



25 August 2022

Financial Report

FY22 Appendix 4E and Annual Financial Report

Authorised for release by the Board of Whitehaven Coal Limited

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Appendix 4E

Results for announcement to the market for the year ended 30 June 2022

Name of Entity Whitehaven Coal Limited

ABN 68 124 425 396

Whitehaven Coal Limited and its controlled entities results for announcement to the market are detailed below.

	2022	2021	Movement
	\$000	\$000	
Revenue	4,920,102	1,556,976	216.0%
Profit/(loss) from ordinary activities after tax attributable to members – excluding significant items	1,951,965	(87,313)	2,335.6%
Significant items net of tax	-	(456,601)	-
Net profit/(loss) for the period attributable to members	1,951,965	(543,914)	458.9%
Earnings per share – basic (cents)	197.6	(54.6)	461.9%
Earnings per share – diluted (cents)	195.1	(54.6)	457.3%

Dividends	Amount per share	Franked amount per share
Year ended 30 June 2022		
– Final dividend FY22	40 cents	40 cents
– Interim dividend FY22	8 cents	Nil cents

The relevant final dividend dates are:

Ex-dividend date	1 September 2022
Record date	2 September 2022
Payment date	16 September 2022

Net Tangible Asset Backing	2022	2021
Net tangible assets per share	4.3915	2.6087

The Annual General Meeting of the Company will be held at:

Location	The Mint 10 Macquarie Street, Sydney NSW 2000
Date	Wednesday 26 October 2022
Time	10.00am (Sydney time)

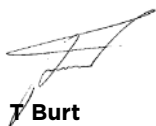
The closing date for receipt of nominations from persons wishing to be considered for election as a director is 7 September 2022.

All other information can be obtained from the attached financial statements, accompanying notes and Directors' report.

Compliance statement

This report is based on the audited financial statements of the Company and its controlled entities.

The Company has a formally constituted Audit Committee.



T Burt

Company Secretary

Date: 25 August 2022

Directors' Report

For the year ended 30 June 2022



Directors' Report

For the year ended 30 June 2022

The Directors present their report together with the consolidated financial report of Whitehaven Coal Limited ('the Company' or 'Whitehaven'), being the Company, its subsidiaries and the Group's interest in joint operations for the year ended 30 June 2022 and the auditor's report thereon.

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, and Chairman of Palisade Regional Infrastructure Fund.

Former ASX-listed directorships in the last three years:

Nil

Directors' Report

For the year ended 30 June 2022



John Conde AO

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

Deputy Chairman

Non-Executive Director

Appointed: 3 May 2007

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 Dexu 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 Dexu Property Group.

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



Dr Julie Beeby

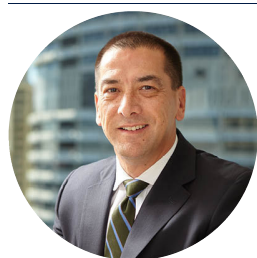
BSc (Hons I), PhD
(Physical Chemistry),
MBA, FAICD, FTSE

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.

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



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

Directors' Report

For the year ended 30 June 2022



Fiona Robertson

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:

Heron Resources Limited (April 2015 – July 2020)



Lindsay Ward

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

Non-Executive Director

Appointed :
15 February 2019

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 President of Iris Energy, a sustainable Bitcoin miner. Prior to this, he was CEO of Palisade Integrated Management Services, which had nine diverse infrastructure assets under management including 750MW of renewable energy. 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



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 on the Board of Commissioners of Indonesian company Gojek. Raymond has been involved in investments throughout Asia in various industries, including financial services, infrastructure, manufacturing, energy and real estate. Previously, Raymond was 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

Directors' Report

For the year ended 30 June 2022

2 (b) Senior Executives



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

Refer to details set out in section 2(a) Directors on page 4.



**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.

Directors' Report

For the year ended 30 June 2022



**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.

Directors' Report

For the year ended 30 June 2022



**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.

Directors' Report

For the year ended 30 June 2022

2 (c) Directors' interests

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

	Ordinary shares
Mark Vaile	1,509,317
John Conde	708,620
Julie Beeby	85,000
Paul Flynn	1,970,451
Fiona Robertson	75,395
Lindsay Ward	77,500
Ray Zage	10,783,134

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	
	A	B	A	B	A	B	A	B	A	B
Mark Vaile	15	15	6	6	7	7	-	-	2	2
John Conde	15	15	6	6	7	7	-	-	2	2
Julie Beeby	15	15	-	-	-	-	5	5	2	2
Paul Flynn	15	15	-	-	-	-	-	-	-	-
Fiona Robertson	15	15	6	6	-	-	5	5	-	-
Lindsay Ward	15	15	-	-	7	7	5	5	-	-
Ray Zage	15	14	-	-	-	-	-	-	-	-

A - Number of meetings held during the time the Director held office during the year.

