30 June 2023, with a TRIFR of 4.7 representing an improvement of 13% on FY22.
- Whitehaven achieved strong environmental performance in FY23 with zero environmental enforceable actions received in the year, a significant improvement on recent years.
- Whitehaven achieved record financial performance for the year:
  - revenue of $6.1 billion
  - earnings before interest, tax and depreciation (EBITDA) of $4.0 billion
  - net profit after tax (NPAT) of $2.7 billion.
- Reflecting the record financial performance, Whitehaven significantly increased shareholder returns in FY23 with $1.3 billion allocated out of FY23 profits (~$1.59 per share) and $1.6 billion paid in the year (~$1.81 per share):
  - $1.6 billion was returned to shareholders through finalisation of the initial 10% share buy-back and commencement of the next stage of the share buy-back ($948.9 million), the fully franked FY22 final dividend ($366.5 million) and FY23 interim dividend ($272.3 million).
  - Total shareholder returns for FY23 of $1.3 billion (50% payout ratio) were made or are scheduled to be made from the FY23 NPAT. This includes 92.8 million shares bought back for $723.6 million through the share buy-back and

dividends of $609.4 million (including the declared fully franked FY23 final dividend of $337.1 million and the FY23 interim dividend of $272.3 million).

- Whitehaven has maintained a strong balance sheet, with a net cash position of $2.65 billion, providing resilience and optionality.
- Significant cash was generated from operations of $4.2 billion. Whitehaven is maintaining its disciplined approach to capital expenditure and continues to invest to maintain and optimise operations.
- During the year, Whitehaven announced plans for early mining of the Vickery coal deposit which, for a relatively low capital investment of $150 million, will take advantage of existing surplus coal processing and washing infrastructure as well as existing road haulage, rail and port capacity.

The following table summarises the key reconciling items between the Group's EBITDA and its NPAT.

	FY23	**FY22**
	$ million	**$ million**
Revenue	6,064.7	4,920.1
EBITDA	**3,985.6**	**3,060.1**
Net finance income/(expense)	41.9	(55.3)
Depreciation and amortisation	(226.0)	(238.9)
Income tax expense	(1,133.4)	(813.9)
NPAT	**2,668.1**	**1,952.0**
Basic earnings per share (cents)	307.7	197.6

Review of financial performance

Whitehaven delivered a strong safety performance with a TRIFR of 4.7 for the rolling 12 months to 30 June 2023, an improvement of 13% on FY22.

The Company achieved record financial results with coal sales revenue of $6.1 billion, EBITDA of $4.0 billion and NPAT of $2.7 billion. This reflects stronger high-quality thermal coal prices, predominantly in the first half, that were partially offset by inflationary cost pressures and lower production as a result of operational constraints, including localised flooding events and labour shortages.

Australian high-quality thermal coal prices reached record highs during the first half of the year, driven by strong demand for reliable energy in a supply-constrained market, before moderating in the second half as prices retreated from their highs. Whitehaven achieved a record realised average thermal coal price for FY23 of US$305/t, a US$3/t premium to the average gC NEWC benchmark index for the year.

Operational productivity, rail, and port activities in FY23 were impacted by above-average rainfall and flooding in the first half, which led to open cut production disruption because of flood-related loss of access, and ongoing lower productivity when operating in wet conditions and in-pit water management. Compounding the operational productivity constraints at our open cut mines were labour shortages, further intermittent weather interruptions, congestion arising from limited dumping locations at the Maules Creek mine and a geotechnical slip at Werris Creek slowing the mine's progression.

Strong earnings at a $310/t EBITDA margin (75%) translated into a substantial $1.6 billion increase in cash generated from operations to $4.2 billion for the year. The balance sheet closed in a stronger position with a net cash position of $2.65 billion, after returning a record $1.6 billion of capital to shareholders and maintaining a disciplined approach to capital expenditure.

During the year, Whitehaven bought back 119.7 million shares for a total outlay of $948.9 million (average price of $7.93 per share). Since March 2022, 196.0 million shares have been bought back at an average price of $6.69 per share for a total outlay of $1.3 billion.

The tax expense of $1.1 billion in FY23 represents an effective tax rate of 30%.

Earnings

	FY23	FY22
Sales of produced coal (kt)[1]	12,706	14,166
Average realised price after applicable royalties (A$/t)[1]	413	300
Cost per tonne (A$/t)[1]	103	84
EBITDA margin on sales of produced coal (A$/t)[1]	310	216

1 Excluding coal reservation sales

Whitehaven's EBITDA margin on sales of produced coal increased by $94/t to $310/t in FY23, due to:

– A $113/t increase in average realised price (after applicable royalties) from $300/t in FY22 to $413/t in FY23.

– Higher FOB unit costs, which at $103/t were $19/t above FY22 as a result of lower production volumes and rising costs including inflationary pressure, higher diesel and explosives prices, port costs, and increased costs associated with labour attraction and retention initiatives in a constrained labour market.

– Margins were enhanced by switching metallurgical coal into thermal blends while thermal price realisations were favourable and by washing ROM coal 'harder' where available, to take advantage of the record spreads between 6000kcal/kg NAR and lower grades of coal.

Revenue

	FY23	FY22
Price Indices		
gC NEWC index price (US$/t)	302	248
JSM Quarterly (SSCC) index (US$/t)	244	253
Price achieved[1]		
Average achieved price (A$/t)	445	325
Average achieved thermal price (US$/t)	305	239
Average achieved metallurgical price (US$/t)	261	232
Metallurgical coal sales (% of total)	6%	18%
Average AUD:USD exchange rate	0.67	0.73

1 Sales of produced coal, excluding coal reservation

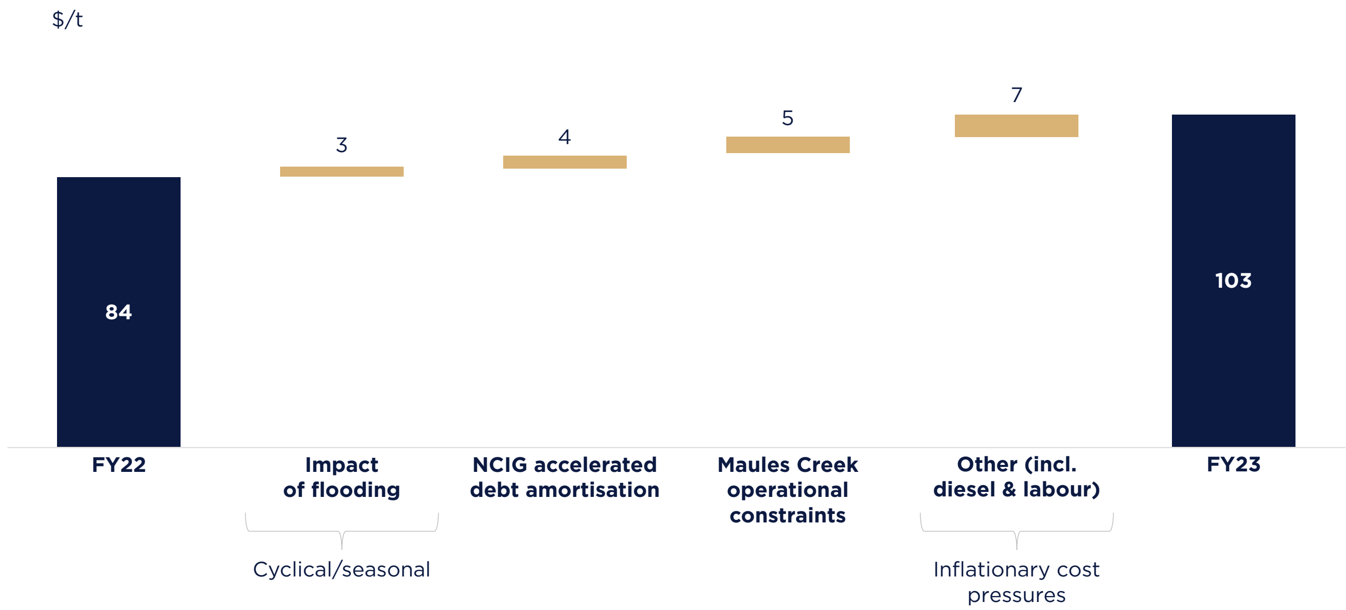
Record-high coal prices in the first half of the year underpinned an increase in revenue of $1.1 billion to $6.1 billion in FY23.

Whitehaven achieved an average coal price of A$445/t for FY23 compared with A$325/t in the prior year. This was underpinned by a realised average thermal coal price for FY23 of US$305/t, a US$3/t premium to the gC NEWC index. In a stable pricing environment, Whitehaven expects to achieve a slight premium to the gC NEWC index.

Metallurgical sales remained relatively low in FY23 at 6% reflecting opportunities to sell SSCC volumes into thermal coal markets to achieve more attractive price realisations.

Unit costs

Outlined below are the key factors that contributed to the increase in FOB unit costs to A$103/t in FY23:



Key drivers of increased FY23 costs were:

- Regional and localised flooding arising from La Niña weather events, resulting in site access being cut off for 24 days at Maules Creek, 17 days at Tarrawonga and 36 days for coal haulage to the Gunnedah CHPP, in the first half of FY23. This reduced operational productivity and sales volumes at our open cut mines, resulting in a corresponding increase in unit costs and in underutilised rail and port costs.
- Higher port costs, primarily due to the additional charge from NCIG, as debt amortisation has been accelerated in higher coal price scenarios. The additional toll charge is variable, dependent on coal prices, up to a maximum level of US$3/t.
- Operational constraints at Maules Creek driven by labour shortages, congestion arising from limited dumping locations while maintaining separation of manned and unmanned AHS fleets, as well as productivity impacts and disruptions from weather and in-pit water management.
- General inflationary cost pressure including an increase in the cost of diesel used in production and coal transportation due to higher average crude oil prices, impacts of a tight labour market, increased prices by OEM suppliers, and other general cost pressures following a period of higher coal prices. While diesel prices have moderated from the peaks experienced in the first half, prices remain elevated relative to FY22.

Cash flows and capital management

Cash flow summary	FY23 $ million	FY22 $ million
Cash generated from operations	4,211.6	2,582.0
Investing cash flows	(306.9)	(177.2)
Shareholder returns[1]	(1,585.6)	(438.8)
Other financing cash flows	(131.0)	(793.6)
Cash at the end of the period	**2,775.5**	**1,215.5**
Capital management	**30 June 2023**	**30 June 2022**
Net cash[2]	2,652.2	1,037.8
Undrawn syndicated facility[3]	-	1,000.0

1 Includes a share trade entered into on 30 June 2022 for $3,588,000 that was settled and paid on 4 July 2022. Excludes share trade entered into on 30 June 2023 for $5,663,000 that was settled and paid on 4 July 2023, bringing total share buy-backs for the year to $948.9 million (2022: Excludes share trade entered into 30 June 2022 for $3,588,000 bringing total share buy-backs for the year to $362.5 million).
2 Calculated in accordance with the contingent facilities covenant requirements and therefore excludes lease liabilities recognised under AASB 16 Leases of $65,613,000 (2022: $67,006,000).
3 Syndicated facility was closed on 30 June 2023.

Cash generated from operations

There was a substantial increase of $1.6 billion in cash generated from operations to $4.2 billion in FY23 reflecting a strong conversion of record earnings into cash along with a net working capital unwind due to a reduction in trade receivables during the year.

Investing cash flows

Investing cash outflows during FY23 of $306.9 million (+$129.7 million above FY22), consisted of:

- capital allocated to mines to maintain safe and productive operations, with sustaining capital expenditure of $130.3 million (+$32.2 million above FY22) and mains development of $39.4 million (+$13.3 million above FY22)
- development projects expenditures of $62.5 million (+$28.7 million above FY22), reflecting further progression of the Vickery, Winchester South and Narrabri Stage 3 projects
- purchase of land for an employee housing project ($10.4 million)
- acquisitions of $66.4 million (+$23.1 million above FY22), which included deferred consideration paid in respect of the acquisition of EDF's interest in the Narrabri mine ($16.1 million), the acquisition of APG's rights to a 1% private royalty on Narrabri coal sales ($12.4 million), and capital invested to internalise the outsourced road haulage services provided by BIS Industries Ltd between our Tarrawonga mine and Gunnedah CHPP ($15.2 million), and other investing activities ($22.7 million).

Financing cash flows and capital management

Whitehaven finished the year in a strong balance sheet position, with a net cash position of $2.65 billion.

Net cash used in financing activities during FY23 was $1.7 billion. This included $1.6 billion of capital returns to shareholders comprising share buy-backs ($1.0 billion) to drive long-term sustained shareholder value and fully franked dividends (FY22 final dividend and FY23 interim dividend totalling $0.6 billion), $0.1 billion in lease and Export Credit Agency (ECA) facility repayments.

Whitehaven will retain cash on balance sheet for flexibility and optionality, and to maintain adequate liquidity through the cycle. As part of its recently completed refinancing the Company sourced contingent credit support facilities covering guarantees for environmental bonding, rehabilitation, and port, rail and other financial guarantees. The Company chose not to pursue renewal of the previously held $1.0 billion undrawn finance facility.

Review of operations

ROM Coal Production (kt)

18,190

Sales of Produced Coal (kt)

15,990

TRIFR

4.7

Safety

Whitehaven reported a TRIFR of 4.7 for its employees and contractors for the 12 months ended 30 June 2023. The Company is committed to achieving zero harm to its people and the environment, and management continues to strive for better safety performance across all operations.

Production, sales and coal stocks

Whitehaven – Managed basis (000t)	FY23	FY22	Movement
ROM coal production	18,190	20,003	(9%)
Saleable coal production	15,740	17,274	(9%)
Sales of produced coal	15,990	17,573	(9%)
Sales of purchased coal	635	1,247	(49%)
Total coal sales	16,625	18,820	(12%)
Coal stocks at year end	1,534	2,379	(36%)

Tonnages in the table above are presented on a managed (100%) basis.

Whitehaven – Equity basis (000t)	FY23	FY22	Movement
ROM coal production	14,620	16,117	(9%)
Saleable coal production	12,769	13,852	(8%)
Sales of produced coal	13,005	14,166	(8%)
Sales of purchased coal	635	1,247	(49%)
Total coal sales	13,640	15,413	(12%)
Coal stocks at year end	1,323	2,065	(36%)

Tonnages in the table above are presented on an equity basis. Production tables and associated commentary set out in the mine-by-mine analysis are presented on a managed (100%) basis.

Whitehaven delivered FY23 ROM coal production of 18.2Mt, saleable coal production of 15.7Mt and sales of produced coal of 16.0Mt, which was lower than FY22. The key features for the period include:

- Narrabri commenced the year with the successful longwall step around to avoid the fault zone in panel 110 and delivered consistently strong volumes of good quality coal to the end of the March quarter. In the June quarter, Narrabri completed its largest relocation of the longwall to operate in the southern 200 series panels, commencing in panel 203.
- Access was lost to the open cut mine sites and Gunnedah CHPP for approximately one month due to localised flooding in the first half.
- Operational productivity at the open cut mines was constrained, including by industry-wide labour availability challenges.
- A geotechnical slip at Werris Creek mine during the year restricted mining progression while remediation works were underway, with successful stabilisation allowing mining to resume in the June quarter.
- Coal stocks at 30 June 2023 of 1.3Mt were 36% lower than stocks at 30 June 2022 of 2.1Mt, reflecting the drawdown of coal stocks to meet sales commitments.

Maules Creek

Ownership: Whitehaven 75% and Operator, ICRA MC Pty Ltd 15%, J-Power Australia Pty Ltd 10%

Maules Creek 100% ('000t)	FY23	FY22	Movement
ROM coal production	9,550	11,220	(15%)
Saleable coal production	7,259	9,372	(23%)
Sales of produced coal	7,331	9,612	(24%)
Coal stocks at year end	788	1,012	(22%)

Note: Tonnages in the above table are presented on a managed basis.

FY23 was significantly impacted by localised flooding. Maules Creek delivered ROM coal production of 9.6Mt in FY23, 15% below FY22. Labour constraints, congestion arising from limited dumping locations while keeping manned and unmanned AHS fleets separate, and ongoing intermittent weather and in-pit water management also contributed to the lower production.

Saleable coal production of 7.3Mt reflects lower ROM coal production and the processing of high opening ROM coal stocks in FY22.

Sales volumes for the year of 7.3Mt were 24% below FY22, in line with saleable coal production.

Coal stocks of 0.8Mt were down 22% on FY22, reflecting the lower ROM production and the drawdown of stocks in FY23.

Narrabri

Ownership: Whitehaven 77.5% and Operator, J-Power 7.5%, Upper Horn Investments Limited 7.5%, Daewoo International Corporation and Korea Resources Corporation 7.5%

Narrabri Mine 100% ('000t)	FY23	FY22	Movement
ROM coal production	5,252	4,802	9%
Saleable coal production	5,140	4,795	7%
Sales of produced coal	5,305	4,617	15%
Coal stocks at year end	66	270	(76%)

Note: Tonnages in the above table are presented on a managed basis.

Narrabri delivered ROM coal production of 5.3Mt in FY23, 9% above FY22 reflecting consistent volumes of good quality coal produced between a longwall step around in Panel 110 and the longwall relocation to the southern 200 series panels.

Strong first half ROM coal production volumes were achieved, reflecting consistent longwall performance following the successful longwall step around to avoid the fault zone in panel 110. Production in the second half was impacted by the slower than forecast completion of panel 110B and the completion of Narrabri's largest longwall relocation from panel 110B to the southern 203 panel.

Saleable coal production of 5.1Mt was 7% above FY22, which was consistent with ROM coal production.

Sales volumes of 5.3Mt were 15% above FY22, reflecting saleable coal volumes and the drawdown of coal stocks in FY23.

Coal stocks of 0.1Mt were down 76%, reflecting the timing of ROM coal production and the longwall move in the year.

Gunnedah open cut mines

Ownership: Werris Creek Whitehaven 100% & Tarrawonga Whitehaven 100%

Open Cuts 100% ('000t)	FY23	FY22	Movement
ROM coal production	3,388	3,981	(15%)
Saleable coal production	3,341	3,107	8%
Sales of produced coal	3,354	3,344	0%
Coal stocks at year end	680	1,097	(38%)

Gunnedah open cut mines consist of the Tarrawonga mine and Werris Creek mine. The combined ROM production of the two mines was 3.4Mt for FY23, 15% below FY22. This reflects La Niña wet weather and flooding impacts at Tarrawonga in the first half, and a geotechnical slip at Werris Creek in the second half, which delayed the release of ROM coal.

Despite the operational challenges, saleable coal production of 3.3Mt was 8% above FY22 and sales volumes of 3.4Mt were in line with FY22 due to the drawdown of opening ROM coal stocks. As a result, coal stocks of 0.7Mt were 38% below FY22.

Development projects

Whitehaven's development projects includes the Vickery and Winchester South projects, which were acquired from Rio Tinto in 2010 and 2018 respectively, and the Narrabri Stage 3 Extension project. All of Whitehaven's development projects are subject to the Company's strict capital allocation framework, and any approved major development projects (i.e. Vickery and Winchester South) will be constructed sequentially.

Vickery

Ownership: Whitehaven 100%

In August 2020 the Vickery Extension Project received approval from the NSW Independent Planning Commission (IPC) to operate an up to 10Mtpa open cut metallurgical and thermal coal mine, with onsite processing and rail infrastructure. On 16 September 2021 the federal Minister for the Environment approved the Project under the Commonwealth's *Environment Protection and Biodiversity Conservation Act 1999* (the EPBC Act).

In April 2023, Whitehaven announced that the Board had approved a ~$150m investment to commence early mining of the Vickery coal deposit, which will utilise surplus coal processing and washing infrastructure capacity at the Gunnedah CHPP as well as existing road haulage, rail and port capacity. Work commenced in the June 2023 quarter to advance the Early Stage Mining project, including the design of temporary mine infrastructure facilities, preparation and tendering of construction works and mobilisation of a dedicated project and operations team to the site.

Feasibility works are ongoing for the full scale project, with an investment in full scale development to be considered by the Board at an appropriate time.

Winchester South

Ownership: Whitehaven 100%

The proposed Winchester South open cut metallurgical coal mine is located in Queensland's Bowen Basin. At full capacity the mine is targeting an average ROM production of 15Mtpa to supply the international market for about 30 years.

On 31 March 2023, the Winchester South project team submitted the Response to Submissions Report to the Office of the Coordinator-General (OCG), which responded to all submissions received during the public notification of the Revised Draft Environmental Impact Statement (EIS) in December 2022. On 7 July 2023, the EIS was formally accepted by the OCG as the final EIS for the Winchester South project. The OCG now prepares a report evaluating the EIS. The project continues to progress through the Queensland Government's coordinated project approval process.

The project team is continuing to complete a feasibility study with detailed studies underway across all project work streams.

Narrabri Stage 3 Extension

Ownership: Whitehaven 77.5%

The Narrabri Stage 3 Extension Project is an extension of the existing Narrabri underground mine. It will extend the longwall panels planned for the mining lease south of the current main roads into the contiguous Narrabri South Exploration Licence area, and extends the approved life of the mine from 2031 to 2044.

The project seeks to convert Narrabri's adjacent Exploration Licence into a Mining Lease and use the existing portals, CHPP, rail loop and associated infrastructure to extract, process and export high-energy thermal coal and Pulverised Coal Injection (PCI) coal products using the longwall mining method.

The Narrabri Stage 3 Extension Project has been approved by the IPC subject to meeting a range of IPC conditions, including in relation to emissions mitigation technology and measures.

On 5 July 2023, the NSW Land and Environment Court dismissed judicial review proceedings brought by a client of the Environmental Defenders Office (EDO) which sought to invalidate the NSW IPC Consent on climate change related grounds. Whitehaven welcomes this result which reaffirms the important role that high-quality thermal coal plays in energy security during the decarbonisation transition.

A second activist group the Environment Council of Central Queensland Inc, represented by a pro bono law firm, has commenced judicial review proceedings in the Federal Court in respect of the federal Environment Minister's decision that a number of coal and gas projects, including the Narrabri Stage 3 Extension, would not be a substantial cause of the physical effects of climate change on World Heritage properties and other matters of national environmental significance. Whitehaven has joined these proceedings in support of the Minister's case. The matter is due to be heard in the Federal Court in September 2023.

Meanwhile Federal EPBC approval is being finalised together with secondary approvals that are required prior to project commencement.

Infrastructure

Rail track capacity

Whitehaven contracts its below-rail capacity from the Australian Rail Track Corporation (ARTC), a federal government entity managing the network. We have been working with ARTC to minimise costs through FY23 and have sufficient contracted capacity for all current and forecast production in FY24.

Rail haulage capacity

Whitehaven has capacity within its two long-term rail haulage contracts for all current NSW-based mine production plans, including the Vickery Extension Project. Working with both above and below-rail providers, Whitehaven has been improving its operations particularly during periods of wet weather.

Railing operations were temporarily impacted by flooding during the first half of FY23, but were consistent over the second half of the year. We have continued to minimise maintenance costs related to the Whitehaven owned train.

Port capacity

Whitehaven exports coal through the Port of Newcastle using the two export terminal providers, PWCS and NCIG.

The Port of Newcastle has been operating under capacity for the majority of FY23 due to production shortfalls across the industry (primarily caused by weather impacts and labour shortages) with demurrage costs being historically low reflecting this surplus port capacity.

Regulatory

Domestic Coal Reservation Scheme

In January 2023, the NSW Government advised that it intended to expand its domestic coal reservation scheme to include producers of export coal. On 16 February 2023, Whitehaven received finalised Directions for Coal Mines as part of the NSW Government's expanded domestic thermal coal reservation policy. From 1 April 2023, Whitehaven's mines were obliged to make available specific volumes of suitable thermal coal for supply to NSW domestic power stations. In aggregate, these volumes are capped at the lower of 0.2Mt per quarter or 5% of each mine's expected saleable thermal coal production. The tonnage obligation for each mine must be made available to the extent the volumes expected to be produced during the quarter were not contractually committed prior to 19 January 2023. Evergreen contracts are recognised as being 'committed'.

The directions are effective for the 15 months, from 1 April 2023 to 30 June 2024, with coal sold under the directions subject to a price cap of A$125/t delivered for 5,500 kcal/kg products, energy adjusted.

Whitehaven has met all its obligations under the direction. During FY23 a total of 0.3Mt of coal was supplied to NSW power stations, which includes a portion of the September 2023 quarter obligation supplied in advance. An average price of $115/t was received for these volumes, reflecting the adjustment to the price cap for the quality of coal supplied.

The NSW Government is currently undertaking an industry consultation process on the future of the domestic reservation policy and coal royalties in NSW. Whitehaven is participating in the consultation process. The NSW Government has committed to maintain the existing royalty system in NSW for as long as the domestic coal reservation is in place. The reservation scheme is currently legislated to end on 30 June 2024.

Safeguard Mechanism

Our Narrabri and Maules Creek mines are both covered by the Federal Government's Safeguard Mechanism, and subject to the reformed scheme's requirements which commenced on 1 July 2023. The reforms require facilities' Scope 1 emissions intensity to be reduced by 4.9% p.a. to FY30, in line with Australia's emissions reduction target.

The Government has adopted a single production variable of ROM coal and corresponding industry average emissions intensity for the coal sector. This does not acknowledge the distinct differences between open cut and underground coal mine emissions profiles, and is favourable for open cut mines but unfavourable for underground mines. While itself having a portfolio weighted towards open cut operations, Whitehaven advocated strongly to the Australian Government for an approach that would deliver an equitable distribution of the emissions reduction task across the entire coal sector - one that would recognise the characteristics and geology of underground mines and open cut mines.

Under the reformed scheme's hybrid baseline model, Safeguard coal facilities will be required to transition from a baseline weighted 95% to their site-specific emissions intensity in FY24, to one weighted 50% to the industry average emissions intensity of 0.0653 CO2 tonne per ROM coal tonne by FY30.

