



**WHITEHAVEN COAL LIMITED**  
ABN 68 124 425 396

6 December 2007

Dear Shareholder

I write to provide details of Whitehaven Coal Limited's (**Whitehaven**) Share Purchase Plan (**SPP**).

The SPP will allow shareholders on Whitehaven's register, at the close of trade on 27 November 2007, to acquire up to \$5,000 worth of Whitehaven shares at the lower of:

- (a) \$2.65 per share; and
- (b) the price calculated as the placement discount (approximately 3.6%) applied to the volume weighted average price for a period of 5 ASX trading days subsequent to close of the SPP.

\$2.65 is the price paid by institutional and sophisticated investors that participated in Whitehaven's \$98.97 million placement (**Placement**), which was completed on 3 December 2007.

The Placement saw institutional and sophisticated investors acquire 36,931,132 shares at \$2.65 per share, and raised a total of approximately \$98.97 million.

Whitehaven proposes to complete an issue of an additional 12,125,470 shares at \$2.65 per share to related parties in order to raise a further \$32.13 million (**Related Party Placement**). The Related Party Placement is subject to shareholder approval at a general meeting of the company to be held on

As announced to the market, Whitehaven will use the funds raised through the Placement and the Related Party Placement to fund the acquisition of the remaining 60% interest in its Werris Creek operation, taking its interest to 100%. The funds will also be used to fund the initial development phase of Narrabri North.

The acquisition of the remaining interest in Werris Creek is an important acquisition as it will deliver management and overhead cost efficiency gains, and has been concluded at an attractive price for Whitehaven shareholders.

Important details on the SPP, including an application form and key terms and conditions, accompany this letter.

If you wish to participate in the SPP, please read the documentation, complete the application form and return the form and your payment in the envelope provided by 9 January 2008.

John Conde  
Chairman

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**WHITEHAVEN COAL LIMITED**  
Ph: 07 3000 5690  
Fax: 07 3000 5699  
Web: [www.whitehaven.net.au](http://www.whitehaven.net.au)

PO Box 2440  
Fortitude Valley BC,  
QLD 4006

Ground Floor, Ann Place  
895 Ann Street  
Fortitude Valley QLD 4006

# Whitehaven Coal Limited - Share Purchase Plan

## Terms and Conditions

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### How much can you invest?

You may apply for shares in parcels of \$1,000, \$2,000, \$3,000, \$4,000 or \$5,000 based on the issue price being the lower of:

- (a) \$2.65; and
- (b) the price calculated as the placement discount (approximately 3.6%) applied to the volume weighted average price for a period of 5 ASX trading days subsequent to close of the SPP.

That is, you may apply for parcels which will result in an issue of a minimum of 378, 755, 1133, 1510 or 1887 shares in Whitehaven Coal Limited.

A maximum \$5,000 limit applies to you even if you receive more than one offer from Whitehaven (e.g. if you are both a sole and joint eligible holder). In any 12 month period a 'registered holder' may not acquire more than the maximum limit. You are required to certify that you have not acquired more than the maximum limit under the SPP in the 12 months prior to this application. You make this certification on returning the completed Application Form and cheque in the envelope provided.

A reference to '\$' in this Application Form and in the Chairman's letter with which this Application Form was enclosed, is a reference to the lawful currency of Australia.

### How have we determined the price?

The possible issue price of \$2.65 per share is the same price paid by institutional and professional investors for the Placement shares, and it is the price to be paid by sophisticated investors for the Related Party Placement shares.

Alternatively, if the price calculated as the placement discount (approximately 3.6%) applied to the volume weighted average price for a period of 5 ASX trading days subsequent to close of the SPP is lower than \$2.65, this will be the issue price for shares under the SPP.

The market price of Whitehaven's shares may, however, rise or fall between the date of this offer and the date when the shares are allotted under the SPP. Therefore, the value of the shares you receive on the allotment date may be more or less than the issue price for those shares. The current share price of Whitehaven's shares can be obtained from the ASX Limited and is listed in the financial or business section of major daily newspapers circulating in Australia. You should consider obtaining your own independent financial and taxation advice before making a decision to acquire shares under the SPP.