B - Number of meetings the Director attended.

Directors' Report

For the year ended 30 June 2022

3. Other

3 (a) Dividends

Paid during the year

Dividends of \$79,890,000 were paid to shareholders during the year ended 30 June 2022 (2021: nil).

Declared after end of year

On 25 August 2022, the Directors declared a fully franked final dividend of 40 cents per share totalling \$368.9 million to be paid on 16 September 2022.

3 (b) Share options

Shares issued on exercise of options

During the reporting period 830,531 options were exercised.

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.

Directors' Report

For the year ended 30 June 2022

4. Operating and financial review

Financial headlines

EBITDA (\$m)

3,060.1

FY22		3,060.1
FY21		204.5
FY20		306.0
FY19		1,001.2
FY18		1,002.2

Cash generated from operations (\$m)

2,582.0

FY22		2,582.0
FY21		169.5
FY20		189.9
FY19		964.1
FY18		925.9

Capital Returns to Shareholders (\$m)

442.4

FY22		442.4
FY21		-
FY20		312.2
FY19		464.9
FY18		326.9

- Record financial performance in FY22 with Revenue of \$4.9 billion, earnings before interest, tax and depreciation (EBITDA) of \$3.1 billion and net profit after tax (NPAT) of \$2.0 billion.
- In FY22, Whitehaven delivered a Total Shareholder Return (TSR) of 154%, which made it the best performing company in the ASX 100 group of companies.
- \$442.4 million in capital returned to shareholders through an interim dividend of 8 cents per share (\$79.8 million) and a share buyback (\$362.6 million). Combined with a fully franked final dividend of 40 cents per share (\$368.9 million), the total return to shareholders for the year represents an 51% payout ratio.
- gC NEWC benchmark prices for high-CV coal set new records in the year and are up 214% over the past year. Whitehaven achieved a record average coal price of A\$325/t for FY22.
- FY22 production and sales guidance was delivered following strong operational performance in H2 FY22.
- Whitehaven generated substantial cash flows from operations of \$2.6 billion in FY22, a significant increase of \$2.4 billion from FY21.
- Balance sheet strengthened with a cash balance of \$1.2 billion and a net cash position of \$1.0 billion at 30 June 2022.

The following table summarises the key reconciling items between the Group's EBITDA and its profit/(loss) after tax.

	FY22	FY21
	\$ million	\$ million
Revenue	4,920.1	1,557.0
EBITDA	3,060.1	204.5
Net financial expenses	(55.3)	(62.0)
Depreciation and amortisation	(238.9)	(260.7)
Significant item – impairment of assets	-	(650.0)
Income tax (expense)/benefit	(813.9)	224.3
Net profit/(loss) after tax	1,952.0	(543.9)
Basic earnings per share (cents)	197.6	(54.6)

Review of financial performance

Whitehaven delivered a strong safety performance with a TRIFR of 5.4 for the year ended 30 June 2022, an 8% improvement from FY21 and below the industry average. COVID-related protocols remain in place at all mines.

Improved second half operational performance aligned with record high coal prices and generated \$2.0 billion of cash from operations and \$2.6 billion for FY22, an increase of \$2.4 billion from FY21. The balance sheet strengthened year-on-year with cash at 30 June 2022 increasing by \$1.1 billion to \$1.2 billion, after the \$688 million repayment of the Syndicated Facility, \$86.5 million repayments of lease principal and the ECA facility and capital returns to shareholders of \$442.4 million in FY22.

Directors' Report

For the year ended 30 June 2022

Australian high-quality thermal coal prices reached record highs during the year, well above the previous historical highs, driven by strong demand for high-quality energy in a supply-constrained market. Whitehaven achieved a record realised average thermal coal price for FY22 of US\$239/t.