The financial impact of the scheme on Whitehaven will be a function of the existence of and adoption of available abatement technologies, the cost of carbon offsets, any scheme design changes arising from the Government's scheduled 2026/27 review and the emissions intensity profiles of Maules Creek and Narrabri.

We are continuing to assess site-based abatement opportunities, and undertake investigative projects to evaluate the technical and financial viability of fugitive emissions abatement options at Narrabri. Where viable technologies are not able to achieve our carbon reduction obligations, carbon offsets will be required.

Sustainability Reporting

In June 2023 the International Sustainability Standards Board (ISSB) issued its first two International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. IFRS S1 is effective for annual reporting periods beginning on or after 1 January 2024 with earlier application permitted as long as IFRS S2 Climate-related Disclosures is also applied. The Company is continuously monitoring the requirements of the IFRS Sustainability Disclosure Standards and its Australian equivalent when it becomes available and effective for adoption.

Events subsequent to reporting date

In the interval between the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years, other than the following:

– Subsequent to the end of the financial year, the Directors declared a fully franked final dividend of 42 cents per share totalling $337.1 million to be paid on 15 September 2023.

Outlook

Thermal and Metallurgical Coal Outlook

Energy security remains paramount for governments globally as trade flows, sanctions and the lagging impact of La Niña weather events disrupt thermal coal supply in the near term. Supply shortfalls are expected to impact reliable coal supply in the longer term. An increasing number of Whitehaven's customers are seeking to address these issues by extending the tenor of new coal supply contracts.

FY23 saw record thermal coal pricing, due to significant trade flow disruptions and supply redirection caused by sanctions imposed on Russian coal as well as supply disruptions from La Niña weather events. Historically, sanctions remain in place for 10 to 15 years following the initial event, so there is an expectation that Russian sanctions and the subsequent revised trade flows will endure.

With heightened energy security concerns following Russia's invasion of Ukraine, thermal coal prices peaked at a record high of US$453/t in September 2022.

Following the Northern hemisphere winter, both gas and thermal coal prices have retreated from their record highs. Europe has filled gas storage reservoirs to levels approaching 90%, well ahead of the coming 2023 winter. While both coal and gas prices have moderated, gC NEWC coal prices have shown strong correlation with European and Asian gas prices. The gC NEWC index has rebounded from its June 2023 low of US$129/t to an August 2023 expected price of ~US$150/t. With the approaching Northern Hemisphere winter, upward pricing pressure for thermal coal is expected to continue.

In the medium to longer term, policy formulation and absent or expensive capital is expected to continue to restrict new supply. When coupled with Asian demand for high-quality coal, supply shortages are expected to underpin a continued constructive pricing environment. In Asia, Whitehaven is seeing its Paris-aligned customers seek a higher quality of coal to consume in higher-quality power stations to effectively reduce emissions and assist them to meet their decarbonisation commitments while maintaining a reliable, low-cost supply of electricity.

Pricing in metallurgical coal markets been strong in 2022 and 2023, and is expected to remain well supported in the near future. In the medium to longer term, growing industrialisation and urbanisation in India together with South East Asia is expected to underpin robust pricing.

India has committed to significant steel capacity expansion, and new manufacturing capacity is being built throughout South East Asia, both of which are translating directly into increased demand growth for seaborne metallurgical coal.

China's influence on the seaborne metallurgical coal market has been tempered in the short term due to a slowing economy and a slowdown in major stimulus projects.

In the coming decade, metallurgical coal demand is expected to exceed supply due to depletion and closure of current mining operations compounded by the challenges of bringing new supply to market.

Risks relating to Whitehaven's future prospects

Whitehaven operates in the coal sector. There are many factors, both specific to Whitehaven and to the coal industry in general, that may individually or in combination affect the future operating and financial performance of the Group, its prospects and/or the value of Whitehaven. Many of the circumstances giving rise to these risks are beyond the control of Whitehaven's Directors and its management. The major risks believed to be associated with investment in Whitehaven are as follows.

Volatility in coal prices

Whitehaven's future financial performance will be impacted by future coal prices. Factors which affect coal prices include the outcome of future sales contract negotiations, general economic activity, industrial production levels, changes in foreign exchange rates, changes in coal demand, changes in the supply of seaborne coal, changes in international freight rates and the cost of substitutes for coal. Whitehaven does not currently hedge against coal price volatility.

Foreign currency risk

As Whitehaven's sales are predominately denominated in US dollars, adverse fluctuations in the USD:AUD exchange rate may negatively impact the Group's financial position.

Whitehaven uses forward exchange contracts to hedge some of this currency risk in accordance with a hedging policy approved by the Board of Directors.

Acquisitions and commercial transactions

Acquisitions and commercial transactions undertaken with the objective of growing Whitehaven's portfolio of assets are subject to a number of risks which may impact the ability to deliver anticipated value. Risks associated with acquisitions include:

- operational performance of acquired assets not meeting expectations
- anticipated synergies or cost savings delayed or not achieved
- adverse market reaction to proposed transactions
- the imposition of unfavourable or unforeseen conditions, obligations or liabilities.

Whitehaven's commercial processes are designed to reduce the likelihood of these risks materialising as a result of a commercial transaction.

Capital requirement and insurance risk

There is a risk that insufficient liquidity or the inability to access funding or insurance on acceptable terms may impact ongoing operations and growth opportunities.

Whitehaven manages liquidity risk by holding a prudent level of available cash.

As at 30 June 2023, Whitehaven had $2.8 billion of cash on hand and net cash of $2.65 billion.

Capital allocation and development risks

There is a risk that circumstances (including unforeseen circumstances) may cause delays to project development, exploration milestones or other operating factors, resulting in the receipt of revenue at a date later than expected. Additionally, the construction of new projects/expansion by Whitehaven may exceed the currently envisaged timeframe or cost for a variety of reasons outside of the control of Whitehaven.

Missed opportunities to invest or a failure to effectively allocate capital or achieve expected return from assets may also lead to a failure to achieve expected commercial objectives.

Operating risks

Whitehaven's mining operations are subject to operating risks that could impact the amount of coal produced at its coal mines, delay coal deliveries or increase the cost of mining for varying lengths of time. Such difficulties include weather and natural disasters, unexpected maintenance or technical problems, failure of key equipment, higher than expected rehabilitation costs, industrial action, labour shortages and higher than expected labour costs.

Geological variability and uncertainty are inherent operational risks which could result in pit-wall failures or rock falls, mine collapse, cave-ins or other failures to mine infrastructure. Variations in coal seam thickness, coal quality, rock overlying coal deposits and geological conditions could impact production and cost outcomes.

Whitehaven has in place a framework for the management of operational risks and a comprehensive group insurance program which provides insurance coverage for a number of these operating risks.

Water security and management

Water is critical to Whitehaven's mining operations as it is used for various purposes, including dust suppression and coal washing. Whitehaven's ability to access water may be impacted by a number of factors, including drought, changes in government policy and regulation, and scarcity of supply. The inability to access sufficient water may negatively impact Whitehaven's costs, future production and financial performance.

Proactive water management is also required to ensure operations are not impacted by excess water. The inability to adequately dewater or store excess water onsite may limit production, sterilise coal and result in unauthorised water discharge from site.

Whitehaven regularly monitors the water balance at each of its sites, invests in water management infrastructure and investigates opportunities to minimise water usage and secure alternate, reliable water sources to build resilience against water availability risks.

Outbound supply chain risks

Coal produced from Whitehaven's mining operations is transported to customers by a combination of rail and ship. A number of factors could disrupt these transport services, including a failure of infrastructure providers to increase capacity in order to meet future export requirements.

Rail and port capacity is obtained predominantly through long-term contract arrangements which include take-or-pay provisions which require payments to be made irrespective of whether the service is used. In the event utilised capacity is below contracted capacity, there is a risk Whitehaven will be required to pay take-or-pay charges for capacity which is not used. Whitehaven seeks to align these take-or-pay infrastructure obligations with Whitehaven's forecasted future production.

Geology risks

There are inherent risks associated with estimating Coal Resources and Reserves, including subjective judgements and determinations as to coal quality, geological conditions, tonnage and strip ratio. Whitehaven's Resource and Reserve estimates are determined by suitably qualified competent persons in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

Cyber risk

Whitehaven's operations are supported by a robust information technology security framework and back-up data infrastructure. However, computer viruses, unauthorised access, cyber-attack and other similar disruptions may threaten the security of information and impact operational systems. Whitehaven manages this risk by continuing to invest in systems to prevent such attacks and undertaking staff training programs.

Counterparty risk

Whitehaven deals with a number of counterparties, including joint venture partners, suppliers and customers. Counterparty risks include:

- non-supply or changes to the quality of key inputs, which may impact costs and production at operations
- failure to reach agreement with joint venture partners, which could impact Whitehaven's ability to optimise value from its projects
- failure of customers to meet payment obligations.

Counterparty risk is assessed prior to entry into any new arrangements and, if necessary, appropriate risk control mechanisms are put in place. Whitehaven proactively engages with its counterparties to manage instances of non-supply and quality control and to ensure alignment of expectations.

Safety and environment risks and licence to operate

A range of health, safety and environmental risks exist with coal mining activities. Accidents, environmental incidents and real or perceived threats to the environment or the amenity of local communities could result in a loss of Whitehaven's social licence to operate, leading to delays, disruption or the shutdown of operations. Potential safety risks include equipment failure, dust exposure, vehicle and mining equipment interactions, roof fall hazards in underground operations, spontaneous combustion and outburst risks.

Whitehaven engages with a number of different stakeholders in the communities within which it operates. Stakeholder related risks include:

- the requirement to comply with the *Native Title Act 1993* (Cth), which can delay the grant of mining tenements and impact the timing of exploration, development and production operations
- the ability to reach agreement with local landholders in relation to acquisition and/or access terms, which may delay the timing of project development

- notwithstanding the contributions made to the communities within which Whitehaven operates, local communities may become dissatisfied with the impact of operations or oppose new development projects. There is also the possibility of anti-coal activism targeted towards Whitehaven's projects.

Whitehaven has a comprehensive environmental, health and safety management system to mitigate the risk of incidents and to ensure compliance with environmental and safety laws. Whitehaven also has a dedicated community relations team that engage with local communities to ensure that community issues are understood and addressed appropriately.

Further details in relation to how Whitehaven engages effectively with the communities in which we operate and steps which Whitehaven takes to maintain its social licence to operate will be provided in Whitehaven's 2023 Sustainability Report, to be released later this year.

Legal, policy and regulatory risk

The coal sector is subject to a broad range of laws, regulations and standards including in relation to taxation, royalties, environmental matters and greenhouse gas emissions. A change in the laws, regulations or standards applicable to Whitehaven could result in increased costs, regulatory action, litigation or, in extreme cases, threaten the viability of an operation.

Whitehaven actively monitors legislative and regulatory developments and engages appropriately with legislative and regulatory bodies to manage this risk.

Approvals risk

The process for obtaining government and regulatory approvals for coal mining projects is subject to ever increasing difficulty, which has resulted in additional delay, costs and heightened risks of negative approval process outcomes.

Climate change risk

The physical and non-physical impacts of climate change are interlinked with multiple other risks and may affect Whitehaven's assets, production and the markets where its products are sold. These impacts may include severity and frequency of weather patterns, policy and regulatory change and coal demand responses. Further details in relation to climate change risks will be provided in Whitehaven's 2023 Sustainability Report.

The International Energy Agency (IEA) has outlined under both its enduring Stated Policies Scenario and Announced Policies Scenario (which assumes warming is limited to below 2 degrees), that coal demand in Whitehaven's key export market, Asia, will remain beyond 2040. The IEA regularly makes projections about world coal demand based on various future scenarios for energy development. Its most recent World Energy Outlook (2021) including alternate scenarios and further details is available at: https://www.iea.org/reports/world-energy-outlook-2022.

Attract and retain people

Whitehaven's ability to achieve its business strategy depends on attracting, developing and retaining a wide range of skilled and experienced employees and contractors. An inability to attract or retain such personnel could adversely affect the success of Whitehaven's business.

Whitehaven seeks to manage this risk by designing employment arrangements and succession plans to secure and retain key personnel. Whitehaven also seeks to build a future supply of industry labour by actively promoting the resources industry in the local communities where it operates.

5. Auditor independence and non-audit services

5 (a) Auditor's independence declaration

The auditor's independence declaration forms part of the Directors' Report for the financial year ended 30 June 2023. It is set out on page 31.

5 (b) Audit and non-audit services

Details of the amounts paid or payable to the auditor of the Company, Ernst & Young (Australia) are set out below:

In AUD	Consolidated 2023 $	Consolidated 2022 $
Audit services		
Audit and review of statutory financial statements of the parent covering the Group	626,405	602,315
Audit of joint operations	357,435	343,685
Total audit services	**983,840**	**946,000**
Non-audit services		
Other assurance services where there is discretion as to whether the service is provided by the auditor or another firm		
Review of *National Greenhouse and Energy Reporting Act 2007* requirements	52,000	115,000
Debt capital markets assurance services	7,280	209,741
Total other assurance services[1]	**59,280**	**324,741**
Other services		
Due diligence services[2]	688,000	-
Sustainability assurance services	37,309	-
Total other services[1]	**725,309**	-
Total auditor's remuneration	**1,768,429**	**1,270,741**
Total non-audit services[1]	**784,589**	**324,741**
Non-audit services as a % of total auditor's remuneration	44%	26%

1 During the year Ernst & Young (Australia), the Company's auditor, has performed certain other assurance services and other services in addition to their statutory duties.
The Board considered the non-audit services provided during the year by the auditor and, in accordance with written advice provided by resolution of the Audit & Risk Management Committee, were satisfied that the provision of those non-audit services by the auditor was compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001 (Cth)* for the following reasons:
- all non-audit services were subject to the corporate governance procedures adopted by the Company and were reviewed by the Audit & Risk Management Committee to ensure they did not impact the integrity and objectivity of the auditor;
- all non-audit services provided did not, and do not, undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards;
- there were no known conflict of interest situations nor any other circumstance arising out of a relationship between Whitehaven (including its Directors and Officers) and EY which may impact on auditor independence.

2 The fees for non-audit services paid or payable to the auditor of the Parent Company (EY) have increased in the current year primarily due to the provision of non-audit services in relation to transactional activities that took place during the year, which are considered to be outside the ordinary course of business.

Auditor's independence declaration

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Building a better working world

Auditor's independence declaration to the directors of Whitehaven Coal Limited

As lead auditor for the audit of the financial report of Whitehaven Coal Limited for the financial year ended 30 June 2023, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;

b. No contraventions of any applicable code of professional conduct in relation to the audit; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Whitehaven Coal Limited and the entities it controlled during the financial year.

Ernst & Young

Scott Jarrett
Partner
24th August 2023

2023 Remuneration Report
(Audited)

Summary

On behalf of the Board, we are pleased to present Whitehaven Coal Limited's Remuneration Report for the financial year ended 30 June 2023 (FY23).

Our executive remuneration framework is designed to align with shareholder interests while incentivising and rewarding senior executives to build a cost-competitive asset portfolio, and to develop and operate that portfolio of assets in a safe and sustainable way.

Whitehaven's performance in FY23

The safety and wellbeing of our people, and protecting the environment in the communities in which we work remain our top priorities. We continue to invest in best-practice health and safety procedures, training and technologies. As a result of the efforts across our workforce, our TRIFR has improved, reducing from 5.4 in FY22 to 4.7 in FY23, and continues to track favourably to comparable industry performance. As a result of our continued focus and investment, we have also seen improvement in our environmental performance with zero incidents occurring during the performance year.

FY23 represents the second consecutive year of record financial results for Whitehaven, while its total shareholder return (TSR) of 52.0% for FY23 places it as one of the best performers in the ASX 100 Group of Companies. Reflecting this record financial performance, Whitehaven significantly increased shareholder returns in FY23. $1.6 billion was returned to shareholders in the year, the highest level of distributions in Whitehaven's history.

The year was not without its challenges, however. Wet weather events in the first half of FY23 disrupted production schedules, impacting both ROM and FOB cost results. Consistent with the broader mining industry, Whitehaven also faced escalating diesel and labour costs due to various external factors.

Overall, the Board is pleased with the performance of the business in FY23 and recognises the significant value created for shareholders as a result of management's strategic focus on driving production despite the aforementioned headwinds, and executing marketing and sales strategies to maximise earnings.

Remuneration outcomes for FY23

This year's Executive key management personnel (Executive KMP) remuneration outcomes reflect the strong financial and non-financial performance of the business over the past year:

- Record EBITDA of $4.0 billion, a 30% uplift from prior year results
- 13% lower TRIFR in FY23, reducing from 5.4 in FY22 to 4.7
- Zero environmental enforcement actions during the year, down from four in FY22.

As outlined in section 4.2 of this report, the Board has assessed performance of both the Company and each individual KMP in determining remuneration outcomes. We achieved 68.0% of the maximum scorecard outcome (102.1% of the target scorecard outcome), reflecting strong performance against health, safety, and environment (HSE) targets and a solid EBITDA outcome, while also acknowledging the impact that certain uncontrollable factors have had on management's ability to meet targets, specifically ROM production and cash costs.

Long-term performance has also been exceptional, resulting in vesting outcomes of between 97.4% to 100% for the three LTI tranches that vested this year (see table 4.3 for details). Highlights include a 395.2% TSR return for the period 1 July 2020 to 30 June 2023, positioning Whitehaven as the top TSR performer in the ASX 100, and representing a cost hurdle achievement at the top quartile of peers as measured by Wood Mackenzie.

The Board believes these remuneration outcomes are consistent with our shareholders' experience, and reflect management's ability to capitalise on market opportunities for the overall benefit of our shareholders.

Remuneration framework changes in FY23

Last year, we announced the outcomes of our strategic remuneration review: a new remuneration framework which is aligned to shareholder interests and is attractive to employees. After receiving strong support from shareholders, including a 92.45% 'For' vote on the FY22 Remuneration Report, this framework was implemented in FY23 and is detailed in section 3 of the Remuneration Report.

At the core of our new remuneration framework is the Single Incentive Plan (SIP), which replaced our Short-term Incentive (STI) Plan and Long-term Incentive (LTI) Plan. We believe the SIP better reflects shareholder interests by placing a strong focus on key annual operational imperatives, while also aligning with shareholders through material equity components and longer deferral periods.

Our remuneration arrangements must attract, motivate and retain the best people. This is extremely challenging in the coal industry, as underscored by our recent experiences where potential candidates, particularly for senior roles, have shown a preference for opportunities in other sectors. As a result, we target the 75th percentile for total fixed remuneration (TFR) to ensure we can attract the capability needed to deliver superior results.

TFR adjustments to reach this new policy position were announced in last year's Remuneration Report and implemented in FY23. Following that adjustment, our Executive KMP reviews for FY24 will be aligned with market movements of 4.0%, which is below the average increase for our broader workforce.

The Board continues to consider Executive KMP remuneration in the context of our strategy, relevant benchmarks and appropriate rewards for our management team. With our new SIP, we believe we have balanced these interests appropriately and that we remain focused on delivering sustainable long-term returns to shareholders and valued outcomes for all our stakeholders.

The transition to the SIP is a significant change requiring active oversight. The Remuneration Committee and Board will continue to monitor the transition to the SIP to ensure it continues to enable the delivery of Whitehaven's remuneration principles – 'Competitive', 'Equitable', 'Drives performance', and 'Aligned' – over the transitionary phase.

Non-Executive Directors' fees

During FY23, we undertook a comprehensive market benchmarking exercise to ensure our Non-Executive Directors' remuneration aligns with industry standards. The Board, taking into account this exercise and the ongoing commitment and contribution of our Non-Executive Directors, deemed the current fee structure appropriate. Despite expected increases in Non-Executive Directors' fees for the broader market in FY24, the Board has decided to maintain the existing fee levels (excluding superannuation) for the Non-Executive Directors, and no adjustments are proposed to the fee pool. As a result, the only year-on-year change to the Non-Executives' remuneration for FY24 is the mandatory uplift to superannuation guarantee contributions.

Minimum shareholding requirements

To further support shareholder alignment, we introduced a minimum shareholding requirement (MSR) from 1 July 2022. Our focus on equity-based remuneration encourages executives to continue to behave like owners, focus on creating long-term value, and remain with the organisation through market cycles.

Under the MSR, Executives and Non-Executive Directors will need to hold material holdings of Whitehaven shares: 100% of TFR for the Managing Director & CEO; 50% of TFR for other Executive KMP; and 100% of base fees for Non-Executive Directors. All individuals in these roles have met these requirements or are on track to meet these requirements within the requisite timeframes.

We thank the Executive KMP and their teams for their continued commitment and contribution to Whitehaven.

Table of Remuneration Report contents

1. Introduction

This Remuneration Report forms part of the Directors' Report.

In accordance with Section 308 (3C) of the *Corporations Act 2001* (Cth), the external auditors, Ernst & Young, have audited this Remuneration Report.

1.1. Key Management Personnel for FY23

This report details the FY23 remuneration and fees of the KMP of the Company, who are listed in the table below. For the remainder of this Remuneration Report, the KMP are referred to as either Executive KMP or Non-Executive Directors.

The following table sets out the Company's Non-Executive Directors during FY23.

Non-Executive Directors	Role held during FY23	Committee positions held
The Hon. Mark Vaile AO	Chairman and Non-Executive Director	Chairman of Governance & Nomination Committee Member of Audit & Risk Management Committee Member of Remuneration Committee (Chairman from 26 October 2022 to 19 February 2023) Member of Health, Safety, Environment & Community Committee (from 26 October 2022)
Dr Julie Beeby	Non-Executive Director	Chairman of Health, Safety, Environment & Community Committee Member of Remuneration Committee (from 26 October 2022 to 19 February 2023) Member of Governance & Nomination Committee
Nicole Brook (appointed 3 November 2022)	Non-Executive Director	Member of Health, Safety, Environment & Community Committee (from 3 November 2022)
Wallis Graham (appointed 20 February 2023)	Non-Executive Director	Chairman of Remuneration Committee (from 20 February 2023) Member of Audit & Risk Management Committee (from 20 February 2023)
Fiona Robertson AM	Non-Executive Director	Chairman of Audit & Risk Management Committee Member of Remuneration Committee (from 26 October 2022) Member of Health, Safety, Environment & Community Committee (to 2 November 2022) Member of Governance & Nomination Committee (from 26 October 2022)
Raymond Zage	Non-Executive Director	Member of Audit & Risk Management Committee (from 26 October 2022)
John Conde AO (retired 26 October 2022)	Deputy Chairman and Non-Executive Director	Chairman of Remuneration Committee (to 25 October 2022) Member of Audit & Risk Management Committee (to 25 October 2022) Member of Governance & Nomination Committee (to 25 October 2022)
Lindsay Ward (retired 31 December 2022)	Non-Executive Director	Member of Health, Safety, Environment & Community Committee (to 25 October 2022) Member of Remuneration Committee (to 25 October 2022)

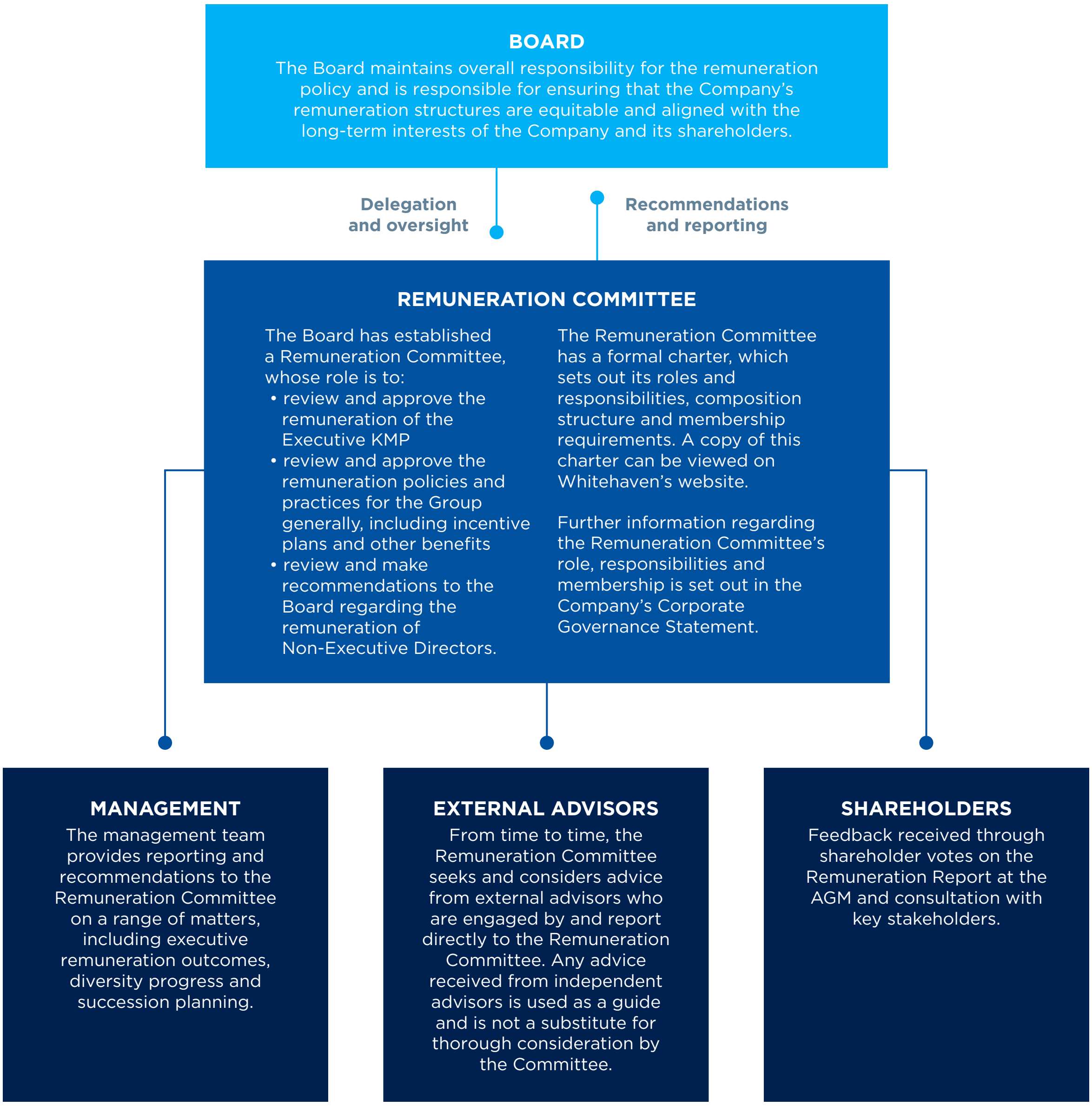
The following table sets out the Company's Executive KMP during FY23. All Executive KMPs listed below have held their respective positions for the full financial year.