### Who is eligible to apply under this offer?

You will be a 'registered holder' if you are recorded in the register of members of Whitehaven as a member of Whitehaven and with a registered address in Australia or New Zealand. If you are one of two or more persons recorded in the register of members as jointly holding shares in Whitehaven you are taken to be a single registered holder. A certification in relation to the maximum limit by any one of the joint holders is a certification by all of the joint holders. If a trustee or nominee is expressly noted on the register of members as holding shares on account of another person (a 'beneficiary') the beneficiary is taken to be the registered holder of the shares and any application or certification by the trustee or nominee is taken to be an application and certification by the beneficiary. If shares are held on your behalf by a trustee or nominee, but the trustee or nominee is not expressly noted on the register of members as holding shares on account of another person, an application by the trustee or nominee is taken to be an application by the registered holder.

### Can I transfer my offer to a third party?

The offer is non-renounceable, so you cannot transfer your right to participate in the SPP to a third party.

**Do you have to pay any costs?**

You only have to pay the amount shown that corresponds to the box you tick on the Application Form. You don't have to pay for brokerage, commission or any other transaction costs that may apply if you bought shares in Whitehaven on-market.

**When will Whitehaven allot the shares?**

We anticipate shares will be allotted on 23 January 2008 and will send you a holding statement or an allotment notice for the shares we allot to you, on or soon after 25 January 2008. Whitehaven will apply for the shares allotted to you to be quoted on the Australian Stock Exchange.

**What rights will the shares carry?**

The new shares will rank equally in all respects with existing shares in Whitehaven and will carry the same voting rights and entitlements to dividends, rights and bonus issues. The new shares will trade under the existing ASX code (WHC).

**How do you apply for shares under the SPP?**

To apply for shares under this offer, you must:

- Carefully read these Terms and Conditions.
- On the Application Form accompanying these terms and conditions:
  - Tick the box beside the number of shares you wish to acquire.
  - Complete the cheque details section.
  - Write your daytime telephone number – in case we have any questions.
  - You don't need to sign the Application Form.
- Write out your cheque payable to "Whitehaven Coal Limited Share Purchase Plan Account".
- Send the Application Form and your cheque using the reply-paid envelope provided: Alternatively, please mail or deliver to the address below.

**By Mail**

Computershare Investor Services Pty Limited  
GPO Box 523  
Brisbane QLD 4001

**Or hand delivered to**

Computershare Investor Services Pty Limited  
Level 19, 307 Queen St  
Brisbane QLD 4000

Make sure you send your Application Form and cheque allowing enough time for mail delivery, so Computershare Investor Services Pty Limited receive them no later than 5:00pm (Brisbane time) on 9 January 2008. Application Forms and cheques received after the closing date will not be processed.

We retain the right to vary the date the offer closes, the date shares are allotted and the date holding statements are dispatched to shareholders. Any variation of date will be notified to the Australian Stock Exchange.



Computershare

Please return completed form to:  
Computershare Investor Services Pty Limited  
GPO Box 523 Brisbane  
Queensland 4001 Australia  
Enquiries (within Australia) 1300 552 270  
(outside Australia) 61 3 9415 4000  
facsimile 61 7 3237 2152  
web.queries@computershare.com.au  
www.computershare.com.au

Securityholder Reference Number (SRN)

000001

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SAM

MR JOHN SAMPLE

FLAT 123

SAMPLE STREET

SAMPLE STREET

SAMPLE STREET

SAMPLETOWN VIC 3030



I 1234567890

I N D

Entitlement Number:

Record Date:

Offer Closes:

27 November 2007

9 January 2008

## SHARE PURCHASE PLAN APPLICATION FORM

### IMPORTANT:

This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this form please consult a professional adviser.

Pursuant to the terms and conditions of the Whitehaven Coal Limited Share Purchase Plan (SPP) contained in the letter to Whitehaven Coal Limited securityholders dated 6 December 2007, Whitehaven Coal Limited is offering eligible securityholders the opportunity to purchase shares up to a maximum value of \$5000 per eligible securityholder, subject to a minimum application of \$1000.