Operational productivity, rail, and port activities in FY22 were impacted by above-average rainfall, high winds, and flooding. The operational impacts were amplified by reduced labour availability due to COVID and COVID-related protocols and a tight labour market. Despite these external challenges in FY22, operations delivered a strong second half after the flood-affected first half and, together with the consistent longwall performance at Narrabri, enabled production and sales to be delivered within guidance.

The improved operational performance, together with the record high coal price, has underpinned Whitehaven's record full year result with coal sales revenue of \$4.9 billion, EBITDA of \$3.1 billion and NPAT of \$2.0 billion. This represents a significant turnaround in performance from the net loss after tax (NLAT) before significant items of \$87.3 million in FY21.

Tax expense of \$813.9 million in FY22 had an effective tax rate of 29.4% which is marginally below the domestic tax rate of 30%, primarily due to the recognition of tax losses.

Earnings

	FY22	FY21
Sales of produced coal (kt)	14,166	14,425
Average realised price net of royalties (A\$/t)	300	88
Cost per tonne (A\$/t)	84	74
EBITDA margin on sales of produced coal (A\$/t)	216	14

EBITDA margin on sales of produced coal increased to \$216/t in FY22, due to:

- A \$212/t increase in average realised price (net of royalties) from \$88/t in FY21 to \$300/t in FY22.
- Higher FOB unit costs which at \$84/t were \$10/t above FY21. FY22 unit costs were impacted by wet weather and flooding, higher demurrage costs due to adverse weather conditions, rising diesel prices, labour market constraints, lower mine yields and the impact of COVID.
- Margins were enhanced by taking advantage of record spreads between 6000kcal/kg NAR and lower grades of coal by washing ROM coal 'harder' to produce higher quality coals that were used to blend up lower grade coal at the marginal cost of lower yields.

Revenue

	FY22	FY21
Price Indices		
gC NEWC index price (US\$/t)	248	79
JSM Quarterly (SSCC) index (US\$/t)	253	88
Price achieved		
Average achieved price (A\$/t)	325	95
Average achieved thermal price (US\$/t)	239	68
Average achieved metallurgical price (US\$/t)	232	85
Metallurgical coal sales (% of total)	18%	15%
Average AUD:USD exchange rate	0.73	0.75

Higher coal prices drove an increase in revenue of \$3.4 billion to \$4.9 billion in FY22 with production and sales volumes remaining largely in line with FY21 despite the external challenges faced. Revenue and the average realised coal price were enhanced by the 'wash harder' strategy to maximise the availability and quality of high-CV coal.

Whitehaven realised an average thermal coal price for FY22 of US\$239/t, a 4% discount to the gC NEWC index which was due to:

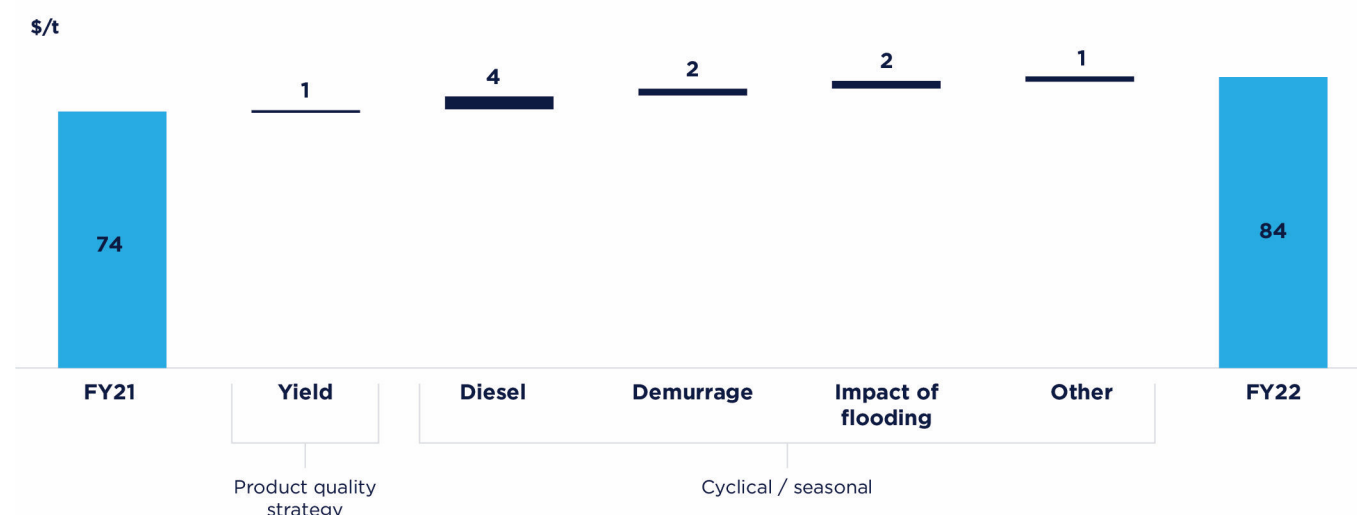
- pricing mechanisms (fixed price in advance, linked to prior quarters or month of scheduled shipment) and a realised average price that lagged the index in a rapidly rising market
- the higher proportion of sales that were priced with reference to sub gC NEWC 6000kcal/kg NAR pricing structures.