Executive KMP	Role held during FY23	Dates
Paul Flynn	Managing Director and CEO	Full year
Kevin Ball	CFO	Full year
Ian Humphris	EGM – Operations	Full year

2. Remuneration governance, principles and framework

2.1. Remuneration governance model

This section describes the roles and responsibilities of the Board, Remuneration Committee, management, external remuneration advisers and shareholders when making remuneration decisions. It also provides an overview of the principles and policies that underpin the Company's remuneration framework.



During FY23 the organisation commissioned Mercer as remuneration advisors to provide salary benchmarking data for Executive KMP roles. Mercer did not provide any remuneration recommendations in relation to any KMP remuneration levels, as defined in the *Corporations Act 2001* (Cth).

In addition, the Remuneration Committee engaged Godfrey Remuneration Group Pty Ltd (GRG) as remuneration consultants. This included the provision of remuneration recommendations as defined under the *Corporations Act 2001* (Cth) for the following engagement: Review, analysis and advice regarding remuneration for Non-Executive Directors for a fee of $19,250 (including GST). Outside of this engagement, GRG was engaged to provide market-based information on single incentive plans to Whitehaven during the financial year for a fee of $4,400 (including GST). No other remuneration recommendations were obtained during FY23.

2.2. Remuneration principles

The following principles underpin the Company's remuneration framework:

Remuneration principles			
Competitive	Equitable	Drives Performance	Aligned
It is recognised that attracting and retaining talented employees to the coal industry presents unique challenges and therefore a premium pay structure is increasingly required to remain competitive.	Structures are equitable and reinforce relevant Company policies, such as ensuring a focus on a safe working environment for all employees and on compliance with environmental approval conditions.	Reward outcomes are aligned with performance, with a significant portion of pay deemed 'at risk' based on challenging KPIs that are linked to the creation of sustainable shareholder returns.	Incentives are aligned with the interests of the Company and its stakeholders, including shareholders, employees and the communities in which we operate.

2.3. Connecting our principles to our remuneration framework

The Company's Executive KMP remuneration framework is based on a set of core principles, and comprises both fixed and at-risk remuneration components. The table below summarises the key elements of the remuneration framework with respect to our core remuneration principles.

	Attract and retain skilled executives	Structures are equitable and reinforce relevant Company policies	Incentives are challenging and linked to the creation of sustainable shareholder returns	Incentives are aligned with the long-term interests of the Company and its stakeholders
	TFR	SIP		
	Cash Components		Equity-Based Components	
COMPOSITION	Includes salary and superannuation	30% of SIP is delivered as cash	36% of SIP is deferred into rights to receive shares in the Company subject to meeting service-based vesting conditions. Awards are made in three equal parts with vesting periods of 1, 2, and 3 years.	34% of SIP is awarded as performance-based rights with a four-year vesting schedule.
OPPORTUNITY	Fixed remuneration is targeted at the 75th percentile relative to organisations of comparable size and operating in similar industries, recognising the challenge of attracting talent to the coal industry	The SIP opportunity is set as a percentage of TFR. Opportunities vary by role, with stretch representing 150% of target outcomes: - CEO: 185% of TFR for target performance, 277.5% TFR for stretch performance. - Non-CEO Executive KMP: 125% of TFR for target performance, 187.5% TFR for stretch performance.		
BASIS OF OUTCOMES	Set based on skills, capabilities, experience, performance and role complexity with reference to external benchmarking	Outcomes at the end of the initial annual performance period prioritising financial, production, and HSE-focused metrics aimed at driving execution of business strategy and creating shareholder value. Quantifiable measures represent 80% of the overall SIP grant, with rigorous individual performance KPIs representing the remaining 20%. Performance-based rights are then subject to two additional performance hurdles: an independently verified Costs Hurdle and Strategic Priority Delivery. These two hurdles are tested independently of one another. Measures are set by the Board and are underpinned by strategic projects, financial considerations, and hurdles.		
GOVERNANCE	Reviewed annually by the Remuneration Committee	The Board is able to adjust SIP outcomes to ensure alignment with shareholder expectations. This includes adjustments to equity award allocations, where the Board is able to reduce the number of unvested rights if subsequent events show such a reduction to be appropriate.		

3. FY23 remuneration framework

As detailed last year, the Board embarked on a comprehensive assessment of Whitehaven's executive remuneration framework. This extensive review sought to ensure that our framework is fit for purpose; adequately acknowledging the attraction and retention challenges unique to the coal industry. Additionally, the review aimed to align executive remuneration outcomes more closely with the experiences of our shareholders, while also bolstering the execution of the Company's evolving strategy.

The review led to a revised pay structure, which was outlined in last year's remuneration report and endorsed by shareholders:

– A single incentive plan with traditional LTI measures no longer applicable
– competitive fixed remuneration reflecting a premium for coal, which the review found was approximately market median plus 20%, positioning Executive KMP fixed remuneration at the 75th percentile of benchmarked companies
– minimum shareholding requirements for Executive KMP and Non-Executive Directors
– Reviewed Non-Executive Director fees, where the review identified a need to lift base Board fees to align with the median of the market for FY23 (no changes to Committee fees).

This framework provides a number of benefits:

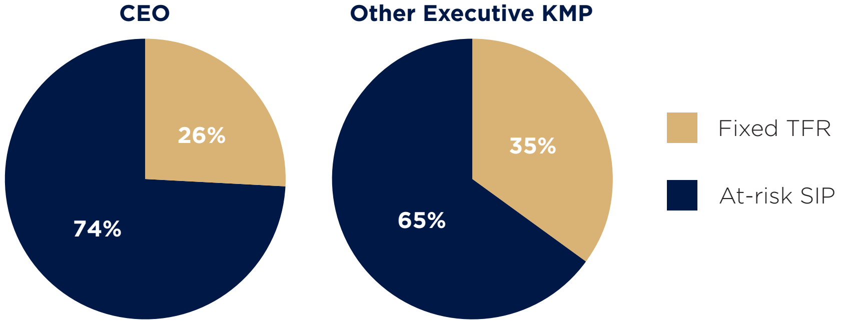
– better reflects shareholder interests by placing a strong focus on key annual operational imperatives
– makes yearly achievement of targets paramount, as there is no longer a long-term incentive acting as a fill gap in later years
– recognises that Whitehaven operates in a cyclical and volatile industry with results materially influenced by coal price
– recognises the unique challenges from a stock valuation and performance perspective due to ESG screening and discounting
– addresses the challenges/risks of attracting and retaining Tier 1 executives by targeting top quartile fixed remuneration
– is delivered with a large proportion of at risk remuneration in equity, deferred over several years, to align with shareholder experience
– rewards executives for delivering results against measurable criteria aimed at safe, responsible, efficient operations; delivery of new long-term strategic projects; and optimising financial performance
– supports decision making aligned to shareholder interests and requires executives and Board members to maintain a personally significant shareholding in WHC, with the same financial consequences
– features longer deferral period to extend shareholder alignment through the typical market cycle.

Details on the specifics of the remuneration framework are provided in the below sections.

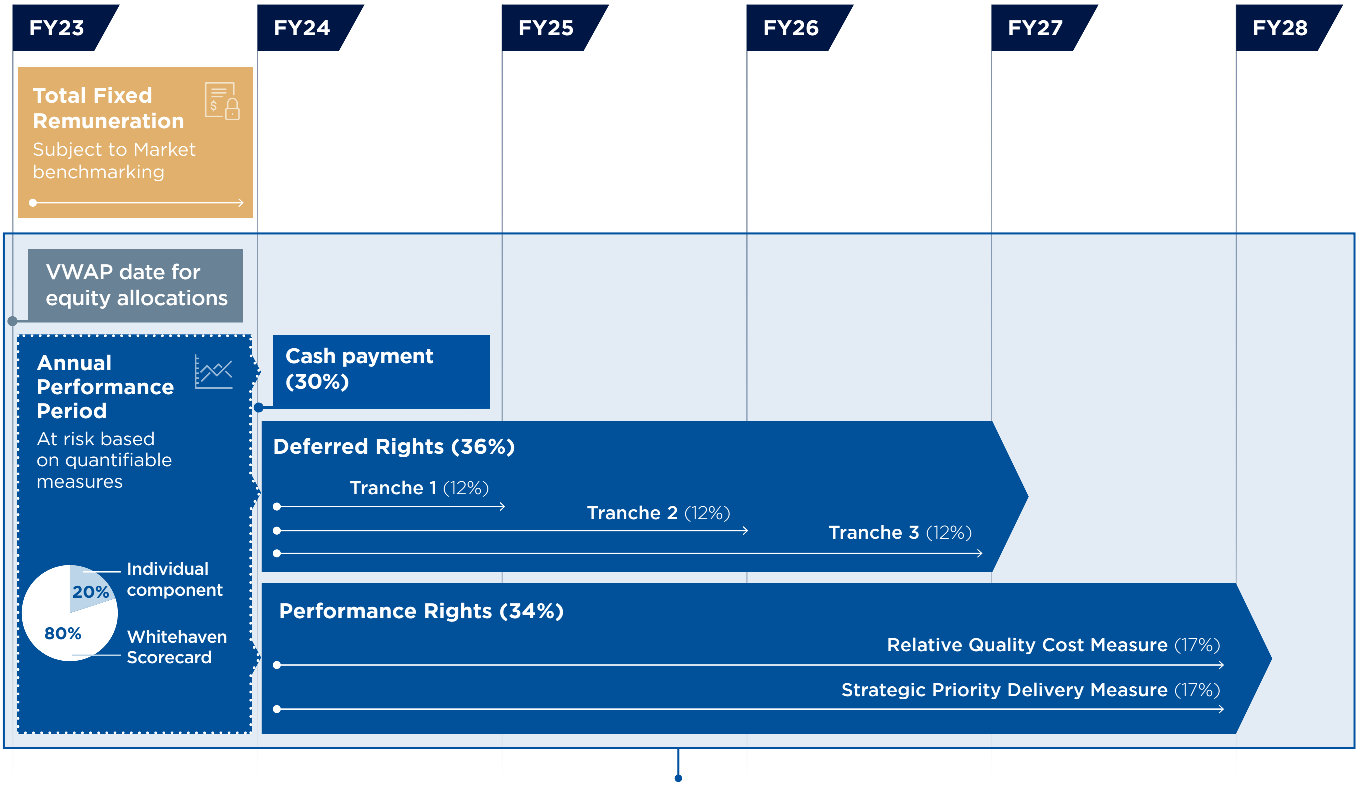
3.1. Mix and timing of Executive KMP remuneration in FY23

Executive KMP remuneration is delivered as a mix of fixed and at-risk remuneration. At-risk remuneration can be earned through the SIP and is delivered to Executive KMP over multi-year timeframes to create a layered retention effect and encourage sustained performance.

The graphs below illustrate the remuneration mix for Executive KMP for FY23 (based on maximum performance for at-risk components):



To support executive retention and ensure executives are aligned appropriately to shareholder experience and to longer-term business performance, the vesting schedule has been lengthened relative to previous frameworks and is broadly consistent with other SIPs in the market. The following diagram shows the timing for determining and delivering Executive KMP remuneration for FY23:



Single Incentive Plan

3.2. Fixed remuneration

Executive KMP fixed remuneration consists of base salary and superannuation, and is subject to approval by the Remuneration Committee. In line with Company policy and executive service agreements, remuneration levels are reviewed annually having regard to market benchmarking, scope of role and sustained individual performance. While remuneration is reviewed annually, increases are not guaranteed.

The combination of a limited and decreasing talent pool to draw from and increasingly demanding leadership roles has made the attraction and retention of talented executives more and more challenging across the coal industry. Consequently, from FY23, the Board determined to position fixed remuneration at the 75th percentile of its market comparator groups where appropriate for the individual executive. See section 3.6 for further explanation of our approach to remuneration benchmarking.

3.3. FY23 SIP award structure

The SIP structure has been designed to align executive remuneration outcomes with measures that support a range of stakeholder interests, including the interests of our shareholders, our workforce and the communities in which we operate. Its substantial equity component and wider differential between target and stretch opportunities helps support strong alignment with shareholder experiences, and the extended deferral periods encourage a focus on long-term value creation.

Feature	Description
Annual Performance Period	Each annual performance period begins and ends with the financial year (i.e. 1 July to 30 June)
SIP Opportunity	CEO: target 185% of TFR and stretch 277.5% of TFR Other Executive KMP: target 125% of TFR and stretch 187.5% of TFR
Calculation of SIP award	The value of SIP awards will be calculated as follows. **Value of SIP Award** = TFR X Target Opportunity X ((80% X scorecard result) + (20% X individual performance))
Scorecard KPIs and weightings	The scorecard KPIs represent 80% of the overall SIP outcome and are based on quantifiable financial, production, and HSE measures. Whitehaven has chosen outcome-focused performance conditions that link to our strategy. Executives will no longer be assessed against leading indicator KPIs such as Safety Hazard Identification and Environment Critical Control Verification. While these leading indicators are important in creating a positive safety culture, and remain a feature in

Feature	Description
	the site incentive plans, it is recognised following feedback from shareholders that *outcomes* are more relevant when assessing executive performance. The table below summarises the KPIs and the applicable weighting of each performance measure that have been adopted in FY23:

KPI	Rationale	Weighting
Health, Safety and Environment Measures (40%)		
Safety (TRIFR)	- Key indicator of safety performance - Reflects effectiveness of risk management framework	20%
Environmental Compliance (Enforceable Actions)	- Key compliance measure - Demonstrates commitment to sustainability	20%
Financial Measures (40%)		
EBITDA	- Key profit measure for shareholders - Reflects underlying performance	25%
FOB cost per tonne (equity basis)	- Key controllable value driver of profit - Key operational measure of Management's performance	15%
Production Measures (20%)		
ROM production (managed basis)	- Key measure of operational efficiency and supply chain management - Reflects sales potential and enables customer satisfaction	20%

Feature	Description
	The measures and weightings outlined above will be considered by the Board at the beginning of each financial year, with changes expected as strategy evolves. For example, the EBITDA and FOB Cost weightings could be rebalanced to reflect timing in the coal price cycle (i.e. higher cost weighting in low price years when managing costs is increasingly critical).
Individual Performance Assessment	The remaining 20% of the overall SIP outcome reflects each executive's individual performance, as assessed relative to achievement of the individual goals and objectives set at the beginning of the financial year. These quantitative and qualitative objectives reflect both short- and longer-term strategic initiatives, as well as how executives demonstrate behaviours aligned to Whitehaven's STRIVE values. Performance against objectives is assessed annually as part of the Company's broader performance review process.
Form of delivery, vesting and exercise	Following the conclusion of each annual performance period, any resulting SIP award will be delivered to executives in a combination of cash, deferred rights and performance rights, as follows: – **30%** cash, expected to be paid in September following the end of the financial year – **36%** deferred rights, which vest in equal tranches (of 12% each) annually over 3 years subject to service conditions – **34%** performance rights, divided equally into two tranches (of 17% each) which are subject to additional performance conditions over a four-year period commencing at grant. The number of deferred rights and performance rights allocated to participants is calculated by dividing the award value in dollars by the volume weighted average price (VWAP) of ordinary shares in the Company. The VWAP incorporates a 20-trading day period, commencing 10 trading days prior to 30 June in the calendar year of the Annual Performance Period's commencement i.e. 1 July 2022. The single VWAP date at the beginning of the annual performance period creates shareholder alignment over the incentive plan's full operation.
Performance Rights	**Relative Quality Cost Measure (17% of SIP award weighting):** These Rights are subject to the Company maintaining Whitehaven's competitive position in the Australian industry for comparable mines (i.e. haulage cost and quality adjusted, as measured by Wood Mackenzie). Target position will be defined by the Board at the time of grant. Given Wood Mackenzie curves are produced on a calendar year basis, the cost measure will be tested based on the average costs achieved on a Company-wide basis over the most recent calendar year prior to vesting. This ensures like-for-like comparisons to the Wood Mackenzie cost curve. **Strategic Priority Delivery Measure (17% of SIP award weighting):** These Rights are linked to the delivery of strategic priorities, aligning executives to the efficient and effective delivery of long-term projects i.e. often greater than 10 years in duration and beyond average executive tenure. The strategic delivery condition is important to address shareholder value creation from Whitehaven's long-term strategic development projects and include measures that are underpinned by financial considerations and hurdles. Projects represent significant commercial opportunities for Whitehaven with quantified return on investment. This commercial value can be delivered through: – extensions and enhancements to mining operations that will increase ROM coal production, driving sustained productivity and revenue – new initiatives that add to long-term coal reserves, enhancing resource security and supporting operational sustainability – increasing production rates and our capacity for diverse coal products, enhancing market flexibility and resilience to changing coal market demands. Progress towards strategic priorities will be assessed by the Board at the end of the 4-year performance period, with formal updates provided to the Remuneration Committee on an annual basis. Active projects include the Vickery Extension, Winchester South, Narrabri Stage 3, and the Maules Creek Continuation Project (renewal of the mining

Feature	Description
	lease), and are weighted according to potential shareholder value creation. Measures are commercially sensitive and will be disclosed retrospectively. When determining the underlying measures for these performance rights, the Board considered a number of alternatives including various accounting measures, as well as retaining the existing relative TSR measure. Accounting measures were deemed inappropriate given price-taking companies, like Whitehaven, do not have meaningful impact over measures such as return on equity (ROE), earnings per share (EPS) or return on invested capital (ROIC). Relative TSR was deemed to be inappropriate given the influence of ESG concerns on the Whitehaven share price, as a significant proportion of investors are unwilling or unable to invest in coal stocks resulting in significant valuation discounts and a disconnect of the traditional coal price to share price relationship. Further, the cyclicality of a commodity business, coupled with the limited number of comparable ASX-listed pure coal producers, makes relative performance comparisons problematic. TSR will still be considered when determining whether outcomes reflect appropriate alignment, but it will not be a formal aspect of Whitehaven's SIP framework. As the quantum of vesting for both tranches of performance rights has been determined by a combination of the upfront SIP scorecard and the tests on further measures detailed above, the Board is confident in the rigour of this framework and its alignment to shareholder value creation.
Retesting	Any component of the SIP award that does not vest following testing will lapse. There is no retesting of awards that do not vest.
Board Discretion	The Board maintains the discretion to adjust the formulaic outcomes outlined above. This can be implemented either in response to unanticipated external factors that are beyond management's control, or if the results generate any unintended outcomes. Such decisions will always take into account the perspectives of various stakeholders including, but not limited to, shareholders, employees, and communities.

3.4. Policies and conditions of rights awarded under equity plans

Minimum shareholding requirements

The MSR Policy was introduced from July 2022 and is designed to align the interests of shareholders with those of the executives. The MSR policy requires Executive KMP to hold applicable Whitehaven shares and/or rights to the value of at least 50% of their TFR after a period of three years, and in the case of the CEO a minimum of 100% of his TFR within five years. Currently the CEO and the Executive KMP satisfy the requirements of the MSR policy.

Malus and clawback

The Board has discretion to reduce or claw back all vested and unvested SIP, LTI and STI awards in certain circumstances if subsequent events show a reduction to be appropriate. The circumstances in which the Board may exercise this discretion include: where an Executive KMP engages in fraud, dishonesty or other misconduct; a material misstatement of the Company's financial statements or other material error which results in vesting; or any other factor that the Board deems justifiable.

Dividend and voting rights

Rights carry no entitlement to voting or dividends prior to exercise, and rights that fail to meet the vesting criteria return nil value for the participants. However, for rights that do satisfy the vesting conditions, participants are entitled to receive a dividend equivalent payment (DEP) for the period between the start of the performance period and exercise. This DEP can be delivered in cash or as additional fully paid ordinary shares in the Company, at the discretion of the Board.

The provision of a DEP effectively addresses the value discrepancy between shares and rights, ensuring that participants' allocations, which are based on the face value of a share, are not undervalued. This system also carries significant benefits for shareholders and helps in mitigating potential market signalling risks:

- **Enhanced shareholder alignment:** Without any entitlement to dividends, participants may be incentivised to favour strategies that spur short-term share price growth over dividend returns. Adopting the DEP reduces this risk and promotes stronger alignment with shareholder interests. It also sends a positive signal to the market about the alignment of our executives' remuneration arrangements with shareholder returns.
- **Encouragement of long-term holdings:** Without a DEP, participants could feel motivated to exercise vested rights promptly to access the value tied to dividends. This early exercise of rights triggers a tax event and potential tax liability, often leading participants to sell some of their equity holdings. Such a scenario could send negative signals to the market about insider confidence. However, with the DEP in place, participants can hold their awards for a longer term without foregoing the value of dividends and without triggering early tax events. This policy also communicates to the market our commitment to long-term performance and the stability of our executive team.

Prohibition on hedging

Participants are required to comply with the Company's securities trading policy in respect of their performance rights, options and any shares they receive upon exercise.

They are prohibited from hedging or otherwise protecting the value of their performance rights and options.

Change of control

In the event of a takeover bid or other transaction, event or state of affairs that in the Board's opinion is likely to result in a change in control of the Company, the Board has discretion to determine that vesting of some or all of any unvested performance awards should be accelerated.

Cessation of employment

Unless the Board determines otherwise, cessation of employment for the following reasons will result in different treatments of unvested performance awards as set out below:

- Termination for cause: unvested performance awards will lapse.
- Resignation or by mutual agreement with the Company: unvested performance awards will remain on foot and be subject to the original performance hurdle. However, the Board may at its discretion determine to lapse any or all of the unvested performance awards and ordinarily, in the case of a resignation, would be expected to do so.
- Other circumstances: unvested performance awards will remain on foot and be subject to the original performance hurdle, with Board discretion to determine that some of the performance awards (up to a pro rata portion based on how much of the performance period remains) will lapse. The performance awards that remain on foot will be tested in the normal course following the end of the relevant performance period.

3.5. Benchmarking total remuneration

While benchmarking is a useful starting point, it is only one input the Board uses to determine total remuneration for Executive KMP. Actual market positioning for each individual is an outcome of multiple factors such as internal relativities, experience, tenure in role, individual performance and retention considerations.

Fixed and total remuneration are benchmarked against appropriate market comparator groups adopted by the Board with the assistance of remuneration consultants. As with many commodity-based organisations, Whitehaven's share price (and consequently market capitalisation) is highly dependent on the price of coal, therefore the Board now benchmarks remuneration against two primary comparator groups. Group 1 is based on current Company size (on third to three times Whitehaven's market capitalisation) plus a coal industry premium, and Group 2 reflects a more stable group of industry-aligned comparators. Both comparator groups consist of Australian listed companies, which have been identified as Whitehaven's relevant competitors for talent, operating in similar business environments.

In determining appropriate remuneration, having both benchmarking groups helps the Board to make decisions that balance the market capitalisation challenges the business faces, addresses the difficulties of attracting top executives to Whitehaven and the coal industry in light of evolving ESG-related concerns, and seeks to retain our talented management team.

Comparator groups used to benchmark FY24 fixed and total remuneration:

Groups	Companies	
Group 1 - Comparable size and industry **This group had a median market capitalisation of $4.7 billion (as at the time of benchmarking).**	AGL Energy Ltd APA Group Beach Energy Ltd BlueScope Steel Ltd Boral Ltd Coronado Global Resources Inc. CSR Ltd Evolution Mining Ltd IGO Limited Iluka Resources Ltd Incitec Pivot Ltd	Lynas Rare Earths Ltd Mineral Resources Ltd New Hope Corporation Ltd Nufarm Ltd Orica Ltd Orora Ltd OZ Minerals Ltd Sims Ltd Viva Energy Group Ltd Yancoal Australia Ltd
Group 2 – ASX200 Industrials **This group had a median market capitalisation of $7.7 billion (as at the time of benchmarking).**	Adbri Ltd Alumina Ltd Ampol Ltd Beach Energy Ltd BHP Group Ltd BlueScope Steel Ltd Boral Ltd Coronado Global Resources Inc. Evolution Mining Ltd Fletcher Building Ltd Fortescue Metals Group Ltd IGO Ltd Iluka Resources Ltd Incitec Pivot Ltd Mineral Resources Ltd	New Hope Corporation Ltd Newcrest Mining Ltd Northern Star Resources Ltd Orica Ltd Orora Ltd OZ Minerals Ltd Regis Resources Ltd Rio Tinto Ltd Santos Ltd Sims Ltd South32 Ltd Washington H Soul Pattinson and Company Ltd Woodside Energy Group Limited Worley Ltd Yancoal Australia Ltd

4. FY23 Remuneration Outcomes

4.1. Summary of Company performance

A snapshot of key Company statutory performance for the past five financial years is set out below:

	FY23	FY22	FY21	FY20	FY19
Revenue ($m)	6,064.7	4,920.1	1,557.0	1,721.6	2,487.9
Statutory EBITDA ($m)	3,985.6	3,060.1	204.5	306.0	1,001.2
Net profit/(loss) after tax ($m)	2,668.1	1,952.0	(543.9)	30.0	527.9
Share price at year end (dollars per share)	$6.71	$4.84	$1.94	$1.43	$3.66
Basic EPS (cents per share)	307.7	197.6	(54.6)	3.0	53.5
Diluted EPS (cents per share)	302.8	195.1	(54.6)	3.0	52.4
Shareholder dividends paid (cents per share)	72	8	-	31.5	47
Share buy-back ($m)	948.9	362.6	-	-	-
TRIFR[1]	4.7	5.4	5.9	4.1	6.2
Saleable production (Mt)	15.7	17.3	16.9	18.4	19.8

1 TRIFR is the total number of injuries resulting in lost time, restricted work duties or medical treatment per million hours worked.