**If you do not wish to purchase additional shares under this offer there is no need to take action.**

By making your payment, you agree to be bound by the Constitution of Whitehaven Coal Limited and agree that the submission of this payment constitutes an irrevocable offer to you by Whitehaven Coal Limited to subscribe for Whitehaven Coal Limited Shares on the terms of the SPP. In addition, by submitting this Application Slip you certify that the aggregate of the application price paid by you for:

- the Shares the subject of this Application Slip; and
- any other shares and interests in the class applied for by you under the Share Purchase Plan or any similar arrangement in the 12 months prior to the date of submission of this Application Slip, does not exceed \$5,000.00.

### METHOD OF ACCEPTANCE

You can apply for shares and make your payment utilising one of the payment options detailed overleaf. Whitehaven Coal Limited may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Whitehaven Coal Limited will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. Whitehaven Coal Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible securityholders even where Whitehaven Coal Limited does not notify you of that event.

**This offer is Non-Renounceable - no Signature is required**  
**Applications can only be accepted in the name printed on this form**

ASXAAASXAAA

SPRB

WPP\_120907



Paperclip  
cheque(s)  
here.  
Do not  
staple.



Please see overleaf for Payment Options



Biller Code: 70219

Ref No: 123412341234123412

I/We wish to purchase:

☐ Shares with a value of \$1000 or ☐ Shares with a value of \$2000 or ☐ Shares with a value of \$3000 or ☐ Shares with a value of \$4000 or ☐ Shares with a value of \$5000

\* These share amounts may be subject to scale-back in accordance with the terms of the SPP.

### Payment Details

| Drawer | Cheque number | BSB number | Account number | Cheque amount |
|--------|---------------|------------|----------------|---------------|
|        |               |            |                | A\$           |

Make your cheque or bank draft payable to 'Whitehaven Coal Limited Share Purchase Plan Account'

### Contact Details

Please provide your contact details in case we need to speak to you about this slip

Name of contact person

Contact person's daytime telephone number

1234567890123456+1234567890-1234+12

# How to accept the Share Purchase Plan

## Payment Details

You can apply for shares by utilising the payment options detailed below. There is no requirement to return this slip if you are paying by electronic means.

**By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you agree to all the terms and conditions of the Share Purchase Plan as enclosed with this form.**

Your cheque, bank draft or money order payable to 'Whitehaven Coal Limited Share Purchase Plan Account' in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected. Complete cheque details in the boxes provided.

**If paying by cheque, return the Application Slip and Cheque, Bank Draft or money order in the envelope provided. Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected.**

**Paperclip (do not staple) your cheque(s) to the Share Purchase Plan Application Slip where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.**

## Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding this form.

## Lodgement of Application

If you are applying for shares and your payment is being made either by BPay, you do not need to return this form. Your payment must be received by no later than 5:00pm (Brisbane time) on 9 January 2008. It is the responsibility of the applicant to ensure that funds submitted through BPay are received by this time.

If you are paying by cheque, bank draft or money order, your Application Slip must be received by Computershare Investor Services Pty Limited (CIS) Brisbane by no later than 5:00pm (Brisbane time) on 9 January 2008. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for securityholders in Australia. Return your Application Slip with cheque, bank draft or money order attached.

Neither CIS nor the Company accepts any responsibility if you lodge the Application Form at any other address or by any other means.

## Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may elect not to receive marketing material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or E-mail [privacy@computershare.com.au](mailto:privacy@computershare.com.au)

**If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 552 270.**

This form may not be used to notify your change of address. For information, please contact CIS on 1300 552 270 or visit [www.computershare.com](http://www.computershare.com) (certificated/issuer sponsored holders only).

**CHESS holders must contact their Controlling Participant to notify a change of address**

## Payment Options:



**Billers Code: 70219**

**Ref No: 123412341234123412**

Telephone & Internet Banking – BPay

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: [www.bpay.com.au](http://www.bpay.com.au)



**By Mail**  
**Whitehaven Coal Limited**  
**Computershare Investor**  
**Services Pty Limited**  
**GPO Box 523**  
**Brisbane Queensland 4000**  
**AUSTRALIA**



Entitlement Number: <xxxxxxxxxx>

**SAMPLE CUSTOMER**  
**SAMPLE STREET**  
**SAMPLE STREET**  
**SAMPLE STREET**  
**SAMPLE STREET**  
**SAMPLETOWN TAS 7000**

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