Directors' Report

For the year ended 30 June 2022

Unit costs

Outlined below are the key factors, principally uncontrollable events and inflationary cost pressures, which contributed to the increase in FOB unit costs to \$84/t in FY22.



- Lower yield of 83% compared to FY21 yield of 84% due to processing coal from deeper seams at Maules Creek and the marketing strategy to wash ROM coal 'harder' to produce higher quality coals trading off lower yields and higher costs for higher revenues.
- An increase in the A\$ cost of diesel used in production and coal transportation due to rising crude oil prices.
- Higher demurrage costs due to port movement constraints caused by high winds and swell, wet weather and floods and NCIG's ship loader SL02 returning to full service in late July 2021.
- The impact of unusually heavy rain and flooding on operational productivity and sales volumes at open cut operations including underutilised rail take or pay costs.
- General inflationary cost pressures including impacts of a tight labour market and the spread of COVID and its associated impact on workforce availability and operational productivity partially offset by improved production.

Cash flows and capital management

	FY22	FY21
	\$ million	\$ million
Cash flow summary		
Cash generated from operations	2,582.0	169.5
Investing cash flows	(177.2)	(103.6)
Financing cash flows	(1,232.4)	(46.7)
Cash at the end of the period	1,215.5	95.2
Capital management	30 June 2022	30 June 2021
Net cash/(debt) ¹	1,037.8	(808.5)
Undrawn syndicated facility	1,000.0	312.0

¹ Calculated in accordance with the senior facility covenant requirements and therefore excludes lease liabilities recognised under AASB 16 Leases of \$67,006,000 (2021: \$88,987,000).

Cash generated from operations

There was a substantial increase in cash generated from operations to \$2.6 billion in FY22 weighted to the second half in which \$2.0 billion was generated from a stronger operational performance and record high coal prices.

Investing cash flows

Investing cash outflows during FY22 of \$177.2 million are up \$73.6 million on FY21, reflecting an increased investment in operations and strategic projects after the tight management of capital expenditure in FY21.

Whitehaven has continued to allocate sustaining capital to each of its mines to maintain safe and productive operations, with \$98.1 million invested into operational and sustaining capital expenditure (+\$32.0 million) and mains development

Directors' Report

For the year ended 30 June 2022

recommencing at Narrabri \$26.1 million (+\$23.5 million). Further investment in strategic projects continued during the year with spend on the development projects of \$33.8 million (+\$11.6 million) and payments of \$23.1 million relating to consideration paid in respect of the acquisition of EDF's interest in the Narrabri mine and the acquisition of APG's rights to a 1% private royalty on Narrabri coal sales.

Financing cash flows and capital management

Net cash used in financing activities during FY22 was \$1.2 billion, with the surplus cash generation used to create a resilient balance sheet (full repayment of senior bank facility) and recommence capital returns to shareholders (\$438.8 million) to drive long-term sustained shareholder value through both share buybacks (\$359.0 million) and dividends (FY22 interim \$79.8 million). Total share buybacks for the year of \$362.5 million include a share trade transaction entered into on 30 June 2022 for \$3.6 million that was paid on 4 July 2022.

Whitehaven finished the year in a net cash position of \$1.0 billion. The significant turnaround from an \$808.5 million net debt position at the end of FY21 was underpinned by the strong operating cash flows in FY22.

Available liquidity of \$2.2 billion at 30 June 2022 was comprised of undrawn capacity of \$1.0 billion under the senior bank facility at 30 June 2022 together with cash balances of \$1.2 billion.