4.2. FY23 Executive KMP SIP outcomes

At the start of each financial year, the Board sets target KPIs for the SIP to drive outperformance of annual business plans. At financial year end, the Board Chairman recommends to the Board the SIP outcome for the CEO based on a combination of scorecard and individual outcomes, while the CEO recommends SIP outcomes for other Executive KMP on a similar basis. The Board then assesses and approves the overall SIP outcomes for the CEO and Executive KMP.

Scorecard targets and outcomes

The table below summarises results against each KPI, including instances where the Board has considered the experience of shareholders in determining outcomes that reflect management performance, value created beyond KPI results, and significant unforeseen circumstances.

Impressive financial outcomes, underpinned by record EBITDA of $4.0 billion, and above target health, safety and environment performance led to an overall result of 68.0% of the maximum scorecard outcome (102.1% of the target scorecard outcome) for FY23.

Threshold performance has been determined for the FY23 SIP outcome for FOB unit costs, an allowance made by the Board in recognition of significant weather and flooding impacts, sharply escalated diesel costs, and labour shortages. The SIP outcome for ROM production was also determined at threshold performance, following consideration of localised flooding events in the first half of the reporting year which disrupted production schedules and resulted in access being cut off for 24 days at Maules Creek, 17 days at Tarrawonga, and 36 days for coal haulage to the CHPP. Labour constraints also affected production, a challenge seen across the broader mining industry. As outlined in the relevant sections below, the Board therefore recognised and made allowance for the reasonably unforeseeable and uncontrollable circumstances that management encountered during FY23. The Board based its assessments on detailed quantitative analysis of these circumstances, with the outcomes reflecting conservative adjustments.

KPI Unit	Weighting	FY23 Result	FY23 Targets and Results: Gateway (50%)	Target (100%)	Stretch (150%)	FY23 SIP Outcome (% of max)
HEALTH, SAFETY AND ENVIRONMENT						
TRIFR	20%	4.7	6.5	5.5	4.9	100%
						4.7
Environmental Compliance (Enforceable Actions)	20%	0	3	2	1	100%
						0

Safety remains our first and foremost priority across sites, and following ongoing investment and focus, TRIFR continued to improve, reducing from 5.4 to 4.7 in FY22 and FY23 respectively. This outcome continues to track favourably to comparable industry performance.

Similarly, as a result of continued attention and commitment, environmental performance improved in FY23 with no environmental incidents triggering or likely to trigger enforcement actions, leading to a Stretch outcome.

KPI Unit	Weighting	FY23 Result	FY23 Targets and Results: Gateway (50%)	Target (100%)	Stretch (150%)	FY23 SIP Outcome (% of max)
FINANCIALS						
EBITDA (A$m)	25%	$3,986	$3,600	$4,000	$4,300	65%
				$3,986		
FOB Unit Cost (A$/tonne)	15%	$103.00	$96.00	$92.50	$89.00	33%
		$103.00				

The FY23 record EBITDA of $4.0 billion, up from $3.1 billion in FY22, reflects exceptionally strong coal prices throughout most of the financial year, and managing through operational challenges to deliver an operational performance within adjusted ROM production guidance. This strong result was supported by a record average achieved coal price of $445/t, up from $325/t in the prior year (before applicable royalties). The cost scorecard ranges for FY23 were set above corresponding FY22 ranges due to Whitehaven's higher quality strategy, which has added significantly to profitability in FY22 and FY23, but has increased unit costs.

Group costs were in the mid-range of our revised cost guidance, which increased to $100/t-$107/t in April 2023, from the original $89/t-$96/t guidance. Costs were higher relative to FY22, reflecting lower ROM and saleable coal production volumes due to major weather and flooding disruptions in the first half of FY23, operational constraints at Maules Creek, and inflationary cost impacts across the business. Diesel prices were markedly higher than FY22, port costs increased due primarily to the additional variable toll charge implemented at NCIG, and a tight labour market put upward pressure on labour costs across the industry.

After reviewing quantitative analysis of the impact of flooding, diesel, and labour constraints, the Board determined to adopt an outcome aligned to threshold performance to ensure SIP outcomes reflect management's FY23 performance. The net result of these adjustments has delivered an above threshold result. However, the Board set the outcome to threshold, which it considered a fair and conservative adjustment given the magnitude of these uncontrollable circumstances.

KPI Unit	Weighting	FY23 Result	FY23 Targets and Results: Gateway (50%)	Target (100%)	Stretch (150%)	FY23 SIP Outcome (% of max)
OPERATIONS						
ROM Production (Mt)	20%	18.2	20.0	21.5	23.0	33%
		18.2				

Despite challenging operational conditions, including significant wet weather events and labour shortages, FY23 ROM Production was 18.2Mt. This result was at the lower end of our adjusted market guidance range.

After reviewing quantitative analysis of the impact of flooding and labour constraints, the Board determined to adopt an outcome aligned to Threshold performance to ensure SIP outcomes reflect management's FY23 performance. The net result of these adjustments would have delivered an above-threshold result. However, the Board set the outcome to threshold, which it considered a fair and conservative adjustment given the magnitude of these uncontrollable circumstances.

Executive KMP individual performance and SIP outcomes

In determining FY23 SIP outcomes, the Board considered the performance of each KMP against their respective strategic and operational priorities as agreed at the commencement of the financial year.

Recognising the successful delivery against these Individual priorities, notably the exceptional execution of the Company's value-creating strategy to produce coal at a quality level higher than originally budgeted, the Managing Director & CEO was assessed as 'Exceeds Expectations' by the Board and the other Executive KMP were assessed as 'Achieves Expectations' by the Board. Key performance objectives and highlights are detailed below:

Individual Performance: FY23 Summary

Paul Flynn
Managing Director and CEO

- Stakeholder Engagement and Industry Advocacy: Continued to champion the coal industry, promoted regional development and constructively engaged numerous stakeholders.
- Strategy Execution: Furthered delivery of shareholder accretive projects and progressed key Company initiatives whilst managing unforeseen headwinds from flooding-related impacts and regulatory changes.
- Product Quality Focus: Optimised product quality levels for maximum value creation.
- Capital Management: Ensured a strong focus on capital allocation, and oversaw significant return to shareholders.

Result: 80% of maximum for individual performance component (120% of target)

Kevin Ball
Chief Financial Officer

- Financial Resilience: Successfully managed Whitehaven's capital structure, positioning it strongly amidst industry challenges.
- Capital Management: Refined the Capital Allocation framework, ensuring clarity for both internal teams and external stakeholders. Oversaw significant return to shareholders.
- Budgeting: Addressed challenges in the budgeting process, with a focus on refining planning and alignment.
- Strategic Focus: Prioritised aligning cash flow scenarios with business strategies.

Result: 66.7% of maximum for individual performance component (100% of target)

Ian Humphris
EGM – Operations

- Project Advancement & Operational Efficiency: Advanced key projects (Narrabri Stage 3 and Vickery), and addressed operational challenges efficiently.
- Environmental Stewardship & Compliance: Reduced environmental compliance issues and managed flood impacts adeptly.
- Strategic Partnerships & Business Alignment: Progressed Autonomous Haulage System (AHS) at Maules.
- Operational Safety & Risk Management: Achieved commendable safety outcomes; introduced fatigue monitoring and improved injury management.
- Innovation & Performance Optimisation: Optimised blasting performance at Maules and established in-house Business Intelligence teams.

Result: 66.7% of maximum for individual performance component (100% of target)

Based on the above performance, this resulted in an overall SIP outcome of 70.4% of maximum opportunity for the Managing Director & CEO, and 67.8% of maximum opportunity for the other Executive KMP. This is detailed in the table below, which takes into account performance being assessed as combination of the Group-wide scorecard metrics with a weighting of 80%, and individual KMP performance with a weighting of 20%.

					Percentage of maximum SIP received			
	Paid as cash	Deferred rights	Performance rights	Total	Scorecard component (80% weighting)	Individual component (20% weighting)	Overall outcome	Percentage of maximum SIP forfeited
Executive KMP	**($)**	**($)**	**($)**	**($)**				
Paul Flynn	1,106,944	1,328,333	1,254,537	3,689,814	68.0%	80.0%	70.4%	29.6%
Kevin Ball	335,414	402,497	380,136	1,118,047	68.0%	66.7%	67.8%	32.2%
Ian Humphris	323,979	388,775	367,177	1,079,931	68.0%	66.7%	67.8%	32.2%

The total SIP opportunity at target and stretch, by Executive KMP, as a percentage of TFR is detailed in section 3.3.

4.3. FY23 Executive KMP performance rights vesting outcomes

The table below sets out the performance rights awards capable of vesting in 2023 and the results of the respective performance condition testing.

Award type	Award year	Performance period	Tranche	Full-Vesting Target	Performance achieved	Vesting outcome[1]
TSR Award	2019 (FY20)	1 July 2019 – 30 June 2023	2 of 2	75th percentile or above	74th Percentile (TSR of 125.3%)	97.4%
TSR Award	2020 (FY21)	1 July 2020 – 30 June 2023	1 of 2	75th percentile or above	100th Percentile (TSR of 395.2%)	100.0%
Costs Hurdle Award[2]	2020 (FY21)	1 January 2022 – 31 December 2022	1 of 1	75th percentile or above	75th Percentile	100.0%

1 The remaining proportion of each award due to vest in FY23 was forfeited.
2 50% of vested 2020 Costs Rights become exercisable following the end of the testing period, while the remaining 50% of vested Costs Rights are subject to a further one-year service condition to 30 June 2024.

The TSR Award outcomes are compiled and reported by independent consultants Guerdon Associates, while the Cost Hurdle Award is compiled and reported by independent consultants Wood Mackenzie. Further, as noted in the table above, cost comparisons were made on a calendar basis, as industry data is calculated and presented on this basis by Wood Mackenzie. It is therefore not feasible for Whitehaven to compare financial year costs to industry data, in this or subsequent years.

Additional information about the terms of these prior year performance rights awards allocated under the LTI plan is available in the Remuneration Report for the relevant financial years.

Executive KMP performance rights awards vesting in FY23

Executive KMP	2019 TSR Hurdle (Tranche 2)	2020 TSR Hurdle (Tranche 1)	2020 Costs Hurdle[1]	Performance Rights value	Vested Performance Rights at face value of award[2]	Vested Performance Rights share price appreciation[2]
		Performance Rights		$	$	$
Paul Flynn	121,107	210,000	600,000	6,275,661	1,686,185	4,589,476
Kevin Ball	37,678	65,334	186,668	1,952,443	524,595	1,427,848
Ian Humphris	-	73,453	209,866	1,909,570	433,478	1,476,092
Award Test Date	30 June 2023	30 June 2023	30 June 2023			
VWAP – Face value	3.69	1.53	1.53			
VWAP - Award Test Date	6.74	6.74	6.74			

1 50% of these vested awards remain subject to a one-year service condition.
2 As presented in section 4.4.

4.4. Summary of Executive KMP total realised remuneration outcomes

The Board and Remuneration Committee are of the view that the Company and the Executive KMP have continued to successfully execute the Group's long-term strategy and in FY23 have realised exceptional benefits for stakeholders, including shareholders, employees and the communities in which we operate.

The below table summarises the total remuneration outcomes realised by the Executive KMP. This information differs to that provided in the statutory remuneration table in section 8.1 and may be helpful to shareholders as it provides a summary of the actual Executive KMP remuneration outcomes in FY23. Unlike the statutory remuneration table in section 8.1, the below table has not been prepared in accordance with the requirements of the Australian Accounting Standards and is unaudited. It has been included on a voluntary basis and includes:

- fixed remuneration earned in FY23
- SIP award earned in respect of FY23 performance (including the cash component payable in September 2023 and the deferred and performance-based components awarded in equity, which may vest and become exercisable in later years)
- LTI that vested in FY23, including the impact of share price growth between grant and vesting
- any non-monetary benefits provided to Executive KMP in FY23 (including fringe benefits).

Total remuneration increased significantly in 2023, predominantly due to the increased value of vested performance rights. The two primary drivers for this increase were near-full vesting of performance rights in 2023 due to high performance, and a total shareholder return of 395.23% for the period 1 July 2020 to 30 June 2023. That total shareholder return was the highest in the ASX 100, resulting in significant upside for participants and shareholders.

For further details on SIP and LTI outcomes for FY23 refer to sections 4.2 and 4.3 respectively.

FY	TFR[1]	Cash incentives[2]	Total cash	Deferred rights[3]	Performance rights[4] vested at face value of award	Other[5]	Total remuneration	Vested Performance Rights share price growth[6]	Total including share price growth
	$	$	$	$	$	$	$	$	$
Paul Flynn									
2023	**1,888,000**	**1,106,944**	**2,994,944**	**1,328,333**	**1,686,185**	**27,412**	**6,036,874**	**4,589,476**	**10,626,350**
2022	1,560,500	936,300	2,496,800	936,300	1,316,596	12,900	4,762,596	410,336	5,172,933
Kevin Ball									
2023	**880,000**	**335,414**	**1,215,414**	**402,497**	**524,595**	**34,107**	**2,176,613**	**1,427,848**	**3,604,461**
2022	728,250	305,850	1,034,100	305,850	409,609	8,600	1,758,159	127,661	1,885,819
Ian Humphris									
2023	**850,000**	**323,979**	**1,173,979**	**388,775**	**433,478**	**78,443**	**2,074,675**	**1,476,092**	**3,550,767**
2022	700,000	294,000	994,000	294,000	-	12,900	1,300,900	-	1,300,900

1 TFR comprises base salary and superannuation.
2 Cash incentives represent the amount of cash incentive that each Executive KMP will be paid in September of the relevant year, based on annual performance. Refer to sections 3.3 and section 4.2 for further details.
3 Deferred rights refer to the face value of SIP (for 2023) or STI (for 2022) grants deferred into rights that are subject to further service conditions. The deferred rights for 2023 will be issued at a VWAP of $4.84. It is expected that the deferred rights for 2023 will vest and become exercisable in three equal tranches following the completion of FY24, FY25, and FY26. Refer to section 3.3 for further details.
4 Performance rights represent LTI awards made in 2019 and 2020 (FY22: 2018 and 2019) for which the test period ended during the financial year and which have vested (noting 'Costs Hurdle' awards may have additional service-based conditions). The amounts shown are the face value of the awards at the grant date. Refer to section 4.3 for further details.
5 Other includes parking, motor vehicle benefits and other similar items.
6 Vested rights share price growth shows the growth between the grant value of the deferred rights and performance rights relative to the vesting values. Face values have been used based on grant and vesting volume weighted average price.

5. Executive KMP employment contracts

This section sets out an overview of key terms of employment for the Executive KMP, as provided in their service agreements.

All Executive KMP contracts give the Company discretion to make payment in lieu of notice. No notice is required where termination is for cause. The contracts do not provide for any termination payments other than payment in lieu of notice.

Treatment of unvested incentives is dealt with in accordance with the terms of grant. In general, under the SIP, STI, and LTI arrangements, unvested entitlements will be forfeited where an executive is terminated for cause or, at the Board's discretion, where they resign. In all other circumstances where the Board considers the executive to be a 'good leaver', outgoing executives will generally retain their entitlements (subject to any applicable performance conditions in the case of SIP performance rights and LTI awards).

Managing Director and CEO

Paul Flynn was appointed as Managing Director and CEO of the Company on 25 March 2013. This table outlines the key terms of Mr Flynn's contract of employment:

Fixed remuneration	Mr Flynn's annual TFR for FY24 is $1,964,000 (FY23: $1,888,000). It includes salary, superannuation contributions, any components under Whitehaven's salary packaging guidelines and all Director fees. TFR is reviewed annually.
Single Incentive Plan	Mr Flynn is eligible to participate in the SIP. At target performance, his FY24 SIP opportunity is 185% of TFR, with up to 277.5% of TFR for stretch performance.
Other key terms	Other key terms of Mr Flynn's service agreement include the following: – His employment is ongoing, subject to 12 months' notice of termination by Whitehaven or 6 months' notice of termination by Mr Flynn. – The Company may terminate without notice in certain circumstances, including serious misconduct or negligence in the performance of duties. Mr Flynn may terminate immediately in the case of fundamental changes to his role (that is, there is a substantial diminution in his responsibilities), in which case his entitlements will be the same as if the Company terminated him without cause. – The consequences for unvested incentive awards on termination of Mr Flynn's employment will be in accordance with the equity incentive plans. – Mr Flynn will have post-employment restraints for a period of 3 months. No additional amounts will be payable in respect of this restraint period.

Other Executive KMP contracts

A summary of the notice periods and key terms of the current Executive KMP contracts is set out in the table below. All of the contracts below are of ongoing duration.

Name and position (at year-end)	Notice
Kevin Ball Chief Financial Officer Appointed 16 December 2013	3 months by employee 6 months by the Company
Ian Humphris Executive General Manager – Operations Appointed 6 April 2020	6 months by employee or the Company

6. Non-Executive Director remuneration

This section explains the fees paid to Non-Executive Directors during FY23 and approved fees for FY24.

Non-Executive Director fees are designed to ensure that the Company can attract and retain suitably qualified and experienced Non-Executive Directors. Non-Executive Directors do not receive shares or any performance-related incentives as part of their fees from the Company.

Non-Executive Directors are also reimbursed for travel and other expenses reasonably incurred when attending meetings of the Board or in connection with the business of the Company.

The Remuneration Committee reviews and makes recommendations to the Board with respect to Non-Executive Director fees and Committee fees.

In 2012 shareholders approved a total aggregate maximum amount of Non-Executive Director fees of $2,500,000 per annum. No change is being sought to the total aggregate Non-Executive Director fees pool for FY24.

6.1. FY23 and FY24 Board and Committee Fees

Non-Executive Director fees are reviewed annually, with the last adjustment to fees effective on 1 July 2022. For the review of FY24 remuneration, a market benchmarking exercise was conducted with the support of independent consultants Godfrey Remuneration Group. The review determined that no increases would apply to Board and Committee fees (excluding superannuation), despite challenges attracting non-executive directors to the coal industry.

Non-Executive Directors' FY24 fees include the increase in the statutory superannuation guarantee contribution rate on 1 July 2023 from 10.5% to 11.0%. Historically we have disclosed Non-Executive Directors fees on a superannuation exclusive basis, with any applicable superannuation paid in addition to base fees. From FY24, Non-Executive Director fees will be disclosed inclusive of superannuation, better aligning with common practice.

The table below sets out Board and Committee fees for FY23 and FY24. When comparing the policy fee levels from FY23 to FY24, there is no change to fees when excluding superannuation.

	FY23 (incl. superannuation)			FY24 (incl. superannuation)	
	Chairman[1]	Deputy Chairman[1,2]	Member	Chairman[1]	Member
Board	$475,292	$340,292	$198,900	$477,399	$199,800
Audit & Risk Management Committee	$44,200		$22,100	$44,400	$22,200
Remuneration Committee	$44,200		$22,100	$44,400	$22,200
Governance & Nominations Committee	No fee		No fee	No fee	No fee
Health, Safety, Environment & Community Committee	$44,200		$22,100	$44,400	$22,200

1 The Chairman and Deputy Chairman of the Board do not receive committee member fees in addition to their Board fees.
2 The Deputy Chairman position ceased in FY23

6.2. Minimum shareholding requirements (MSR) Policy

The MSR policy requires Non-Executive Directors to acquire and hold Whitehaven shares to the value of at least 100% of Board member fees (excluding any Committee fees) by the later of 30 June 2025 or three years after appointment to the Board.

Currently, all Non-Executive Directors meet the MSR except Ms Brook and Ms Graham who joined Whitehaven on 3 November 2022 and 20 February 2023 respectively. See Table Section 7.3 for details.

6.3. FY23 Non-Executive Director statutory remuneration table

The statutory disclosures required under the *Corporations Act 2001* (Cth) and in accordance with the Accounting Standards are set out in the table below:

		Short-term benefits, $			Post-employment benefits, $	
	FY	Board and Committee fees	Non-monetary benefits	Other long-term benefits (non-cash)	Superannuation benefits	Total fees for services as a Non-Executive Director[1]
Non-Executive Directors						
Mark Vaile (Chairman)	**2023**	**450,000**	**-**	**-**	**25,292**	**475,292**
	2022	375,000	-	-	23,568	398,568
Dr Julie Beeby	**2023**	**233,651**	**-**	**-**	**24,533**	**258,184**
	2022	180,000	-	-	18,000	198,000
Nicole Brook[2]	**2023**	**131,818**	**-**	**-**	**13,841**	**145,659**
	2022	-	-	-	-	-
Wallis Graham[3]	**2023**	**86,429**	**-**	**-**	**9,075**	**95,504**
	2022	-	-	-	-	-
Fiona Robertson	**2023**	**240,469**	**-**	**-**	**25,249**	**265,718**
	2022	200,000	-	-	20,000	220,000
Raymond Zage	**2023**	**193,651**	**-**	**-**	**-**	**193,651**
	2022	140,000	-	-	-	140,000
Former Non-Executive Directors						
John Conde (Deputy Chairman)[4]	**2023**	**105,000**	**6,887**	**-**	**9,079**	**120,966**
	2022	262,500	-	-	23,568	286,068
Lindsay Ward[5]	**2023**	**102,698**	**-**	**-**	**10,783**	**113,481**
	2022	180,000	-	-	18,000	198,000
Total	**2023**	**1,543,716**	**6,887**	**-**	**117,852**	**1,668,455**
	2022	1,337,500	-	-	103,136	1,440,636

1 No termination benefits or share-based payments are paid or are payable to Non-Executive Directors.
2 Ms Brook commenced on 3 November 2022.
3 Ms Graham commenced on 20 February 2023.
4 Mr Conde retired on 26 October 2022.
5 Mr Ward retired on 31 December 2022.

7. Executive KMP statutory tables and additional disclosures

7.1. Executive KMP statutory remuneration table

The following table sets out the statutory remuneration disclosures required under the *Corporations Act 2001* (Cth) and has been prepared in accordance with the appropriate accounting standards:

	Short-term benefits, $			Post-employment benefits, $		Share-based payments, $			
Year	**Salary & fees**	**Non-monetary benefits**	**Cash incentives**	**Superannuation benefits**	**Termination benefits**	**Deferred Rights**	**Performance Rights**	**Total remuneration**	**Performance related**
		(A)	**(B)**			**(B)**	**(C)**		**%**
Executive Directors									
Paul Flynn									
2023	**1,860,500**	**27,412**	**1,106,944**	**27,500**	**-**	**1,157,795**	**1,738,820**	**5,918,971**	**68%**
2022	1,533,000	12,900	936,300	27,500	-	593,442	1,401,410	4,504,552	65%
Other Executive KMP									
Kevin Ball									
2023	**854,708**	**34,107**	**335,414**	**25,292**	**-**	**362,014**	**537,877**	**2,149,412**	**57%**
2022	703,250	8,600	305,850	25,000	-	193,457	435,997	1,672,154	56%
Ian Humphris									
2023	**822,500**	**78,443**	**323,979**	**27,500**	**-**	**347,776**	**486,669**	**2,086,867**	**56%**
2022	672,500	12,900	294,000	27,500	-	170,189	292,835	1,469,924	52%
Total									
2023	**3,537,708**	**139,962**	**1,766,337**	**80,292**	**-**	**1,867,585**	**2,763,366**	**10,155,250**	
2022	2,908,750	34,400	1,536,150	80,000	-	957,088	2,130,242	7,646,630	

(A) The amounts disclosed as non-monetary benefits relate to car spaces, motor vehicle benefits and other similar items.

(B) Comprises the cash component of current year incentive (refer to sections 3.3 and 4.1 for details) and the fair value at each grant date of deferred rights expensed over the relevant period for the service vesting condition (which is included in the share-based payments column of the table). The fair value of grants is based on the volume weighted average price of Whitehaven shares over the 20-trading day period commencing 10 trading days prior to 30 June of each respective grant. For SIP and LTI awards, this is done at the start of the performance period. For deferred STI, this is done at the end of the performance period.

(C) The fair value for performance rights granted to KMP is based on the fair value at each grant date expensed over the vesting period. The factors and assumptions used in determining the fair value are set out in note 5.5 to the financial statements.

7.2. Movement in rights held by Executive KMP

The movement during the reporting period by number and value of equity instruments in the Company held by each Executive KMP is detailed below:

Instrument	Balance as at 1 July 2022 (number)	Granted (number)	Granted ($)	Vested/awarded during the year (number)	Exercised (number)	Exercised ($)	DEP Grants @ Exercise (number)	DEP Exercised (number)	Lapsed (number)	Lapsed (year of grant)	Balance as at 30 June 2023 (number)	Vested and exercisable at 30 June 2023
		(A)	(B)			(C)	(D)	-		(E)	(F)	(G)
Executive KMP												
Paul Flynn												
Performance Rights	2,731,917	-	-	987,909	-	-	-	-	(98,599)	2018/2019	2,633,318	987,909
Deferred Rights	347,444	193,450	936,298	217,472	-	-	-	-	-		540,894	217,472
Kevin Ball												
Performance Rights	849,937	-	-	307,352	(72,307)	266,813	12,616	(12,616)	(30,674)	2018/2019	746,956	235,045
Deferred Rights	113,498	63,192	305,849	71,041	(71,041)	126,950	4,909	(4,909)	-		105,649	-
Ian Humphris												
Performance Rights	705,445	-	-	178,386	-	-	-	-	-		705,445	178,386
Deferred Rights	95,717	60,744	294,001	47,858	(53,973)	100,529	3,730	(3,730)	-		102,488	-

(A) The number of rights granted during FY23 includes the deferred rights component of the FY22 STI award, calculated by reference to the VWAP of the Company's shares for the 20-day trading period commencing 10 trading days prior to 30 June 2022. The granting of rights occurred on 6 December 2022.

(B) The value of deferred STI rights granted in the year has been calculated using the volume weighted average price of the Company's shares for the 20-day trading period commencing 10 trading days prior to 30 June 2022 as fair value, being $4.84 per share.
Unvested LTI and STI awards have a minimum value of zero if they do not meet the relevant performance or service conditions.
The maximum value of unvested LTI and STI awards is the sale price of the Company's shares at the date of vesting, or where applicable, on exercise (plus the value of any dividend equivalent payment attaching to the award on vesting or, where applicable, on exercise).

(C) All of the 2018 LTI TSR Hurdle Tranche 2 Rights and a portion of the 2019 LTI TSR Hurdle Tranche 1 Rights lapsed during the year due to the performance conditions not being fully satisfied.
All of Tranche 1 of the FY21 STI deferred rights, all of Tranche 2 of the FY20 STI deferred rights, all of the 2019 LTI Costs Target Hurdle Rights, and a portion of the 2019 LTI TSR Hurdle Tranche 1 Rights vested during the period. The value at exercise has been calculated using the volume weighted average price of the Company's shares for the 20-day trading period commencing 10 trading days prior to 30 June in the year the awards were granted.

(D) DEP grants are awarded when previously awarded rights are exercised. The awards represent compensation for any dividends foregone between the grant date and the exercise date, removing a financial incentive to exercise their awards immediately after vesting. The value of the DEP is incorporated into the grant values, hence the DEP allocations themselves have a NIL grant value for accounting purposes.

(E) The year in which the lapsed performance rights, options or deferred rights were granted.

(F) The year-end balance reflects the sum of the following entries: 'Balance as at 1 July 2022 (number)', 'Granted (number)', 'Exercised (number)', 'DEP Grants @ Exercise (number)', 'DEP Exercised (number)', and 'Lapsed (number)'.

(G) 50% of the '2020 Costs Hurdle' LTI vesting in FY23 remains subject to a one-year service condition. See the table 'Executive KMP Performance Rights awards vesting in FY23' (section 4.3) for details of the vested values.

7.3. Movement in ordinary shares held by KMP

The movement during the reporting period in the number of ordinary shares in the Company held directly, indirectly or beneficially by Executive KMP and each Non-Executive Director, including their related parties, is as follows:

Number of shares	Held at 1 July 2022	Received on exercise of rights	Other net change[1]	Held at 30 June 2023
Non-Executive Directors				
Mark Vaile	1,509,317	-	(197,150)	1,312,167
Dr Julie Beeby	85,000	-	(20,000)	65,000
Nicole Brook[2]	-	-	-	-
Wallis Graham[3]	-	-	12,000	12,000
Fiona Robertson	75,395	-	-	75,395
Raymond Zage	10,783,134	-	282,000	11,065,134
Executive KMP				
Paul Flynn	1,970,451	-	(900,000)	1,070,451
Kevin Ball	202,090	160,873	(242,963)	120,000
Ian Humphris	19,695	57,703	(77,398)	-

1 Includes shares sold and purchased during FY23.
2 Ms Brook commenced on 3 November 2022.
3 Ms Graham commenced on 20 February 2023.

7.4. Related party transactions and additional disclosures

Loans with Executive KMP and Non-Executive Directors

There were no loans outstanding to Executive KMP or any Non-Executive Director or their related parties at any time in the current or prior reporting periods.

Other KMP Transactions

Apart from the details disclosed in this report, no Executive KMP or Non-Executive Director or their related parties has entered into a material contract with the consolidated entity since the end of the previous financial year and there were no material contracts involving those people's interests existing at year end.

Signed in accordance with a resolution of the Directors:

The Hon. Mark Vaile AO
Chairman

Paul Flynn
Managing Director

Sydney
24 August 2023

Financial Report

For the year ended 30 June 2023

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Consolidated statement of comprehensive income

For the year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Revenue	*2.1*	6,064,739	4,920,102
Other income		7,595	7,136
Operating expenses		(911,053)	(764,331)
Coal purchases		(317,918)	(308,049)
Selling and distribution expenses		(369,753)	(377,395)
Royalties		(437,539)	(368,778)
Depreciation and amortisation		(226,000)	(238,881)
Administrative expenses		(61,453)	(46,886)
Share-based payments expense	*5.5(a)*	(10,897)	(9,234)
Net foreign exchange gain		21,876	7,570
Profit before net finance income/expense		**3,759,597**	**2,821,254**
Finance income		81,908	1,464
Finance expense		(40,010)	(56,825)
Net finance income/(expense)	*5.2*	**41,898**	**(55,361)**
Profit before tax		**3,801,495**	**2,765,893**
Income tax expense	*2.2(a)*	(1,133,441)	(813,928)
Net profit for the year		**2,668,054**	**1,951,965**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net movement in cash flow hedges		2,248	(88)
Income tax effect	*2.2(b)*	(674)	26
Total items that may be reclassified subsequently to profit or loss, net of tax		**1,574**	**(62)**
Items that will not be reclassified subsequently to profit or loss			
Net loss on equity instruments designated at fair value through other comprehensive income		(5,402)	-
Income tax effect	*2.2(b)*	1,621	-
Total items that will not be reclassified subsequently to profit or loss, net of tax		**(3,781)**	**-**
Total comprehensive income for the year, net of tax		**2,665,847**	**1,951,903**
Earnings per share			
Basic earnings per share (cents per share)	*2.3*	307.7	197.6
Diluted earnings per share (cents per share)	*2.3*	302.8	195.1

The consolidated statement of comprehensive income is to be read in conjunction with the notes to the consolidated financial statements.

Consolidated statement of financial position

As at 30 June 2023

	Note	2023 $'000	2022 $'000
Assets			
Cash and cash equivalents		2,775,510	1,215,460
Trade and other receivables	*3.1*	324,857	657,459
Inventories	*3.2*	133,875	157,039
Derivatives	*5.3(d)*	56	31
Total current assets		**3,234,298**	**2,029,989**
Trade and other receivables	*3.1*	5,203	7,298
Investments	*5.3(d)*	18,183	856
Property, plant and equipment	*4.1*	3,802,408	3,426,847
Exploration and evaluation assets	*4.2*	438,637	647,289
Intangible assets	*4.3*	12,180	12,180
Derivatives	*5.3(d)*	-	74
Total non-current assets		**4,276,611**	**4,094,544**
Total assets		**7,510,909**	**6,124,533**
Liabilities			
Trade and other payables	*3.3*	309,045	361,897
Interest-bearing liabilities	*5.1*	71,835	77,843
Employee benefits	*7.1*	38,802	33,987
Income tax payable	*2.2(c)*	871,095	551,830
Provisions	*4.4*	14,723	16,461
Derivatives	*5.3(d)*	5,235	7,774
Total current liabilities		**1,310,735**	**1,049,792**
Non-current liabilities			
Other payables	*3.3*	30,100	48,464
Interest-bearing liabilities	*5.1*	117,113	166,854
Deferred tax liability	*2.2(c)*	542,207	405,169
Provisions	*4.4*	249,883	242,516
Derivatives	*5.3(d)*	346	104
Total non-current liabilities		**939,649**	**863,107**
Total liabilities		**2,250,384**	**1,912,899**
Net assets		**5,260,525**	**4,211,634**
Equity			
Issued capital	*5.4(a)*	1,659,897	2,642,338
Share-based payments reserve	*5.4(b)*	19,774	14,867
Other reserves	*5.4(b)*	(7,648)	(5,441)
Retained earnings		3,588,502	1,559,870
Total equity		**5,260,525**	**4,211,634**

The consolidated statement of financial position is to be read in conjunction with the notes to the consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 30 June 2023

	Note	Issued capital	Share-based payments reserve	Other reserves	Retained earnings	Total equity
		$'000	$'000	$'000	$'000	$'000
	Note		*5.4(b)*	*5.4(b)*		
Balance at 1 July 2021		**3,013,661**	**12,213**	**(5,379)**	**(314,757)**	**2,705,738**
Net profit for the year		-	-	-	1,951,965	1,951,965
Other comprehensive loss		-	-	(62)	-	(62)
Total comprehensive income for the year		**-**	**-**	**(62)**	**1,951,965**	**1,951,903**
Transactions with owners in their capacity as owners						
Share buy-back	5.4(a)	(362,568)	-	-	-	(362,568)
Dividends paid		-	-	-	(79,794)	(79,794)
Share-based payments	5.5(a)	-	9,234	-	-	9,234
Share issues/transfers to settle share-based payments		4,124	(4,337)	-	213	-
Transfer on lapse of share-based payments		-	(2,243)	-	2,243	-
Purchase of shares through employee share plan	5.4(a)	(12,879)	-	-	-	(12,879)
Balance at 30 June 2022		**2,642,338**	**14,867**	**(5,441)**	**1,559,870**	**4,211,634**
Balance at 1 July 2022		**2,642,338**	**14,867**	**(5,441)**	**1,559,870**	**4,211,634**
Net profit for the year		-	-	-	2,668,054	2,668,054
Other comprehensive loss		-	-	(2,207)	-	(2,207)
Total comprehensive income for the year		**-**	**-**	**(2,207)**	**2,668,054**	**2,665,847**
Transactions with owners in their capacity as owners						
Share buy-back	5.4(a)	(948,908)	-	-	-	(948,908)
Dividends paid		-	-	-	(638,801)	(638,801)
Share-based payments	5.5(a)	-	10,897	-	-	10,897
Transfer on exercise of share-based payments		6,346	(4,871)	-	(1,475)	-
Settlement of share-based payments		-	(65)	-	(200)	(265)
Transfer on lapse of share-based payments		-	(1,054)	-	1,054	-
Purchase of shares through employee share plan	5.4(a)	(39,879)	-	-	-	(39,879)
Balance at 30 June 2023		**1,659,897**	**19,774**	**(7,648)**	**3,588,502**	**5,260,525**

The consolidated statement of changes in equity is to be read in conjunction with the notes to the consolidated financial statements.

Consolidated statement of cash flows

For the year ended 30 June 2023

	Note	2023 $'000	2022 $'000
Cash flows from operating activities			
Cash receipts from customers		6,402,761	4,385,223
Cash paid to suppliers and employees		(2,191,124)	(1,803,269)
Cash generated from operations		4,211,637	2,581,954
Interest paid		(29,337)	(41,637)
Interest received		77,538	1,464
Income taxes paid		(676,190)	(11,958)
Net cash from operating activities	*3.4*	**3,583,648**	**2,529,823**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		2,083	3,860
Purchase of property, plant and equipment		(180,700)	(124,210)
Expenditure on projects		(61,904)	(33,781)
Purchase of haulage equipment from BIS Industries Ltd		(15,171)	-
Acquisition of interest in Narrabri		(28,515)	(22,245)
Other investing activities		(22,729)	(819)
Net cash used in investing activities		**(306,936)**	**(177,195)**
Cash flows from financing activities			
Share buy-back[1]		(946,832)	(358,981)
Payment of dividends		(638,801)	(79,794)
Repayment of senior bank facility		-	(728,000)
Proceeds from senior bank facility		-	40,000
Repayment of lease principal		(81,644)	(76,673)
Purchase of shares		(39,879)	(12,879)
Repayment of secured loans – ECA facility		(9,470)	(9,795)
Payment of finance facility upfront costs		(36)	(6,248)
Net cash used in financing activities		**(1,716,662)**	**(1,232,370)**
Net change in cash and cash equivalents		1,560,050	1,120,258
Cash and cash equivalents at 1 July		1,215,460	95,202
Cash and cash equivalents at 30 June		**2,775,510**	**1,215,460**

1 Includes a share trade entered into on 30 June 2022 for $3,588,000 that was settled and paid on 4 July 2022. Excludes share trade entered into on 30 June 2023 for $5,663,000 that was settled and paid on 4 July 2023, bringing total share buy-backs for the year to $948.9 million (2022: Excludes share trade entered into 30 June 2022 for $3,588,000, bringing total share buy-backs for the year to $362.5 million).

The consolidated statement of cash flows is to be read in conjunction with the notes to the consolidated financial statements.

Notes to the consolidated financial statements

For the year ended 30 June 2023

1. About this report

1.1. Reporting entity

Whitehaven Coal Limited ('Whitehaven' or 'the Company') is a for-profit entity, and the principal activity of Whitehaven and its controlled entities (referred to as 'the Group') is the development and operation of coal mines in New South Wales and Queensland. The consolidated general purpose financial report of the Group for the year ended 30 June 2023 was authorised for issue in accordance with a resolution of the Directors on 24 August 2023. Whitehaven Coal Limited is a company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange. The address of the Company's registered office is Level 28, 259 George Street, Sydney NSW 2000.

1.2. Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards (AAS) and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). The financial report also complies with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

The financial report has been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value (refer to note 5.3).

The Company is of a kind referred to in ASIC Corporations Instrument 2016/191 and dated 24 March 2016. In accordance with that Class Order, all financial information has been presented in Australian dollars and rounded to the nearest thousand dollars unless otherwise stated.

1.3. Significant accounting judgements, estimates and assumptions

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events that form the basis of the carrying values of assets and liabilities, which are not readily apparent from other sources.

Judgements and estimates that are material to the financial report are found in the following notes:

4.1	**Property, plant and equipment**	page 76
4.2	**Exploration and evaluation**	page 77
4.4	**Provisions**	page 79
6.2	**Interest in joint operations**	page 96

1.4. Summary of other significant accounting policies

The accounting policies set out below and in the notes have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by all subsidiaries in the Group. Other significant accounting policies are contained in the notes to the consolidated financial statements to which they relate.

(i) Basis of consolidation

The consolidated financial report of the Company for the financial year ended 30 June 2023 comprises the Company and its controlled entities (together referred to as 'the Group'). A list of the Group's significant controlled entities is presented in Note 6.1.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Specifically, the Group controls an investee if, and only if, the Group has all of the following:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- exposure, or rights, to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

(ii) Foreign currency translation

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date. Foreign exchange differences arising on translation are recognised in the consolidated statement of profit or loss and other comprehensive income.

Both the functional and presentation currency of the Company and all entities in the Group is Australian dollars ($).

(iii) Goods and services tax

Revenues, expenses and assets (excluding receivables) are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the consolidated statement of financial position.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST components of cash flows arising from investing and financing activities, which are recoverable from or payable to the ATO, are classified as operating cash flows.

(iv) Notes to the consolidated financial statements

The notes to these consolidated financial statements have been organised into logical groupings to present more meaningful and dynamic information to users. To the extent possible, the relevant accounting policies and numbers have been provided in the same note. The Group has also reviewed the notes for materiality and relevance, and provided additional information where considered material and relevant to the operations, financial position or performance of the Group.

1.5. New standards, interpretations and amendments adopted by the Group

(i) Changes in accounting policy and disclosures

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those of the previous financial year.

Several amendments apply for the first time in the current year. However, they do not impact the annual consolidated financial statements of the Group.

(ii) Accounting standards and interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the annual reporting period ended 30 June 2023 are outlined below:

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020, the IASB issued amendments to IAS 1 *Presentation of Financial Statements* to clarify the requirements for classifying liabilities as current or non-current. Specifically:

– The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists.
– Management's intention or expectation does not affect classification of liabilities.
– In cases where an instrument with a conversion option is classified as a liability, the transfer of equity instruments would constitute settlement of the liability for the purpose of classifying it as current or non-current.

These amendments are effective for annual periods beginning on or after 1 January 2024. They are not expected to have a significant impact on the Group's consolidated financial statements.

2. Group performance

2.1. Segment reporting

Identification of reportable segments

The Group identifies its operating segments based on the internal reports that are reviewed and used by the executive management team in assessing performance and determining the allocation of resources. The performance of operating segments is evaluated at least monthly based on revenues and profit before taxes and is measured in accordance with the Group's accounting policies.

The Group has determined that it has three reportable segments: open cut operations, underground operations and coal trading and blending.

Unallocated operations represent the development projects and those functions that are not specifically related to the other reportable segments.

The Group's treasury and financing (including finance costs and finance income), and depreciation and income taxes are managed on a group basis and are not allocated to reportable segments.

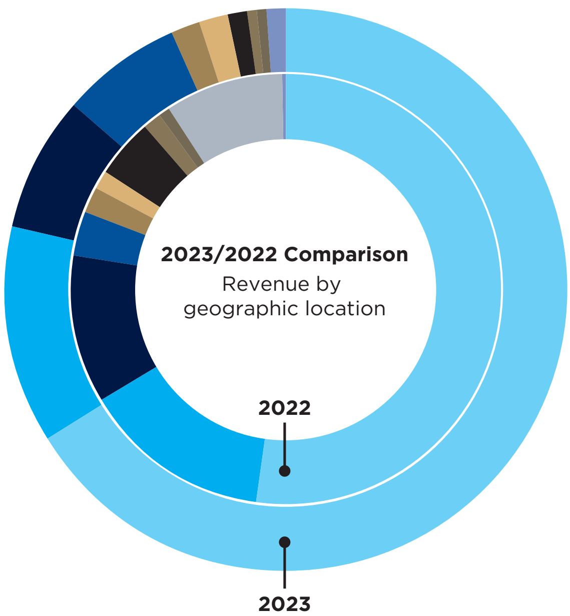
The following table represents revenue, profit and capital expenditure information for reportable segments:

	Open Cut Operations	Underground Operations	Coal Trading and Blending	Unallocated Operations	Total
Year ended 30 June 2023	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Revenue					
Sales to external customers	3,739,174	1,659,948	610,464	55,153	6,064,739
Revenue by product type:					
Metallurgical coal	306,669	31,966	-	-	338,635
Thermal coal	3,432,505	1,627,982	610,464	55,153	5,726,104
Total revenue from contracts with customers	3,739,174	1,659,948	610,464	55,153	6,064,739
Result					
Segment EBITDA result	2,471,567	1,200,031	292,546	21,453	3,985,597
Depreciation and amortisation					(226,000)
Income tax expense					(1,133,441)
Net finance income					41,898
Net profit after tax per consolidated statement of comprehensive income					**2,668,054**
Capital expenditure	60,342	114,524	-	67,738	242,604

Year ended 30 June 2022	Open Cut Operations $'000	Underground Operations $'000	Coal Trading and Blending $'000	Unallocated Operations $'000	Total $'000
Revenue					
Sales to external customers	3,443,772	953,810	492,083	30,437	4,920,102
Revenue by product type:					
Metallurgical coal	724,507	121,446	99,261	-	945,214
Thermal coal	2,719,265	832,364	392,822	30,437	3,974,888
Total revenue from contracts with customers	3,443,772	953,810	492,083	30,437	4,920,102
Result					
Segment EBITDA result	2,240,273	617,446	184,034	18,382	3,060,135
Depreciation and amortisation					(238,881)
Income tax expense					(813,928)
Net finance expense					(55,361)
Net profit after tax per consolidated statement of comprehensive income					**1,951,965**
Capital expenditure	63,267	57,775	-	36,949	157,991

Other segment information

Revenue from external customers is attributed to geographic location based on final shipping destination.



Revenue by geographic location	2023 $'000	2022 $'000
Japan	4,015,385	2,570,531
Taiwan	753,850	706,948
Korea	476,094	540,430
Malaysia	416,825	168,657
Europe	108,931	96,784
New Caledonia	103,654	66,857
Indonesia	58,547	216,719
Vietnam	36,224	64,275
Other	40,949	38,826
India	-	437,593
Domestic	54,280	12,482
Total revenue	**6,064,739**	**4,920,102**

Major customers

The Group has three major customers, who account for 42.5% (2022: 43.4%) of external revenue.

Recognition and measurement

The Group recognises sales revenue related to the transfer of promised goods or services when control of the goods or services is transferred to the customer. The amount of revenue recognised reflects the consideration to which the Group is or expects to be entitled to in exchange for those goods or services.

Sales revenue is recognised on individual sales when control transfers to the customer. The title, risks and rewards, and fulfilment of performance obligation occurs when the product is loaded onto the vessel for delivery to the customer.

The Group sells its products on Free on Board terms where the Group has no responsibility for freight or insurance once control of the goods has passed at the loading port. Under these terms there is only one performance obligation: the provision of goods at the point when control passes to the customer.

The Group's products are sold to customers under contracts that vary in tenure and pricing mechanisms, primarily being monthly or quarterly indexes. Certain sales may be provisionally priced at the date revenue is recognised; however, substantially all coal sales are reflected at final prices by the end of the reporting period. The final selling price is based on the price for the quotational period stipulated in the contract.

2.2. Taxes

a) Income tax expense

	2023	2022
	$'000	$'000
Current tax expense		
Current period	(1,040,545)	(742,653)
Adjustments for prior periods	(339)	21
Deferred tax expense		
Origination and reversal of temporary differences	(92,557)	(92,339)
Recognition of tax losses	-	21,771
Adjustments for prior periods	-	(728)
Income tax expense reported in the consolidated statement of comprehensive income	**(1,133,441)**	**(813,928)**
Reconciliation between tax expense and profit before tax		
Profit before tax	**3,801,495**	**2,765,893**
Income tax expense using the Company's domestic tax rate of 30% (2022: 30%)	(1,140,449)	(829,768)
Non-deductible expenses:		
Share-based payments	(3,629)	(2,770)
Other non-deductible expenses	(988)	(7,109)
Recognition of tax losses	-	21,771
On-market share purchases by employee share scheme trust reimbursed by the Group	11,964	3,927
(Under)/over provided in prior periods	(339)	21
Total income tax expense	**(1,133,441)**	**(813,928)**

b) Income tax recognised directly in other comprehensive income

	2023	2022
	$'000	$'000
Deferred income tax related to items charged directly to equity		
Net movement in cash flow hedges	(674)	26
Net loss on equity instruments designated at fair value through other comprehensive income	1,621	-
Net income tax benefit recorded in equity	**947**	**26**

c) Recognised tax assets and liabilities

	2023	2023	2022	2022
	Current income tax payable	Deferred income tax	Current income tax payable	Deferred income tax
	$'000	$'000	$'000	$'000
Opening balance	(551,830)	(405,169)	-	(155,055)
Charged to income – corporate tax	(1,040,545)	(92,557)	(742,653)	(92,339)
Charged to equity	-	947	-	26
Recognition/(utilisation) of deferred tax asset on current year losses	27,592	(27,592)	178,865	(178,865)
Recognition of tax losses	-	-	-	21,771
Adjustment for prior periods	17,498	(17,836)	-	(707)
Payments	676,190	-	11,958	-
Closing balance	(871,095)	(542,207)	(551,830)	(405,169)

Deferred income tax assets and liabilities are attributable to the following:

	Deferred Tax Assets		Deferred Tax Liabilities	
	2023	2022	2023	2022
	$'000	$'000	$'000	$'000
Property, plant and equipment	-	-	(484,680)	(417,868)
Exploration and evaluation	-	-	(115,113)	(82,200)
Receivables	-	-	(13,025)	(3,433)
Inventory	-	-	(1,737)	(1,394)
Investments	1,979	359	-	-
Right-of-use assets and lease liabilities (net)	-	-	(11,268)	(6,088)
Deferred stripping	-	-	(8,988)	(6,509)
Deferred foreign exchange gain	-	-	(3,466)	(2,387)
Provisions	89,207	86,178	-	-
Tax losses	-	27,589	-	-
Other items	4,884	584	-	-
Deferred tax assets/(liabilities)	96,070	114,710	(638,277)	(519,879)
Set-off of deferred tax assets	(96,070)	(114,710)	96,070	114,710
Net deferred tax liabilities	-	-	(542,207)	(405,169)

d) Unrecognised deferred tax assets

There were no unrecognised income tax losses at 30 June 2023 (2022: Nil).

Recognition and measurement

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax relating to items recognised directly in other comprehensive income is recognised in other comprehensive income and not in the net profit or loss for the year.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities based on the taxable income for the year, using tax rates enacted or substantively enacted at the balance date.

Deferred tax

The deferred tax expense is the movement in the temporary differences between the carrying amount of an asset or liability in the consolidated statement of financial position and its tax base.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets, including unused tax losses, are recognised in relation to deductible temporary differences and carried forward income tax losses only to the extent that it is probable sufficient future taxable profits will be available to utilise them. Deferred tax assets and liabilities are not recognised for taxable temporary differences that arise from goodwill or from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither accounting profit nor the taxable profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates and laws that have been enacted or substantively enacted at the balance date.

Offsetting deferred tax balances

Deferred tax assets and liabilities are offset only if a legally enforceable right exists, and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Tax consolidation

Whitehaven Coal Limited and its wholly owned Australian resident subsidiaries formed a tax consolidated group with effect from 29 May 2007 and have therefore been taxed as a single entity from that date. Whitehaven Coal Limited is the head entity of the tax consolidated group. The entities within the tax consolidated group have entered into a tax sharing arrangement which provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations.

The entities within the tax consolidated group have also entered into a tax funding agreement. The Group has applied the Group allocation approach in determining the appropriate amount of current taxes and deferred taxes to allocate to its members. Under the terms of the tax-funding arrangement, Whitehaven Coal Limited and each of the entities in the tax consolidated group have agreed to pay (or receive) a tax equivalent payment to (or from) the head entity, based on the current tax liability or current tax asset of the entity.

Whitehaven Coal Limited and the subsidiaries in the tax consolidated group continue to account for their own current and deferred tax amounts. The amounts are measured as if each entity in the tax consolidated group continues to be a standalone taxpayer in its own right. The current tax balances are then transferred to Whitehaven Coal Limited via intercompany balances.

2.3. Earnings per share

Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding during the year calculated as follows:

	2023	2022
Profit attributable to ordinary shareholders		
Net profit attributable to ordinary shareholders ($'000)	2,668,054	1,951,965
Weighted average number of ordinary shares		
Issued ordinary shares at 1 July ('000s)	922,252	998,624
Effect of shares acquired during the year ('000s)[1]	(55,049)	(10,820)
Weighted average number of ordinary shares at 30 June ('000s)	**867,203**	**987,804**
Basic earnings per share attributable to ordinary shareholders (cents)	**307.7**	**197.6**

1 Reflects the movements of shares during the year including in the balance of shares held by the Company for the share plan. For detail, refer to Note 5.4(a).

Diluted earnings per share

Diluted earnings per share is based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding adjusted for the diluting impact of potential equity instruments, calculated as follows:

	2023	2022
Profit attributable to ordinary shareholders (diluted)		
Net profit attributable to ordinary shareholders (diluted) ($'000)	2,668,054	1,951,965
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares (basic) ('000s)	867,203	987,804
Effect of performance rights on issue ('000s)	13,982	12,603
Weighted average number of ordinary shares (diluted) ('000s)	**881,185**	**1,000,407**
Diluted earnings per share attributable to ordinary shareholders (cents)	**302.8**	**195.1**

Not included within the basic and diluted earnings per share calculation are the 34,020,000 milestone shares which are restricted from receiving dividend payments.

3. Working capital and cash flows

3.1. Trade and other receivables

	2023	2022
	$'000	$'000
Current		
Trade receivables	223,054	600,700
Other receivables and prepayments	80,368	28,549
Receivables due from other investors in joint operations	21,435	28,210
	324,857	**657,459**
Non-current		
Other receivables and prepayments	**5,203**	**7,298**

Recognition and measurement

Trade receivables, which generally have between 5 and 21 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment. Recoverability of trade receivables is reviewed on an ongoing basis.

3.2. Inventories

	2023	2022
	$'000	$'000
Coal stocks[1]	94,843	119,282
Consumables and stores	39,032	37,757
	133,875	**157,039**

1 Coal stocks include run-of-mine and product coal.

Recognition and measurement

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of coal inventories is determined using a weighted average basis. Cost includes direct material, overburden removal, mining, processing, labour, mine rehabilitation costs incurred in the extraction process and other fixed and variable overhead costs directly related to mining activities. Stockpiles are measured by estimating the number of tonnes added and removed from the stockpile. The tonnes of contained coal are based on assay data, and the estimated recovery percentage is based on the expected processing method. Stockpile tonnages are verified by periodic surveys.

3.3. Trade and other payables

	2023	2022
	$'000	$'000
Current		
Trade payables	67,226	59,948
Other payables and accruals	241,819	301,949
	309,045	**361,897**
Non-current		
Other payables	**30,100**	**48,464**

Included within current and non-current other payables and accruals is the deferred consideration payable for the acquisition of EDF Trading Australia Pty Limited and the deferred consideration for the acquisition of the 1% private royalty over the Narrabri Coal mine from Anglo Pacific Group plc (APG).

Recognition and measurement

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost when goods and services are received, whether or not billed to the Group, prior to the end of the reporting period. Short-term trade and other payables are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition. Long-term trade and other payables are discounted to their present value based on expected future cash flows. The unwinding effect of discounting trade and other payables is recorded as a finance cost in the consolidated statement of comprehensive income.

3.4. Reconciliation of cash flows from operating activities

	Note	2023 $'000	2022 $'000
Profit for the period		2,668,054	1,951,965
Adjustments for:			
Depreciation and amortisation		226,000	238,881
Amortisation of deferred development costs	*4.1*	41,497	10,953
Development costs deferred	*4.1*	(118,269)	(101,605)
Amortisation of finance facility upfront costs		3,324	16,458
Non-cash interest income accruals		(5,478)	(5,448)
Foreign exchange gains unrealised		(13,142)	(17,281)
Unwinding of discounts on provisions	*4.4*	8,457	4,178
Share-based compensation payments	*5.5(a)*	10,897	9,234
Cash-settled share-based payments		(265)	-
Gain on sale of non-current assets		(120)	(1,905)
Subtotal		**2,820,955**	**2,105,430**
Change in trade and other receivables		339,067	(498,811)
Change in inventories and deferred stripping		8,911	(4,641)
Change in trade and other payables		(33,491)	133,331
Change in provisions and employee benefits		(8,097)	(7,430)
Change in tax payable		319,265	551,830
Change in deferred taxes		137,038	250,114
Cash flows from operating activities		**3,583,648**	**2,529,823**

Recognition and measurement

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits. For the purpose of the consolidated statement of cash flows, cash and cash equivalents are equal to the balance disclosed in the consolidated statement of financial position.

4. Resource assets and liabilities

4.1. Property, plant and equipment

Year ended 30 June 2023	Freehold land	Plant and equipment	Leased plant and equipment	Mining property and development	Subtotal	Deferred development	Deferred stripping	Subtotal	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cost									
Balance at 1 July 2022	182,324	1,136,032	622,297	3,288,004	**5,228,657**	663,540	3,335,550	**3,999,090**	**9,227,747**
Additions	-	116,981	71,670	53,292	241,943	118,269	526,187	644,456	886,399
Disposals	-	(24,164)	(28,035)	(122)	(52,321)	(347,126)	-	(347,126)	(399,447)
Transfers	-	49,177	(49,177)	-	-	-	-	-	-
Transfer from Exploration & Evaluation Asset	-	-	-	270,556	**270,556**	-	-	**-**	**270,556**
Balance at 30 June 2023	182,324	1,278,026	616,755	3,611,730	5,688,835	434,683	3,861,737	4,296,420	9,985,255
Accumulated depreciation and impairment									
Balance at 1 July 2022	(5,335)	(500,842)	(384,051)	(1,067,445)	**(1,957,673)**	(529,377)	(3,313,850)	**(3,843,227)**	**(5,800,900)**
Depreciation charge for the year	-	(66,301)	(85,244)	(68,463)	(220,008)	(41,497)	(517,926)	(559,423)	(779,431)
Transfers	-	(27,512)	27,512	-	-	-	-	-	-
Disposals	-	22,201	28,035	122	50,358	347,126	-	347,126	397,484
Balance at 30 June 2023	(5,335)	(572,454)	(413,748)	(1,135,786)	(2,127,323)	(223,748)	(3,831,776)	(4,055,524)	(6,182,847)
Carrying amount at 30 June 2023	176,989	705,572	203,007	2,475,944	3,561,512	210,935	29,961	240,896	3,802,408

Year ended 30 June 2022	Freehold land $'000	Plant and equipment $'000	Leased plant and equipment $'000	Mining property and development $'000	Subtotal $'000	Deferred development $'000	Deferred stripping $'000	Subtotal $'000	Total $'000
Cost									
Balance at 1 July 2021	178,801	1,087,916	610,668	3,178,746	**5,056,131**	561,935	2,888,397	**3,450,332**	**8,506,463**
Additions	5,661	52,153	60,584	72,999	**191,397**	101,605	447,153	**548,758**	**740,155**
Purchase of Narrabri private royalty[1]	-	-	-	36,565	**36,565**	-	-	**-**	**36,565**
Disposals	(2,138)	(4,037)	(48,955)	(306)	**(55,436)**	-	-	**-**	**(55,436)**
Balance at 30 June 2022	182,324	1,136,032	622,297	3,288,004	**5,228,657**	663,540	3,335,550	**3,999,090**	**9,227,747**
Accumulated depreciation and impairment									
Balance at 1 July 2021	(5,335)	(444,313)	(332,172)	(992,996)	**(1,774,816)**	(518,424)	(2,882,810)	**(3,401,234)**	**(5,176,050)**
Depreciation charge for the year	-	(60,566)	(96,142)	(74,755)	**(231,463)**	(10,953)	(431,040)	**(441,993)**	**(673,456)**
Disposals	-	4,037	44,263	306	**48,606**	-	-	**-**	**48,606**
Balance at 30 June 2022	(5,335)	(500,842)	(384,051)	(1,067,445)	**(1,957,673)**	(529,377)	(3,313,850)	**(3,843,227)**	**(5,800,900)**
Carrying amount at 30 June 2022	176,989	635,190	238,246	2,220,559	**3,270,984**	134,163	21,700	**155,863**	**3,426,847**

1 On 14th October 2021, the Company entered into an agreement to acquire the 1% private royalty over the Narrabri Coal mine held by Anglo Pacific Group plc (APG) with effect from 31 December 2021. Upon acquisition, the Group recognised an asset of $36.6 million representing the consideration payable. This will unwind over the life of the Narrabri mine.

Impairment

Based on the impairment analysis performed, no impairment loss or reversal of previous impairments were recognised for FY23 (FY22: $nil).

Refer to Significant accounting judgements, estimates and assumptions for further details in relation to the recoverable amount of assets.

Leased plant and equipment disclosures

All right-of-use assets recognised as 'Leased plant and equipment' above in note 4.1 relate to the plant and equipment classification.

The cost relating to variable lease payments that do not depend on an index or a rate amounted to $44,470,000 in the year ended 30 June 2023 (2022: $32,600,000).

The cost relating to leases with a contract term of less than twelve months amounted to $20,043,000 for the year ended 30 June 2023 (2022: $14,822,000).

A maturity analysis of lease liabilities is shown in Note 5.3(c).

Recognition and measurement

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items and costs incurred in bringing assets into use. Subsequent expenditure is capitalised when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation and amortisation is charged to the consolidated statement of comprehensive income on a units of production basis for mine specific assets, including mining property and development, deferred development and deferred stripping.

All remaining assets are depreciated on a straight-line basis at the rates indicated below. Depreciation commences on assets when they are deemed capable of operating in the manner intended by management.

– Freehold land	Not depreciated
– Plant and equipment	2% – 50%
– Leased plant and equipment	3% – 20%
– Mining property and development, deferred development and deferred stripping	Units of production

The residual value, the useful life and the depreciation method applied to an asset are reassessed at least annually. Any changes are accounted for prospectively.

When an asset is surplus to requirements or no longer has an economic value, the carrying amount of the asset is written down to its recoverable amount.

Mining property and development

Mine property and development assets include costs transferred from exploration and evaluation assets once technical feasibility and commercial viability of an area of interest are demonstrable. After transfer, all subsequent mine development expenditure is similarly capitalised, to the extent that commercial viability conditions continue to be satisfied.

The costs of dismantling and site rehabilitation are capitalised, if the recognition criteria is met and included within mining property and development.

Biodiversity assets are included within mining property and development and relate to land acquired and managed to fulfil the biodiversity obligations associated with mine approval. The cost of the land is capitalised as a mining property and development asset which is subsequently depreciated via the units of production method.

Leased plant and equipment

The Group has lease contracts for various items of plant, machinery and other equipment used in its operations.

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease based on the right to use or control an identified asset for a period of time, in exchange for consideration.

At the commencement date of the lease, the Group recognises a lease liability and a corresponding right-of-use asset. The lease liability is initially recognised for the present value of non-cancellable lease payments discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset.

The right-of-use asset is depreciated to the earlier of the asset's useful life or the lease term using the straight-line method and is recognised in the statement of comprehensive income in depreciation and amortisation. Where the lease transfers ownership of the underlying asset to the Group by the end of the lease term, the right-of-use asset is depreciated from the commencement date to the end of the useful life of the underlying asset.

The unwinding of the financial charge on the lease liability is recognised in the statement of comprehensive income in financial expenses, and is based on the implied interest rate or, if used, the Group's incremental borrowing rate.

The Group does not recognise leases that have a lease term of 12 months or less, or are of low value, as a right-of-use asset or lease liability. Lease payments associated with these leases are recognised as an expense in the consolidated statement of comprehensive income in operating expenses on a straight-line basis over the lease term.

Deferred development

Deferred development mainly comprises capitalised costs (deferred development expenditure) related to underground mining incurred to expand the capacity of an underground mine and to maintain production.

Deferred stripping

Expenditure incurred to remove overburden or waste material during the production phase of an open cut mining operation is deferred to the extent it gives rise to future economic benefits. This expenditure is charged to operating costs on a units of production basis using the estimated average stripping ratio for the area being mined. Changes in estimates of average stripping ratios are accounted for prospectively. The stripping activity asset is subsequently depreciated on a units of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity.

For the purposes of assessing impairment, deferred stripping assets are grouped with other assets of the relevant cash generating unit (CGU).

Impairment

The carrying amounts of the Group's non-financial assets are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use, and which are largely independent of the cash inflows of other assets or groups of assets – the CGU. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal ('FVLCD'). In assessing FVLCD, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. In accordance with AASB 136 *Impairment of Assets*, impairment losses have been allocated such that the carrying value of individual assets within the Group's CGU were not reduced below their recoverable amount.

Significant accounting judgements, estimates and assumptions

Recoverable amount of assets

At the end of each period, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

For the purpose of assessing the existence of impairment indicators, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use, and which are largely independent of the cash inflows of other assets or groups of assets – the CGU.

The recoverable amount of the CGU and individual assets are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions.

Expected future cash flows used to determine the recoverable value of tangible assets are inherently uncertain and could materially change over time. They are affected by a number of factors including reserves and expected production and sales volumes together with economic factors, such as spot and future coal prices, discount rates, foreign currency exchange rates, estimates of costs to produce reserves, stripping ratio, production rates and future capital expenditure. It is possible that these assumptions may change, which could impact the estimated life of a mine and result in a material adjustment to the carrying value of tangible assets.

The recoverable amount of the CGU is sensitive to the below key assumptions:

Demand for fossil fuels/coal price

The recoverable value of the Group's Coal Reserves and of its plant and equipment is most sensitive to future USD coal prices and the AUD:USD foreign exchange rate, which together impact the AUD price that the company receives for the sale of its products in the global energy and steel manufacturing complexes.

Operating costs and capital expenditure

Operating costs and capital expenditure are based on the latest budgets and forecasts and longer-term life of mine plans. These projections can include expected operating performance improvements reflecting management experience and expectations.

Discount rate

The discount rate is derived using the weighted average cost of capital methodology adjusted for any risks that are not reflected in the underlying cash flows. A real post-tax discount rate is applied to post-tax cash flows.

Mineral reserves and resources

The estimated quantities of economically recoverable Reserves and Resources are based on interpretations of geological and geophysical models, which require assumptions to be made of factors such as estimates of future operating performance, future capital requirements and short and long-term coal prices. The Group is required to determine and report Reserves and Resources under the Australian Code for Reporting Mineral Resources and Ore Reserves December 2012 (the JORC Code).

The JORC Code requires the use of reasonable investment assumptions to calculate reserves and resources. Changes in reported Reserves and Resources can impact the carrying value of property, plant and equipment, as well as provisions for rehabilitation and the amount charged for amortisation and depreciation.

4.2. Exploration and evaluation

Exploration and evaluation assets	$'000
Balance at 1 July 2022	647,289
Transfer to property, plant and equipment	(270,556)
Exploration and evaluation expenditure	61,904
Balance at 30 June 2023	**438,637**
Balance at 1 July 2021	613,508
Exploration and evaluation expenditure	33,781
Balance at 30 June 2022	**647,289**

Vickery Project

In March 2023, approval for early mining of the Vickery Project was granted, thereby demonstrating its technical feasibility and commercial viability. The exploration and evaluation assets relating to the Vickery Project of $270.6 million were tested for impairment and then reclassified to mining, property and development assets (refer note 4.1).

Recognition and measurement

Exploration and evaluation assets, including the costs of acquiring licences, are capitalised on an area of interest basis and only after the Company has obtained the legal rights to explore the area.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

i) The expenditures are expected to be recouped through successful development and exploitation of the area of interest.

ii) Activities in the area of interest have not (at the reporting date) reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if:

i) Sufficient data exists to determine technical feasibility and commercial viability.

ii) Facts and circumstances suggest that the carrying amount exceeds the recoverable amount. For the purposes of impairment testing, exploration and evaluation assets are not allocated to CGUs.

Where a potential impairment is indicated, an assessment is performed for each area of interest or at the CGU level, in line with the assessment disclosed at note 4.1. To the extent that capitalised expenditure is not expected to be recovered, it is charged to the consolidated statement of comprehensive income. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Significant accounting judgements, estimates and assumptions

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether future economic benefits are likely, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available indicating that the recovery of expenditure is unlikely, the amount capitalised is written off in the consolidated statement of comprehensive income in the period when the new information becomes available. The recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective areas of interest.

4.3. Intangible assets

	Water access rights	Total
	$'000	**$'000**
Balance at 1 July 2022	12,180	12,180
Balance at 30 June 2023	**12,180**	**12,180**
Balance at 1 July 2021	11,828	11,828
Additions	352	352
Balance at 30 June 2022	**12,180**	**12,180**

Recognition and measurement

Water access rights

The Group holds water access rights, which have been determined to have an indefinite life. The water access rights have been recognised at cost and are assessed annually for impairment.

4.4. Provisions

Movement in mine rehabilitation and biodiversity obligations provisions	**$'000**
Balance at 1 July 2022	258,977
Payments made on rehabilitation and biodiversity activities	(13,465)
Change in cost estimates	10,637
Unwinding of discount	8,457
Balance at 30 June 2023	**264,606**

	2023	2022
	$'000	**$'000**
Current	14,723	16,461
Non-current	249,883	242,516
Balance at 30 June	**264,606**	**258,977**

Under the terms of its mining licenses and project approvals, the Group is required to comply with certain rehabilitation and biodiversity obligations. The Group maintains provisions for these rehabilitation and biodiversity requirements. The Group continues to assess estimates of these obligations as further developments occur and additional commitments arise that may be required to settle its obligations. However, based on current estimates, any potential changes to these obligations and commitments in addition to those already recognised in the financial statements are not financially significant to the Group.

Recognition and measurement

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of a past event
- it is probable that resources will be expended to settle the obligation
- the amount of the provision can be measured reliably.

Mine rehabilitation and closure

Provisions are made for the estimated cost of rehabilitation relating to areas disturbed during the mine's operation up to reporting date but not yet rehabilitated. The nature of rehabilitation activities includes dismantling and removing operating facilities, recontouring and topsoiling the mine, and restoration, reclamation and revegetation of affected areas. Provision has been made in full for all disturbed areas at the reporting date based on current estimates of costs to rehabilitate such areas, discounted to their present value based on expected future cash flows.

The obligation to rehabilitate arises at the commencement of the mining project and/or when the environment is disturbed at the mining location. At this point, the provision is recognised as a liability with a corresponding asset included in mining property and development assets. Additional disturbances or changes in the rehabilitation costs are reflected in the present value of the rehabilitation provision, with a corresponding change in the cost of the associated asset. In the event the restoration provision is reduced, the cost of the related asset is reduced by an amount not exceeding its carrying value.

The unwinding of the effect of discounting the provision is recorded as a finance cost in the consolidated statement of comprehensive income. The carrying amount capitalised as a part of mining property and development assets is depreciated over the useful life of the related asset.

For closed mines, changes to estimated costs are recognised immediately in the consolidated statement of comprehensive income.

The amount of the provision relating to rehabilitation of environmental disturbance caused by ongoing production and extraction activities is recognised in the consolidated statement of comprehensive income as incurred.

Biodiversity obligations

The Group has, under the terms of certain mining licenses, obligations to perform works to establish or upgrade biodiversity offset areas and to set aside and maintain those areas. Provisions are made for the estimated cost of the Group's biodiversity obligations based on current estimates of certain activities that the Group has committed to perform. These costs are discounted to their present value based on expected future cash flows. The provision is recognised as a liability with a corresponding asset included in mining property and development assets. The unwinding of the effect of discounting the provision is recorded as a finance cost in the consolidated statement of comprehensive income. The carrying amount capitalised as a part of mining property and development is depreciated via the units of production method.

Significant accounting judgements, estimates and assumptions

Significant estimates and assumptions are made in determining the provision for mine rehabilitation and biodiversity as there are numerous factors that will affect the ultimate liability payable. These factors include estimates of the extent and costs of rehabilitation activities and biodiversity, technological changes, regulatory changes, cost increases and changes in discount rates. Those uncertainties may result in future actual expenditure differing from the amounts currently provided. The provisions at balance date represent management's best estimate of the present value of the future rehabilitation and biodiversity costs required.

5. Capital structure and financing

5.1. Interest-bearing liabilities

	2023	2022
	$'000	$'000
Current liabilities		
Lease liabilities	63,232	71,665
Secured loans – ECA facility	9,470	9,470
Capitalised borrowing costs	(867)	(3,292)
	71,835	**77,843**
Non-current liabilities		
Lease liabilities	89,690	130,825
Secured loans – ECA facility	29,260	38,730
Capitalised borrowing costs	(1,837)	(2,701)
	117,113	**166,854**
	188,948	**244,697**
Financing facilities	191,652	1,250,690
Facilities utilised at reporting date	191,652	250,690
Facilities not utilised at reporting date	-	1,000,000

Financing activities during the financial year

During the current year, there was no debt drawn under the senior bank facility to be repaid (30 June 2022: $728 million) and $nil was redrawn (30 June 2022: $40 million). The Group repaid $9.5 million of the ECA facility during the year (30 June 2022: $9.8 million) and $nil was drawn down (30 June 2022: $nil). The senior bank facility was closed on 30 June 2023 and will not be renewed. The ECA facility is secured over the assets to which it relates.

Included within current and non-current lease liabilities are leases recognised in accordance with AASB 16 *Leases* of $27,201,000 and $38,412,000 respectively (30 June 2022: $24,725,000 and $42,281,000 respectively) which would have been accounted for as operating leases under the old accounting standard. Lease liabilities are secured over the leased assets to which they relate.

The fair values of loans and borrowings materially approximate their respective carrying values as at 30 June 2023 and 30 June 2022.

Recognition and measurement

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Refer to note 4.1 for the recognition and measurement policy for lease liabilities.

5.2. Finance income and expense

	2023	2022
	$'000	$'000
Recognised in the statement of comprehensive income		
Interest income	81,908	1,464
Finance income	**81,908**	**1,464**
Interest expense on lease liabilities	(7,417)	(9,322)
Interest on drawn debt facility	-	(10,266)
Other financing costs	(19,929)	(18,691)
Interest and financing costs	(27,346)	(38,279)
Net interest income/(expense)	54,562	(36,815)
Unwinding of discounts on provisions	(8,457)	(4,178)
Amortisation of finance facility upfront costs	(4,207)	(14,368)
Other finance expenses	(12,664)	(18,546)
Net finance income/(expense)	**41,898**	**(55,361)**

Recognition and measurement

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss. All borrowing costs are recognised in the consolidated statement of comprehensive income using the effective interest method, except where capitalised as part of a qualifying asset.

5.3. Financial risk management objectives and policies

a) Overview

The Group's overall risk management program seeks to mitigate risks and reduce the volatility of its financial performance. Financial risk management is carried out centrally by Group Treasury and monitored by the Group's Audit & Risk Management Committee under policies approved by the Board of Directors. The Committee reports regularly to the Board on its activities and also reviews policies and systems regularly to reflect changes in market conditions and the Group's activities.

The Group's principal financial risks are associated with:

- market risk
- credit risk
- liquidity risk.

b) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group defines capital as the total of shareholders' equity and debt. The Board manages its capital structure and makes adjustments in light of changes to economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, seek waivers or restructure its arrangements with its financiers or issue new shares. The Group monitors capital through the cycle using a gearing ratio, which is net debt divided by total capital plus net debt.

During the year ended 30 June 2023, the Group did not renew its $1 billion undrawn syndicated facility. Cash will be retained on the balance sheet for flexibility and optionality, and to maintain adequate liquidity through the cycle.

	2023 $'000	2022 $'000
Interest-bearing liabilities	(188,948)	(244,697)
Less cash and cash equivalents	2,775,510	1,215,460
Net cash	**2,586,562**	**970,763**

c) Risk exposures and responses

Market risk - foreign currency risk

The Group is exposed to currency risk on sales, purchases and demurrage that are denominated in a currency other than the respective functional currency of the Group, the Australian dollar (AUD). The currency in which these transactions primarily are denominated is US dollars (USD).

The Group may use forward exchange contracts (FECs) to hedge its currency risk in relation to contracted sales where both volume and US dollar price are fixed.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group ensures that its net exposure is kept to an acceptable level by buying and selling foreign currencies at spot rates when necessary to address short-term imbalances.

During the current year ended 30 June 2023, a net foreign exchange gain of $21.9 million was recognised (30 June 2022: net foreign exchange gain of $7.6 million).

The Group designates its forward exchange contracts in cash flow hedges and measures them at fair value.

The fair value of forward exchange contracts used as hedges at 30 June 2023 was a $5.5 million liability (30 June 2022: $7.8 million liability), comprising assets and liabilities that were recognised as derivatives.

At 30 June 2023, the Group had the following financial instruments that were not designated in cash flow hedges that were exposed to foreign currency risk:

	2023	2022
	$'000 USD	$'000 USD
Cash and cash equivalents	675,017	147,409
Trade and other receivables	130,188	4,904
Trade and other payables	(25,905)	(34,205)
Net statement of financial position exposure	779,300	118,108

The following exchange rates applied during the year:

	Average rate		Reporting date spot rate	
Fixed-rate instruments	**2023**	**2022**	**2023**	**2022**
USD	**0.6734**	0.7258	**0.6630**	0.6889

Sensitivity analysis

A change of 10% in the Australian dollar against the following currencies at 30 June would have increased/(decreased) equity and pre-tax profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant.

	Equity	Profit or (loss)
	$'000	$'000
30 June 2023		
AUD:USD strengthening by 10%	25,630	(106,856)
AUD:USD weakening by 10%	(28,380)	130,602
30 June 2022		
AUD:USD strengthening by 10%	1,978	(15,586)
AUD:USD weakening by 10%	(19,684)	19,049

Market risk - interest rate risk

The Group's borrowings comprise both variable and fixed rate instruments. The variable rate borrowings expose the Group to the risk of changes in cash flows due to the changes in interest rates. Management analyses interest rate exposure on an ongoing basis.

The interest rate profile of the Group's interest-bearing financial instruments at the reporting date was:

	Carrying amount	
	2023	**2022**
	$'000	**$'000**
Fixed rate instruments		
Lease liabilities	(152,922)	(202,490)
	(152,922)	**(202,490)**
Variable rate instruments		
Financial assets	2,775,510	1,215,460
Financial liabilities	(38,730)	(48,201)
	2,736,780	**1,167,259**

Sensitivity analysis for variable rate instruments

A change of 100 basis points (bp) in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Equity	Profit or (loss)
	$'000	**$'000**
30 June 2023		
100bp increase	-	27,368
100bp decrease	-	(27,368)
30 June 2022		
100bp increase	-	11,673
100bp decrease	-	(11,673)

Market risk - commodity price risk

The Group's major commodity price exposure is to the price of coal. The Group has chosen not to hedge against the movement in coal prices.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its financial assets, including trade receivables, deposits with banks and other financial institutions, foreign exchange transactions and other financial instruments. Maximum exposure is equal to the carrying amount of the financial assets, as outlined below.

Exposure to credit risk

The Group's maximum exposure to credit risk at the reporting date was:

		Carrying amount	
		2023	2022
	Note	$'000	$'000
Cash and cash equivalents		2,775,510	1,215,460
Trade and other receivables	3.1	223,054	600,700
Derivative financial instruments	5.3(d)	56	105
Investments	5.3(e)	18,183	856
		3,016,803	1,817,121

The Group's maximum exposure to credit risk for trade receivables at the reporting date by geographic region was:

Asia	189,398	564,062
Australia	33,622	36,630
Europe	34	8
	223,054	600,700

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. Approximately 42.5% of the Group's revenue is attributable to sales transactions with three customers (2022: 43.4% with three customers).

The Group trades only with recognised, creditworthy third parties and generally does not require collateral with respect to trade receivables.

Receivable balances are monitored on an ongoing basis and as a result the exposure to bad debts is not significant.

No impairment losses on trade receivables were recognised during the year ended 30 June 2023 (2022: $nil).

The aging of the Group's trade receivables at the reporting date was:

	Gross	Gross
	2023	2022
	$'000	$'000
Not past due	221,407	598,217
Past due 0-30 days	1,408	2,064
Past due 31-120 days	239	419
Past due 121 days to one year	-	-
More than one year	-	-
	223,054	600,700

Guarantees

The policy of the Group is to provide bank and surety guarantees for bonding requirements associated with mining operations (including environmental and rehabilitation), infrastructure assets and other purposes such as security of leased premises. Guarantees are provided under contingent credit support facilities. The Company recently completed its refinancing of guarantees. Details of outstanding guarantees are provided in note 7.4.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it has sufficient cash on demand to meet all expected operational expenses as and when due, including the servicing of financial obligations. This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are the contractual undiscounted maturities of financial liabilities, including estimated interest payments:

	30 June 2023						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial liabilities							
Lease liabilities	152,922	176,556	37,268	31,113	59,792	14,850	33,533
Secured loans	38,730	43,499	5,776	5,629	10,132	21,963	-
Trade and other payables	339,145	341,502	305,447	5,799	20,398	9,858	-
Forward exchange contracts:							
Outflow	336,936	335,532	319,483	-	16,049	-	-
Inflow	(331,411)	(331,411)	(314,993)	-	(16,418)	-	-
	536,322	565,678	352,981	42,541	89,952	46,671	33,533

	30 June 2022						
	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial liabilities							
Lease liabilities	202,490	232,440	38,072	40,532	48,296	68,910	36,630
Secured loans	48,201	50,657	5,174	5,124	10,121	23,746	6,492
Trade and other payables	410,361	412,239	354,309	7,248	20,426	30,256	-
Forward exchange contracts:							
Outflow	208,283	208,672	176,337	209	16,077	16,049	-
Inflow	(200,510)	(200,510)	(168,270)	(212)	(16,014)	(16,014)	-
	668,825	703,498	405,622	52,901	78,906	122,947	43,122

d) Net fair values

The following table provides the fair value measurement hierarchy of the Group's financial assets and financial liabilities as at 30 June 2023 and 30 June 2022:

- Level 1: measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: measurements based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3: measurements based on inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group held the following financial instruments carried at fair value in the consolidated statement of financial position:

	2023	Level 1	Level 2	Level 3
	$'000	$'000	$'000	$'000
Assets measured at fair value				
Equity investments	18,183	6,260	-	11,923
Forward exchange contracts - receivable	56	-	56	-
	18,239	6,260	56	11,923
Liabilities measured at fair value				
Forward exchange contracts - payable	(5,581)	-	(5,581)	-
	(5,581)	-	(5,581)	-

	2022	Level 1	Level 2	Level 3
	$'000	$'000	$'000	$'000
Assets measured at fair value				
Equity investments	856	-	-	856
Forward exchange contracts - receivable	105	-	105	-
	961	-	105	856
Liabilities measured at fair value				
Forward exchange contracts - payable	(7,878)	-	(7,878)	-
	(7,878)	-	(7,878)	-

The fair value of derivative financial instruments are derived using valuation techniques based on observable market inputs, such as forward currency rates, at the end of the reporting period. The amounts disclosed in the consolidated statement of financial position are the fair values and are classified under level 2 in the fair value measurement hierarchy. During the period the Group entered into forward exchange contracts to hedge some foreign exchange risk. A number of these contracts remained open at 30 June 2023.

The carrying values of financial assets and financial liabilities recorded in the financial statements materially approximates their respective net fair values, determined in accordance with the accounting policies disclosed in notes 3.1, 3.3 and 5.1 to the financial statements.

e) Financial assets and liabilities by categories

		2023		2022	
		Amortised cost	Other	Amortised cost	Other
	Note	$'000	$'000	$'000	$'000
Financial assets					
Cash and cash equivalents		2,775,510	-	1,215,460	-
Trade and other receivables	*3.1*	330,060	-	664,757	-
Investments	*5.3(d)*	-	18,183	-	856
Other financial assets[1]	*5.3(d)*	-	56	-	105
Total financial assets		**3,105,570**	**18,239**	**1,880,217**	**961**

1 Other financial assets at 30 June 2023 include $0.1 million (2022: $0.1 million) relating to derivatives in designated hedges.

		2023		2022	
		Amortised cost[1]	Other	Amortised cost[1]	Other
	Note	$'000	$'000	$'000	$'000
Financial liabilities					
Trade and other payables	*3.3*	339,145	-	410,361	-
Interest-bearing liabilities	*5.1*	188,948	-	244,697	-
Other financial liabilities[2]	*5.3(d)*	-	5,581	-	7,878
Total financial liabilities		**528,093**	**5,581**	**655,058**	**7,878**

1 Loans at amortised cost are non-derivatives with fixed or determinable payments and are not quoted on an active market. Loans and payables are valued at amortised cost.
2 Other financial liabilities include $5.6 million (2022: $7.9 million) relating to derivatives in designated hedges.

f) Changes in liabilities arising from financing activities

	2023	2022
	$'000	$'000
As at 1 July	250,690	1,008,916
Outflows from secured loans	(9,470)	(9,795)
Outflows from lease liabilities	(81,644)	(76,673)
Outflows from senior bank facility	-	(688,000)
Increase in lease liabilities	32,076	16,242
As at 30 June	**191,652**	**250,690**
Consisting of:		
Current interest-bearing liabilities[1]	**72,702**	**81,135**
Non-current interest-bearing liabilities[2]	**118,950**	**169,555**

1 Current interest-bearing liabilities does not include capitalised borrowing costs of $867,000 (2022: $3,292,000).
2 Non-current interest-bearing liabilities does not include capitalised borrowing costs of $1,837,000 (2022: $2,701,000).

The Group classifies interest paid as cash flows from operating activities.

Recognition and measurement

Financial assets

The Group classifies its financial assets into the following categories: those to be measured subsequently at fair value (either through other comprehensive income, or profit or loss) and those to be held at amortised cost. Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows.

At initial recognition, the Group measures a financial asset at its fair value.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or derivatives designated as hedging instruments.

All financial liabilities are recognised initially at fair value.

The Group's financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Derivatives and hedge accounting:

The Group uses derivative financial instruments to hedge its risks associated with foreign currency and interest rate fluctuations arising from operating activities. Such derivative financial instruments are initially recognised at fair value as at the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Cash flow hedges:

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve. To the extent that the hedge is ineffective, changes in fair value are recognised in profit or loss. Amounts taken to other comprehensive income are transferred out of other comprehensive income and included in the measurement of the hedged transaction when the forecast transaction occurs. Hedge accounting is discontinued prospectively when a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting. The cumulative gain or loss previously recognised in other comprehensive income remains in other comprehensive income until the forecast transaction occurs.

5.4. Share capital and reserves

a) Share capital

	2023		2022	
	Number of shares	$'000	Number of shares	$'000
Fully paid ordinary share capital				
Ordinary share capital at the beginning of the period	956,271,652	2,642,338	1,032,644,232	3,013,661
Share buy-back[1]	(119,670,868)	(948,908)	(76,372,580)	(362,568)
Transfer of shares by share plan	-	6,346	-	4,124
Shares purchased by share plan	-	(39,879)	-	(12,879)
Ordinary share capital at the end of the period	**836,600,784**	**1,659,897**	**956,271,652**	**2,642,338**

1 Includes share trade entered into on 30 June 2023 for 839,845 shares totalling $5,663,327, which was settled and paid on 4 July 2023.

At 30 June 2023, a trust on behalf of the Company held 6,610,252 ordinary fully paid shares in the Company (30 June 2022: 2,502,186). During the year, 1,891,934 of these shares were transferred to performance rights plan recipients and 6,000,000 purchased by the share plan. These were purchased during the year for the purpose of allowing the Group to satisfy performance rights to certain management of the Group. Refer to note 5.5 for further details on the performance rights plan.

Terms and conditions of issued capital

Ordinary shares are classified as equity. Fully paid ordinary shares carry one vote per share (either in person or by proxy) at a meeting of the Company and carry the right to receive dividends as declared. In the event of a winding up of the Company, fully paid ordinary shares carry the right to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Under the terms of the acquisition of Boardwalk Resources Limited, 34,020,000 ordinary shares are subject to a restriction deed, which removes their entitlement to vote, receive dividends as declared or participate in the proceeds from the sale of all surplus assets. These restrictions will be released on reaching certain milestones.

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit.

b) Nature and purpose of reserves

Share-based payment reserve

The share-based payment reserve is used to record the value of share-based payments provided to Director-related entities and senior employees under share option and long-term incentive plans. Refer to note 5.5 for further details of these plans.

Other reserves

	2023	2022
Other reserves	**$'000**	**$'000**
Hedge reserve, net of tax	(3,867)	(5,441)
Revaluation reserve, net of tax	(3,781)	-
Total	**(7,648)**	**(5,441)**

Hedge reserve

The hedging reserve comprises the effective portion of the cumulative change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Revaluation reserve

The revaluation reserve comprises the revaluation of listed equity investments to market value as at period end.

c) Dividends

Dividends of $640,005,000 were paid to shareholders during the year ended 30 June 2023 (2022: $79,890,000).

On 24 August 2023, the Directors declared a fully franked final dividend of 42 cents per share totalling $337.1 million to be paid on 15 September 2023.

Dividend franking account

As at 30 June 2023, $401,801,423 franking credits were available to shareholders of Whitehaven Coal Limited (30 June 2022: $nil).

5.5. Share-based payments

a) Recognised share-based payment expenses

	2023	2022
Employee expenses	**$'000**	**$'000**
Performance rights – senior employees	10,897	9,234

Recognition and measurement:

The grant date fair value of options and performance rights granted to employees is recognised as an expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the equity instruments. The amount recognised is adjusted to reflect the actual number of instruments that vest, except for those that fail to vest due to market conditions not being met. Once the instruments have vested, no further expenses are recognised nor reserves reversed in respect to costs already charged. However, where the share rights or options have lapsed after vesting, the Group transfers the equivalent amount of the cumulative cost for the lapsed awards from the share-based payments reserve to another component of equity.

b) Types of share-based payment plans

Performance right grant to CEO and senior employees

In FY22, the Company issued performance rights to the CEO and senior employees under the Company's FY22 medium and long-term incentive (MTI and LTI) programs. No performance rights under the Company's FY23 SIP program were issued during the year. The terms and conditions of the FY22 grant are as follows:

	2023		2022	
Performance rights	**Number of instruments**	**Vesting date**	**Number of instruments**	**Vesting date**
MTI	-	-	2,424,720	30 June 2024
LTI tranche 1	-	-	671,499	30 June 2024
LTI tranche 2	-	-	671,499	30 June 2025
LTI tranche 3	-	-	1,764,165	30 June 2024/25[1]
LTI tranche 4	-	-	421,171	30 June 2025
Total	-		5,953,054	

1 To the extent that the Costs Hurdle Award is satisfied at the end of the year of testing, 50% of the awards will vest and become exercisable immediately and the remaining 50% will continue on foot, subject to a further one-year service condition.

The performance rights issued under the FY22 MTI and LTI programs are subject to a performance measure linked to relative TSR, a Costs Hurdle and a Strategic Priority Delivery (SPD) metric. The TSR performance measure compares the TSR performance of the Company with the TSR performance of the S&P ASX 100 index. The Costs Hurdle performance measure relates to the Company achieving a cost per tonne target referenced to the industry first quartile. The SPD performance measure drives a focus on the efficient delivery of long-term projects that directly impact shareholder value. The SPD hurdle also requires the Company to achieve positive TSR performance. Detailed disclosures of LTI outcomes against the target are provided in the Remuneration Report.

The table below details the outcomes of MTI awards that were tested in FY23 (or for which the test period concluded on 30 June 2023) and the results of the relevant test:

		Outcomes		
MTI Year	**Test Type**	**Performance**	**Vested**	**Lapsed**
2020	Relative TSR	100th percentile	100%	0%
2020	Costs Target Hurdle	75th percentile	100%	0%

c) Movement in options and performance rights

The following table illustrates the number and weighted average exercise prices of, and movements in, options and performance rights during the year:

	Weighted average exercise price	Number of rights	Weighted average exercise price	Number of options/rights
	2023	**2023**	**2022**	**2022**
Outstanding at beginning of period	$0.00	16,117,001	$0.17	14,178,517
Exercised during the period[1]	$0.00	(1,545,148)	$0.72	(1,393,492)
Granted during the period	$0.00	871,043[2]	$0.00	6,805,561[3]
Forfeited during the period	$0.00	(1,132,805)	$0.00	(1,605,058)
Lapsed during the period	$0.00	(328,157)	$0.78	(1,868,527)
Outstanding at 30 June	$0.00	13,981,934	$0.00	16,117,001
Exercisable at 30 June	$0.00	630,639	$0.00	32,549

1 During the year ended 30 June 2023, 1,545,148 performance rights were exercised (2022: 562,961 performance rights and 830,531 share options).
2 Includes performance rights granted during the year under the following schemes: 143,983 (FY21 LTI scheme), 58,256 (FY21 MTI scheme) and 668,804 (FY22 STI scheme).
3 Includes 852,507 performance rights granted during the year under the FY21 STI scheme.

The outstanding balance as at 30 June 2023 is represented by:

Performance rights over ordinary shares	Number	Exercise price	Dates exercisable between
Performance rights	1,055,346	$nil	30 June 2023 - 28 October 2029
Performance rights	6,039,647	$nil	30 June 2023 - 31 October 2030
Performance rights	6,218,137	$nil	30 June 2023 - 31 October 2031
Performance rights	668,804	$nil	30 June 2023 - 31 October 2032
Outstanding at 30 June 2023	**13,981,934**		

The weighted average remaining contractual life of performance rights outstanding at 30 June 2023 is 7.7 years (2022: 8.6 years).

d) Pricing models

The fair value of performance rights granted under the LTI and MTI programs with a TSR performance hurdle is measured using a Monte Carlo simulation model incorporating the probability of the performance hurdles being met. The fair value of performance rights with the non-market performance hurdle (costs target) is measured using the Black-Scholes option pricing formula.

The fair value of options with a TSR performance hurdle and non-market performance hurdle is measured using a combination of the Monte Carlo simulation model and Binomial Option Pricing methods.

There were no performance rights granted under the FY23 SIP program during the year ended 30 June 2023.

The following table lists the inputs to the models used for the year ended 30 June 2022:

	Rights						
2022	**MTI**	**MTI**	**LTI**	**LTI**	**LTI**	**LTI**	**LTI**
Performance hurdle	TSR	Cost	TSR	TSR	Cost	Cost	TSR/Strategic Objectives
Grant date	26 Nov 21	26 Nov 21	26 Nov 21	26 Nov 21	26 Nov 21	26 Nov 21	26 Nov 21
Vesting date	30 Jun 24	30 Jun 24	30 Jun 24	30 Jun 25	30 Jun 24	30 Jun 25	30 Jun 25
Fair value at grant date	$1.78	$2.44	$1.78	$1.80	$2.44	$2.44	$1.85
Share price	$2.44	$2.44	$2.44	$2.44	$2.44	$2.44	$2.44
Expected volatility	40%	40%	40%	40%	40%	40%	40%
Performance right life	10 years	10 years	10 years	10 years	10 years	10 years	10 years
Risk-free interest rate	0.40%	0.40%	0.40%	0.74%	0.40%	0.74%	0.74%

All share-based payments for existing employees are equity settled.

6. Group structure

6.1. Group's subsidiaries

The below is a list of the Group's subsidiaries, all of which are incorporated in Australia unless otherwise noted:

	Ownership interest			Ownership interest	
	2023	2022		2023	2022
Parent entity					
Whitehaven Coal Limited					
Subsidiaries					
Whitehaven Coal Mining Limited[1]	100%	100%	Aston Coal 3 Pty Ltd[1]	100%	100%
Namoi Mining Pty Ltd[1]	100%	100%	Maules Creek Coal Pty Ltd[1]	100%	100%
Namoi Agriculture & Mining Pty Ltd	100%	100%	Boardwalk Resources Limited[1]	100%	100%
Betalpha Pty Ltd[1]	100%	100%	Boardwalk Coal Management Pty Ltd[1]	100%	100%
Tarrawonga Coal Pty Ltd[1]	100%	100%	Boardwalk Coal Marketing Pty Ltd[1]	100%	100%
Tarrawonga Coal Sales Pty Ltd[2]	100%	100%	Boardwalk Sienna Pty Ltd[1]	100%	100%
Whitehaven Coal Holdings Pty Ltd[1]	100%	100%	Boardwalk Monto Pty Ltd[1]	100%	100%
Whitehaven MetCoal Holdings Pty Ltd[3]	100%	-	Boardwalk Dingo Pty Ltd[1]	100%	100%
Australian Resource Financing Pty Ltd[3]	100%	-	Boardwalk Ferndale Pty Ltd[1]	100%	100%
A.C.N. 664 400 382 Pty Ltd[3]	100%	-	Coalworks Limited[1]	100%	100%
Whitehaven Coal Infrastructure Pty Ltd[1]	100%	100%	Yarrawa Coal Pty Ltd[1]	100%	100%
Narrabri Coal Australia Pty Ltd[2]	100%	100%	Loyal Coal Pty Ltd	92.5%	92.5%
Narrabri Coal Pty Ltd[1]	100%	100%	Ferndale Coal Pty Ltd	92.5%	92.5%
Narrabri Coal Operations Pty Ltd[1]	100%	100%	Coalworks (Oaklands North) Pty Ltd[1]	100%	100%
Narrabri Coal Sales Pty Ltd[1]	100%	100%	CWK Nominees Pty Ltd[1]	100%	100%
Creek Resources Pty Ltd[1]	100%	100%	Oaklands Land Pty Ltd[1]	100%	100%
Werris Creek Coal Sales Pty Ltd[1]	100%	100%	Coalworks (Vickery South) Pty Ltd[1]	100%	100%
Werris Creek Coal Pty Ltd[1]	100%	100%	Coalworks Vickery South Operations Pty Ltd[1]	100%	100%
WC Contract Hauling Pty Ltd[1]	100%	100%	Vickery South Marketing Pty Ltd[1]	100%	100%
Whitehaven Blackjack Pty Ltd[1]	100%	100%	Vickery South Operations Pty Ltd[1]	100%	100%
Whitehaven Project Pty Ltd[1]	100%	100%	Vickery South Pty Ltd[1]	100%	100%
Whitehaven Employee Share Plan Pty Ltd[1]	100%	100%	Vickery Coal Pty Ltd[2]	100%	100%
Whitehaven WS Pty Ltd[2]	100%	100%	Vickery Coal Operations Pty Ltd[3]	100%	-
Aston Resources Limited[1]	100%	100%	Winchester South Coal Operations Pty Ltd[2]	100%	100%
Aston Coal 2 Pty Ltd[1]	100%	100%	Gunnedah Basin Haulage Pty Ltd[3]	100%	-

1 These subsidiaries entered into a Class Instrument 2016/785 dated 28 September 2016 and related deed of cross guarantee with Whitehaven Coal Limited. Refer to Note 6.4 for further information.
2 These subsidiaries entered into a Class Instrument 2016/785 dated 24 June 2020 and related deed of cross guarantee with Whitehaven Coal Limited. Refer to Note 6.4 for further information.
3 These subsidiaries entered into a Class Instrument 2016/785 dated 30 June 2023 and related deed of cross guarantee with Whitehaven Coal Limited. Refer to Note 6.4 for further information.

Recognition and measurement

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until that control ceases. All intercompany balances and transactions have been eliminated in preparing the consolidated financial statements.

6.2. Interest in joint operations

The Group has interests in the following joint operations that are measured in accordance with the terms of each arrangement, which are in proportion to the Group's interest in each asset, liability, income and expense of the joint operations:

		Ownership interest and voting rights	
	Country of incorporation	2023	2022
Narrabri Coal Joint Venture[1]		77.5%	77.5%
Maules Creek Joint Venture[1]		75%	75%
Dingo Joint Venture[1]		70%	70%
Ferndale Joint Venture[1]		92.5%	92.5%
Boggabri-Maules Creek Rail Spur Joint Venture[1]		39%	39%
Maules Creek Marketing Pty Ltd[2]	Australia	75%	75%
Boggabri-Maules Creek Rail Pty Ltd[2]	Australia	39%	39%

1 These entities have been classified as joint operations under AASB 11 *Joint Arrangements*, as these joint arrangements are not structured through separate vehicles.

2 The joint operations above operate as the sales and marketing vehicles or manager of the related unincorporated joint operations and require joint consent from all joint venture partners on all significant management and financial decisions. The Group recognises its share of assets, liabilities, revenues and expenses of the above entities as joint operations under AASB 11 *Joint Arrangements*.

Recognition and measurement

Joint arrangements are arrangements in which two or more parties have joint control. Joint control is the contractually agreed sharing of control over an arrangement, which exists only when decisions about relevant strategic and/or key operating decisions require the unanimous consent of the parties sharing control.

The consolidated financial statements of the Group include its share of the assets and liabilities, revenues and expenses arising jointly or otherwise from those operations, and its revenue derived from the sale of its share of goods and services from the joint operation. All such amounts are measured in proportion to the Group's interest in the joint operation.

Significant accounting judgements, estimates and assumptions

The Group assesses whether it has the power to direct the relevant activities of the investee by considering the rights it holds with respect to the work program and budget approval, investment decision approval, voting rights in joint operating committees and changes to joint arrangement participant holdings. Where the Group has joint control, judgement is also required to assess whether the arrangement is a joint operation or a joint venture.

6.3. Parent entity information

	Company	
	2023	2022
Information relating to Whitehaven Coal Limited	**$'000**	**$'000**
Current assets	1,909,178	504,802
Total assets	**3,419,785**	**2,321,112**
Current liabilities	-	-
Total liabilities	**-**	-
Issued capital	1,831,187	2,780,095
Retained earnings	1,568,824	(473,850)
Share-based payments reserve	19,774	14,867
Total shareholders' equity	**3,419,785**	**2,321,112**
Profit/(loss) of the parent entity	2,083,300	(2,812)
Total comprehensive income/(loss) of the parent entity	2,083,300	(2,812)

6.4. Deed of cross guarantee

Pursuant to ASIC Corporations Instrument 2016/785 dated 28 September 2016, the wholly owned subsidiaries listed in Note 6.1 (refer footnotes 1 to 3) are relieved from the *Corporations Act 2001* (Cth) requirements for the preparation, audit and lodgement of financial reports, and directors' reports.

It is a condition of the Class Order that the Company and each of the subsidiaries enter into a deed of cross guarantee (the 'Deed'). The effect of the Deed is that the Company guarantees to each creditor payment of any debt in full in the event of winding up of any of the subsidiaries under certain provisions of the *Corporations Act 2001* (Cth). If a winding up occurs under other provisions of the *Corporations Act 2001* (Cth), the Company will only be liable in the event that after six months any creditor has not been paid in full. The subsidiaries have also given similar guarantees in the event that the Company is wound up.

The Company and each of the relevant subsidiaries entered into the Deed on 27 June 2008 with subsequent assumption deeds entered into on 27 June 2012, 25 June 2013, 24 June 2020 and 30 June 2023.

The following consolidated statement of comprehensive income and statement of financial position comprises the Company and its controlled entities which are party to the Deed ('Closed Group') after eliminating all transactions between parties to the Deed.

	Closed Group	
	2023	**2022**
Statement of comprehensive income	**$'000**	**$'000**
Profit before tax	3,801,495	2,765,893
Income tax expense	(1,133,441)	(813,928)
Net profit for the year	**2,668,054**	**1,951,965**
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net movement on cash flow hedges	2,248	(88)
Income tax effect	(674)	26
Total items that may be reclassified subsequently to profit or loss, net of tax	**1,574**	**(62)**
Items that will not be reclassified subsequently to profit or loss		
Net loss on equity instruments designated at fair value through other comprehensive income	(5,402)	-
Income tax effect	1,621	-
Total items that will not be reclassified subsequently to profit or loss, net of tax	**(3,781)**	**(62)**
Total comprehensive income for the year, net of tax	**2,665,847**	**1,951,903**
Statement of financial position		
Assets		
Cash and cash equivalents	2,775,430	1,215,375
Trade and other receivables	326,787	659,392
Inventories	133,875	157,039
Derivatives	56	31
Total current assets	**3,236,148**	**2,031,837**
Trade and other receivables	5,203	7,298
Investments	18,183	856
Property, plant and equipment	3,802,111	3,426,550
Exploration and evaluation assets	438,637	647,289
Intangible assets	12,180	12,180
Derivatives	-	74
Total non-current assets	**4,276,314**	**4,094,247**
Total assets	**7,512,462**	**6,126,084**

	Closed Group	
	2023	2022
Statement of financial position	**$'000**	**$'000**
Liabilities		
Trade and other payables	309,044	361,894
Interest-bearing liabilities	71,835	77,843
Employee benefits	38,802	33,987
Income tax payable	871,095	551,830
Provisions	14,723	16,461
Derivatives	5,235	7,774
Total current liabilities	**1,310,734**	**1,049,789**
Non-current liabilities		
Other payables	30,100	48,464
Interest-bearing liabilities	117,113	166,854
Deferred tax liabilities	542,207	405,169
Provisions	249,883	242,516
Derivatives	346	104
Total non-current liabilities	**939,649**	**863,107**
Total liabilities	**2,250,383**	**1,912,896**
Net assets	**5,262,079**	**4,213,188**
Equity		
Issued capital	1,657,497	2,639,938
Share-based payments reserve	19,774	14,867
Other reserves	(7,648)	(5,441)
Retained earnings	3,592,456	1,563,824
Total Equity	**5,262,079**	**4,213,188**

6.5. Related parties

	2023	2022
Compensation to Executive KMP and Non-Executive Directors of the Group	**$'000**	**$'000**
Short-term employee benefits	6,995	5,817
Contributions to superannuation plans	198	183
Share-based compensation payments	4,631	3,087
Total compensation	**11,824**	**9,087**

7. Other notes

7.1. Employee benefits

	2023	2022
Consolidated statement of comprehensive income	**$'000**	**$'000**
Wages and salaries	235,889	205,975
Contributions to superannuation plans	16,783	14,236
Other associated personnel expenses	9,945	8,976
Increase in liability for annual leave	2,795	3,614
Increase in liability for long service leave	206	112
Share-based compensation payments	10,897	9,234
	276,515	**242,147**
Consolidated statement of financial position		
Salaries and wages accrued	9,646	7,832
Liability for long service leave	655	449
Liability for annual leave	28,501	25,706
	38,802	**33,987**

Recognition and measurement

Wages, salaries, annual leave and sick leave

Liabilities for wages, salaries, annual leave and sick leave are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled – that is, at undiscounted amounts based on remuneration wage and salary rates including related on-costs, such as workers' compensation insurance and payroll tax.

Long-term service benefits

Liabilities for long service leave and other long-term benefits are recognised and measured at the present value of the estimated future cash outflows resulting from employees' services provided up to the reporting date. Long-term benefits not expected to be settled within twelve months are discounted using the rates attached to high-quality corporate bonds at the reporting date, which most closely match the maturity dates of the related liability.

Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the consolidated statement of comprehensive income as incurred.

7.2. Auditor's Remuneration

Auditors of the Company - Ernst & Young (Australia)	2023 $	2022 $
Fees to the auditor for		
Audit and review of statutory financial statements of the parent covering the Group	626,405	602,315
Audit of joint operations	357,435	343,685
Total audit services	**983,840**	**946,000**
Other assurance services where there is discretion as to whether the service is provided by the auditor or another firm		
Review of *National Greenhouse and Energy Reporting Act 2007* requirements	52,000	115,000
Debt capital markets assurance services	7,280	209,741
Total other assurance services[1]	**59,280**	**324,741**
Other services		
Due diligence services[2]	688,000	-
Sustainability assurance services	37,309	-
Total other services[1]	**725,309**	-
Total auditor's remuneration	**1,768,429**	**1,270,741**
Total non-audit services[1]	**784,589**	**324,741**
Non-audit services as a % of total auditor's remuneration	44%	26%

1 During the year Ernst & Young (Australia), the Company's auditor, has performed certain other assurance services and other services in addition to their statutory duties.
The Board considered the non-audit services provided during the year by the auditor and, in accordance with written advice provided by resolution of the Audit & Risk Management Committee, were satisfied that the provision of those non-audit services by the auditor was compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001 (Cth) for the following reasons:
- all non-audit services provided were subjected to the corporate governance procedures adopted by the Company and were reviewed by the Audit & Risk Management Committee to ensure they did not impact the integrity and objectivity of the auditor;
- all non-audit services provided did not, and do not, undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards;
- there were no known conflict of interest situations nor any other circumstance arising out of a relationship between Whitehaven (including its Directors and Officers) and EY which may impact on auditor independence.

2 The fees for non-audit services paid or payable to the auditor of the Parent Company (EY) have increased in the current year due to the provision of non-audit services in relation to transactional activities that took place during the year, which are considered to be outside the ordinary course of business.

7.3. Commitments

a) Capital expenditure commitments

	2023 $'000	2022 $'000
Contracted for but not provided for and payable:		
Within one year[1]	**44,210**	**42,598**

1 There were no commitments for capital expenditure beyond one year.

7.4. Contingencies

a) Guarantees

The Group provided bank and surety guarantees to:		2023 $'000	2022 $'000
i)	government departments as a condition of continuation of mining and exploration licences	239,336	256,468
ii)	rail capacity providers	23,449	25,529
iii)	port capacity providers	158,836	156,564
iv)	electricity network access supplier	20,493	20,493
v)	other	4,920	3,688
		447,034	**462,742**

b) Other

As previously reported, representative proceedings were commenced against the Group on 21 December 2018 in the Supreme Court of Queensland by Nathan Tinkler as representative applicant. The proceedings were brought on behalf of a number of parties who were issued with Milestone Shares (subject to restrictions on voting and transfer until various development milestones are met) in Whitehaven Coal Limited in May 2012. The proceedings have since been transferred to the Supreme Court of New South Wales and the representative applicant has been replaced by Les & Zelda Investments Pty Ltd (ACN 148 907 573) as Trustee for the Les & Zelda Family Trust. The pleadings make various allegations against the Group in relation to the Milestone Shares. The Group denies those allegations. The proceedings are ongoing, and no trial date has yet been set.

Other than the above, there are a number of legal and potential claims against the Group that have arisen in the ordinary course of business. The Group does not believe that these matters will result in any material adverse outcome based on information currently available.

7.5. Subsequent events

In the interval between the end of the financial year and the date of this report there has not arisen any item, transaction or event of a material or unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future financial years, other than the following:

– Subsequent to the end of the financial year, the Directors declared a fully franked final dividend of 42 cents per share totalling $337.1 million to be paid on 15 September 2023.

Directors' declaration

For the year ended 30 June 2023

In accordance with a resolution of the directors of Whitehaven Coal Limited, I state that:

In the opinion of the Directors:

(a) The financial statements and notes of Whitehaven Coal Limited are in accordance with the *Corporations Act 2001* (Cth), including:

   (i) Giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the year ended on that date, and

   (ii) Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001

(b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1

(c) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable

(d) This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* (Cth) for the financial year ending 30 June 2023

(e) As at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note 6.4 will be able to meet any obligations or liabilities to which they are or may become subject, by virtue of the Deed of Cross Guarantee.

On behalf of the Board

The Hon. Mark Vaile AO
Chairman

Paul Flynn
Managing Director

Sydney
24 August 2023

Independent Auditor's report

For the year ended 30 June 2023

Building a better working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's report to the members of Whitehaven Coal Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Whitehaven Coal Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2023 and of its consolidated financial performance for the year ended on that date; and

b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Building a better working world

Carrying value of property, plant and equipment and recoverability of exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
At 30 June 2023, the Group's consolidated statement of financial position included $3,802m of property, plant and equipment and $438.6m of exploration and evaluation assets. As disclosed in Note 4.1 of the financial report, the Group assesses property, plant and equipment for indicators of impairment or impairment reversal at each balance date. This involved an assessment of any potential indicators which includes, but is not limited to, assessing the demand for fossil fuels, forecast coal prices, changes in operating costs and capital expenditure, discount rates and changes in mineral reserves and resources. Where an indicator of impairment or impairment reversal is identified, a full impairment testing is required. With regards to exploration and evaluation assets, Note 4.2 outlines how the Group assesses its exploration and evaluation assets for indicators of impairment. The decision as to whether there are indicators that require the Group's exploration assets to be assessed for impairment include, but is not limited to, judgements determining whether future economic benefits are likely by successful development, commercial exploitation or sale of the respective areas of interest. At 30 June 2023, the Group concluded no impairment indicators were present however an impairment test was required in respect of the Vickery Project ($270.6m) as it was transferred from exploration and evaluation to property, plant and equipment. Forecast assumptions in relation to commodity prices are inherently uncertain. There is a risk that the assumptions may not appropriately reflect changes in supply and demand, including the impact of climate change and energy transition. Due to the size of these assets relative to the Group's total assets, and the significant judgement involved in the assessment of indicators of impairment, including changes in the coal demand and forecast commodity price as a result of climate risk and energy transition, this was considered a key audit matter.	Our audit procedures in respect of property, plant and equipment included the following: ▸ Consideration of the appropriateness of the Group's identification of its single cash generating unit. ▸ Evaluating the Group's assessment of the existence of impairment indicators, including: ○ Assessment of changes in forecast coal demand and coal prices with reference to external observable market data and independent economic analysis which has considered climate change and energy transition. ○ Comparison of other key assumptions including coal reserves, discount rates, inflation rates, and foreign exchange rates to corresponding amounts used in impairment testing in prior years. ○ Analysis of actual operating and capital costs for the current year compared with budget data for the same period to assess forecast accuracy and also consideration of the existence of information contrary to the Group's impairment indicators conclusion. ○ Analysis of Group's cost forecasts associated with complying with changes to the National Greenhouse and Energy Reporting Scheme Safeguard Mechanism. With regards to exploration and evaluation assets, our procedures in relation to the Group's assessment of indicators of impairment for each area of interest included the following: ▸ Obtained evidence to support title to the areas of interest and the regulatory approvals received for the Vickery Project and Narrabri Stage 3 Extension. ▸ Considered the Group's intention to carry out significant exploration and evaluation activity in the relevant areas of interest, which included reviewing the Group's Board approved budget. ▸ Inquired of management as to the intentions and strategy of the Group in relation to the potential development of the assets. In conjunction with our valuation specialists, we evaluated the Group's impairment test for the Vickery Project, performed on transfer of the assets from exploration and evaluation to the Group's single CGU. Our audit procedures included: • Assessing the key assumptions used in the impairment test, including forecast coal prices, discount rates, inflation rates and foreign exchange rates for consistency with the Group's assumptions referred to above that we considered in our impairment indicator assessment.

Why significant	How our audit addressed the key audit matter
	• Assessing the recoverable coal reserves and forecast operating and capital cost used in the impairment test; and • Testing the mathematical accuracy of the impairment model. We evaluated the adequacy of the related disclosures in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's 2023 annual report but does not include the financial report and our auditor's report thereon. We obtained the directors' report that is to be included in the annual report, prior to the date of this auditor's report, and we expect to obtain the remaining sections of the annual report after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Building a better working world

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the audit of the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 32 to 53 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Whitehaven Coal Limited for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Ernst & Young

Scott Jarrett
Partner
Sydney
24 August 2023

ASX additional information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholdings

Substantial shareholders

The number of shares recorded as owned by substantial shareholders and their associates in the most recent substantial shareholder notices advised to the Company by these shareholders are set out below:

Shareholder	Percentage of capital held	Number of ordinary shares held	Date of substantial shareholder notice
UBS Group AG and its related bodies corporate	5.99%	50,188,643	7 Jul 2023
The Vanguard Group, Inc. and its controlled entities	5.00%	43,673,310	9 May 2023
JPMorgan Chase & Co. and its affiliates	5.02%	41,997,989	22 August 2023

Voting rights

Ordinary shares

Refer to note 5.4 in the financial statements

Options

There are no voting rights attached to the options.

Distribution of equity security holders

Category	Number of equity security holders	% of Units
1 - 1,000	11,373	0.61
1,001 - 5,000	11,184	3.49
5,001 - 10,000	3,284	3.01
10,001 - 100,000	2,975	9.38
100,001 and over	214	83.51
	29,030	**100.00**

There are no holders of options over ordinary shares.

The number of shareholders holding less than a marketable parcel of ordinary shares is 901.

Securities exchange

The Company is listed on the Australian Securities Exchange.

Other information

Whitehaven Coal Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

Twenty largest shareholders (legal ownership)

Name	Number of ordinary shares held	Percentage of capital held
HSBC CUSTODY NOMINEES (AUSTRALIA) LTD	195,085,654	23.32
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	147,545,476	17.64
CITICORP NOMINEES PTY LTD	115,414,993	13.80
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	42,844,164	5.12
BNP PARIBAS NOMS PTY LTD <DRP>	28,922,310	3.46
AET SFS PTY LTD <BOARDWALK RES INV P/C>	26,678,979	3.19
ECAPITAL NOMINEES PTY LIMITED <ACCUMULATION A/C>	15,219,203	1.82
NATIONAL NOMINEES LIMITED	14,807,518	1.77
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	14,219,163	1.70
WHITEHAVEN EMPLOYEE SHARE PLAN PTY LIMITED <EQUITY INCENTIVE PLAN A/C>	6,610,252	0.79
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	5,132,576	0.61
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED GSCO ECA	4,409,572	0.53
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	3,635,127	0.43
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,576,021	0.43
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED-GSCO ECA	3,205,974	0.38
INVIA CUSTODIAN PTY LIMITED <ABEX LIMITED A/C>	3,100,889	0.37
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	3,006,167	0.36
CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	2,664,465	0.32
MR CHRISTOPHER ANDREW ANDERSON + MRS VIRGINIA IVY ANDERSON	2,190,000	0.26
MR LEENDERT HOEKSEMA	2,000,000	0.24
	640,268,503	76.53

This information is current as at 22 August 2023.

Resources and Reserves

Whitehaven Coal Limited – Coal Resources – August 2023

Tenement		Measured Resource (A)	Indicated Resource (B)	Measured + Indicated (A + B)	Inferred Resource (C)	Total Resource (A+B+C)	Competent Person	Report Date
Maules Creek Opencut*	CL375 AUTH346 ML1701 ML1719	340	174	**514**	44	**558**	1	Mar-23
Narrabri North Underground**	ML1609	116	137	**253**	-	**253**	2	Mar-23
Narrabri South Underground**	EL6243/ML1839	144	169	**313**	8	**322**	2	Mar-23
Tarrawonga Opencut	EL5967 ML1579 ML1685 ML1693	31	16	**48**	13	**61**	3	Mar-23
Tarrawonga Underground	EL5967 ML1579 ML1685 ML1693	10	15	**25**	14	**39**	3	Apr-14
Werris Creek Opencut	ML1563 ML1672	2.2	0.2	**2.4**	-	**2**	3	Mar-23
Rocglen Opencut	ML1620	2	3	**6**	0.2	**6**	3	Mar-19
Rocglen Underground	ML1620	-	3	**3**	1	**4**	3	Mar-15
Vickery Opencut	CL316 ML1838 EL4699 EL5831 EL7407 EL8224 ML1464 ML1471 ML1718	229	75	**304**	242	**545**	2	Aug-23
Vickery Underground		-	-	**-**	200	**200**	2	Aug-23
Winchester South	MDL 183	340	330	**670**	445	**1100**	4	Apr-22
Gunnedah Opencut	ML1624 EL5183 CCL701	7	47	**54**	89	**143**	3	Jun-14
Gunnedah Underground	ML1624 EL5183 CCL701	2	138	**140**	24	**164**	3	Jun-14
Bonshaw Opencut	EL6450 EL6587	-	4	**4**	7	**11**	3	Jun-14
Ferndale Opencut	EL7430	103	135	**238**	134	**372**	3	Jan-13
Ferndale Underground	EL7430	-	-	**-**	73	**73**	3	Jan-13
Oaklands North Opencut	EL6861	110	260	**370**	580	**950**	3	Jun-14
Pearl Creek Opencut***	EPC862	-	15	**15**	33	**48**	3	Aug-20
Total Coal Resources		**1437**	**1522**	**2959**	**1907**	**4851**		

1. Darryl Stevenson, 2. Jorham Contreras, 3. Benjamin Thompson, 4. Troy Turner.

* Maules Creek Joint Venture - Whitehaven owns 75% share.

** Narrabri Joint Venture - Whitehaven owns 77.5% share.

*** Dingo Joint Venture - Whitehaven owns 70% share.

The Coal Resources for active mining areas are current to the pit surface as at the report date.

Note: Figures reported are rounded which may result in small tabulation errors.

Whitehaven Coal Limited – Coal Reserves – August 2023

Tenement		Recoverable Reserves			Marketable Reserves			Competent Person	Report
		Proved	Probable	Total	Proved	Probable	Total		Date
Maules Creek Opencut*	CL375 AUTH346	290	120	**410**	240	90	**330**	1	Mar-23
Narrabri North Underground**	ML1609	57	4	**61**	55	3	**58**	2	Mar-23
Narrabri South Underground**	EL6243	92	5	**97**	88	6	**93**	2	Mar-23
Tarrawonga Opencut	EL5967 ML1579 ML1685 ML1693	16	9	**25**	13	7	**20**	1	Mar-23
Werris Creek Opencut	ML1563 ML1672	1.7	-	**1.7**	1.7	-	**1.7**	1	Mar-23
Vickery Opencut	CL316 EL4699 EL7407	166	8	**174**	116	6	**121**	1	Aug-23
Winchester South	MDL 183	270	110	**380**	160	55	**215**	1	Apr-22
Total Coal Resources		**893**	**256**	**1149**	**674**	**167**	**839**		

1. Doug Sillar, 2. John Pala.

* Maules Creek Joint Venture - Whitehaven owns 75% share. Recoverable Reserves for Maules Creek Open cut include approximately 30Mt of coal located in an area identified in the mine's project approvals as a vegetated buffer corridor between the mine and the neighbouring Boggabri mine. These project approvals require a suitable alternate corridor to be approved prior to mining of the coal in this corridor. The company is progressing work on potential alternatives to this corridor in conjunction with the owners of the Boggabri mine.

** Narrabri Joint Venture - Whitehaven owns 77.5% share.

The Coal Reserves for active mining areas are current as at report date.

Coal Reserves are quoted as a subset of Coal Resources.

Marketable Reserves are based on geological modeling of the anticipated yield from Recoverable Reserves.

Note: Figures reported are rounded which may result in small tabulation errors.

Glossary

AHS	Automated haulage system
ARTC	Australian Rail Track Corporation
ASEAN	Association of Southeast Asian Nations
ASX	Australian Securities Exchange
bcm	Bank cubic metre
CHPP	Coal Handling Preparation Plant
CV	Calorific value
EBITDA	Earnings Before Interest, Taxation, Depreciation and Amortisation
ECA	Export Credit Agency
EGM	Executive General Manager
FEC	Forward Exchange Contract
FOB	Free-on-Board
FVLCD	Fair Value Less Costs of Disposal
FY22	Financial Year ending 30 June 2022
FY23	Financial Year ending 30 June 2023
HELE	High Energy Low Emissions
JORC	Joint Ore Resources Committee
kcal/kg	Kilo calories per kilogram
KMP	Key Management Personnel
KPI	Key Performance Indicator
kt	Thousand tonnes
LTI	Long-Term Incentive
LW	Longwall
m	Million
Mt	Million tonnes
MRRT	Minerals Resource Rent Tax
MTI	Medium-Term Incentive
Mtpa	Million tonnes per annum
NAR	Net As Received basis
NCIG	Newcastle Coal Infrastructure Group
NPAT	Net profit after tax
OEM	Original Equipment Manufacturer
PWCS	Port Waratah Coal Services
ROM	Run-of-Mine
SIP	Single Incentive Plan
SSCC	Semi-soft coking coal
STI	Short-Term Incentive
t	Tonne
TAL	Tonne Axle Load
TFR	Total Fixed Remuneration
TRIFR	Total Recordable Injury Frequency Rate
TSR	Total Shareholder Return
VWAP	Volume weighted average price

Financial History

Year ended 30 June	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
	$m	$m	$m	$m	$m	$m	$m	$m	$m	$m
Profit or Loss										
Revenue	6,064.7	4,920.1	1,557.0	1,721.6	2,487.9	2,257.4	1,773.2	1,164.4	763.3	755.4
Underlying EBITDA	3,985.6	3,060.1	204.5	306.0	1,041.7	1,011.9	714.2	224.1	130.3	90.4
Significant items before tax and financing	-	-	-	-	(40.5)	(9.7)	(55.0)	-	(447.3)	(14.3)
Statutory EBITDA	3,985.6	3,060.1	204.5	306.0	1,001.2	1,002.2	659.2	224.1	(317.0)	76.1
Depreciation & Amortisation	(226.0)	(238.9)	(260.7)	(224.6)	(212.1)	(203.1)	(133.9)	(130.4)	(97.6)	(79.5)
Net finance income/(expense)	41.9	(55.3)	(62.0)	(39.1)	(40.9)	(40.2)	(50.0)	(66.0)	(68.4)	(52.2)
Income tax (expense)/benefit	(1,133.4)	(813.9)	224.3	(12.3)	(208.0)	(234.4)	(70.1)	(7.2)	140.6	17.9
Net profit/(loss) after tax before significant items	2,668.1	1,952.0	(87.3)	30.0	564.9	524.5	367.2	20.5	(10.7)	(28.4)
Significant items (after tax)	-	-	(456.6)	-	(37.0)	-	38.2	-	(332.0)	(10.0)
Net statutory profit/(loss)	2,668.1	1,952.0	(543.9)	30.0	527.9	524.5	405.4	20.5	(342.7)	(38.4)
Balance sheet and capital management										
Cash generated from operations	4,211.6	2,582.0	169.5	189.9	964.1	925.9	655.3	269.3	212.4	125.4
Net assets	5,260.5	4,211.6	2,705.7	3,249.6	3,522.2	3,482.8	3,292.3	2,888.7	2,865.0	3,206.5
Net cash/(debt)	2,652.2	1,037.8	(808.5)	(787.5)	(161.6)	(270.4)	(311.1)	(859.1)	(935.8)	(685.2)
Gearing	n/a	n/a	23%	20%	4%	7%	9%	23%	25%	18%
Dividends paid	638.8	79.8	-	312.2	464.9	188.1	-	-	-	-
Share buy-back / capital return	948.9	362.6	-	-	-	138.9	-	-	-	-
Cumulative returns since Maules Creek declared commercial	3,134.2	1,546.5	1,104.1	1,104.1	791.9	327.0	-	-		

Year ended 30 June	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Key data										
Managed ROM production (Kt)	18,190	20,003	20,555	20,688	23,222	22,924	23,137	20,504	15,815	11,533
Average achieved price (A$/t) before applicable royalties[1]	$445	$325	$95	$104	$145	$130	$112	$75	$80	$86
Average realised price (A$/t) after applicable royalties[1]	$413	$300	$88	$96	$133	$121	$104	$69	$74	$79
Cost per tonne	$103	$84	$74	$75	$67	$58	$58	$56	$61	$69
Thermal coal sales (% of total)	94%	82%	85%	83%	81%	83%	79%	85%	82%	82%
Met coal sales (% of total)	6%	18%	15%	17%	19%	17%	21%	15%	18%	18%
Dividends per share										
Interim dividend	$0.32	$0.08	-	$0.015	$0.15	$0.13	-	-	-	-
Final dividend	$0.42	$0.40	-	-	$0.13	$0.14	-	-	-	-
Special dividend	-	-	-	-	$0.22	$0.13	-	-	-	-
Dividend payout ratio (% of NPAT)	23%	23%	-	49%	94%	76%	-	-	-	-
Payout ratio of total capital returns (% of NPAT)	50%	53%	-	49%	94%	76%	-	-	-	-
Earnings per share (basic)	$3.077	$1.976	($0.546)	$0.03	$0.535	$0.531	$0.412	$0.021	($0.333)	($0.039)
Net tangible assets per share	$6.27	$4.39	$2.61	$3.14	$3.41	$3.37	$3.19	$2.80	$2.77	$3.02
Ordinary shares on issue (millions)[2]	836.6	956.3	1,032.6	1,026.0	1,026.0	1,026.0	1,026.0	1,026.0	1,026.0	1,025.8

1 Excludes domestic coal reservation sales
2 Within the ordinary shares on issue are 34.02 million WHC shares that are restricted milestone shares. These shares were issued as part of the acquisition of Boardwalk Resources Pty Ltd in 2012. The milestone shares are subject to contractual restrictions on voting and transfer, and currently are not entitled to receive distributions (Restrictions).

Notes

Notes

Notes

Corporate directory

Directors

The Hon. Mark Vaile AO
Chairman

Dr Julie Beeby
Non-Executive Director

Nicole Brook
Non-Executive Director

Paul Flynn
Managing Director and CEO

Wallis Graham
Non-Executive Director

Fiona Robertson AM
Non-Executive Director

Raymond Zage
Non-Executive Director

Company Secretary

Timothy Burt

Registered and Principal Administrative Office

Level 28, 259 George Street
Sydney NSW 2000

P +61 2 8222 1100
F +61 2 8222 1101

Australian Business Number

ABN 68 124 425 396

Stock Exchange Listing

Australian Securities Exchange Limited
ASX Code: WHC

Auditor

Ernst & Young
Ernst & Young Centre
Level 34, 200 George Street
Sydney NSW 2000

P +61 2 9248 5555
F +61 2 9248 5959

Share Registry

Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia

P 1300 855 080
(or +61 3 9415 4000)

Country of Incorporation

Australia

Web address

www.whitehavencoal.com.au

Whitehaven Coal
Level 28, 259 George Street
Sydney NSW 2000
P +61 2 8222 1100

ASX Code: WHC

whitehavencoal.com.au