Review of operations

ROM Coal Production (kt)

16,117

FY22		16,117
FY21		16,476
FY20		16,632
FY19		18,358
FY18		17,727

Sales of Produced Coal (kt)

14,166

FY22		14,166
FY21		14,425
FY20		14,511
FY19		16,017
FY18		16,109

TRIFR

5.4

FY22		5.4
FY21		5.9
FY20		4.1
FY19		6.2
FY18		6.9

Safety

Whitehaven reported a TRIFR of 5.4 for the 12 months ended 30 June 2022. The Company is committed to achieving zero harm to its people and the environment, and management is striving for better safety performance across all operations.

Production, sales and coal stocks

Whitehaven share (000t)	FY22	FY21	Movement
ROM Coal Production	16,117	16,476	(2%)
Saleable Coal Production	13,852	13,692	1%
Sales of Produced Coal	14,166	14,425	(2%)
Sales of Purchased Coal	1,247	2,007	(38%)
Total Coal Sales	15,413	16,432	(6%)
Coal Stocks at Year End	2,065	2,704	(24%)

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.

Following flood-impacted first half performance, Whitehaven recorded a strong second half ending the year with ROM coal production of 16.1Mt, saleable coal production of 13.9Mt, sales of produced coal of 14.2Mt and total coal sales of 15.4Mt which were in line with guidance.

The key features for the year include:

- ROM coal production, saleable production and sales were within guidance and in line with FY21 despite the challenging operating environment with COVID and weather impacts.
- Consistent longwall performance at Narrabri.
- Sales of purchased coal in FY22 of 1.2Mt were 38% lower than FY21 of 2.0Mt due to the supply constrained market.
- Coal stocks at 30 June 2022 were 2.1Mt, a 24% decrease compared to 30 June 2021 of 2.7Mt, due to the timing of ROM coal production in FY22 and the drawdown of coal stocks at Maules Creek partially offset by increased ROM coal production at Tarrawonga.

Directors' Report

For the year ended 30 June 2022

Maules Creek

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

Maules Creek 100% (000t)	FY22	FY21	Movement
ROM Coal Production	11,220	12,664	(11%)
Saleable Coal Production	9,372	9,340	0%
Sales of Produced Coal	9,612	9,606	0%
Coal Stocks at Year End	1,012	2,316	(56%)

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

Maules Creek delivered ROM coal production of 11.2Mt in FY22, 11% below FY21, with weather and COVID impacting ROM coal production. Consecutive quarters of improved ROM coal production were delivered to finish the year following the flood-affected December quarter, however not quite back to the ROM coal production levels achieved at the end of FY21 due to ongoing challenges presented by a tight labour market, COVID absences and continued above average rainfall.

Despite the operational challenges from weather and COVID, saleable coal production of 9.4Mt and managed sales volumes of 9.6Mt were broadly in line with FY21.

Coal stocks for the end of the period were 1.0Mt, down 1.3Mt or 56% from FY21, reflecting the timing of ROM production in FY22 and the drawdown of stock.

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)	FY22	FY21	Movement
ROM Coal Production	4,802	4,059	18%
Saleable Coal Production	4,795	3,985	20%
Sales of Produced Coal	4,617	4,541	2%
Coal Stocks at Year End	270	210	29%

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

In FY22 managed ROM coal production at Narrabri of 4.8Mt was 18% above FY21, reflecting consistent longwall performance.

Saleable coal production of 4.8Mt was 20% above FY21, which was consistent with ROM production and processing.

Managed sales volumes of 4.6Mt were 2% above FY21, reflecting saleable coal volumes, the slippage of sales into FY23 and also the drawdown of stock in FY21.

Coal stocks of 0.3Mt are marginally up on FY21.

Gunnedah open cut mines

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

Open Cuts 100% (000t)	FY22	FY21	Movement
ROM Coal Production	3,981	3,832	4%
Saleable Coal Production	3,107	3,599	(14%)
Sales of Produced Coal	3,344	3,628	(8%)
Coal Stocks at Year End	1,097	804	36%

Gunnedah open cut mines consist of Tarrawonga mine and Werris Creek mine. The combined ROM coal production of the two mines for FY22 was 4.0Mt, 4% above FY21, reflecting an on-par performance at Werris Creek and an improved performance at Tarrawonga despite the operational challenges posed by weather and COVID.

Saleable coal production of 3.1Mt was 14% below FY21 due to an overall lower yield at Tarrawonga due to an increased proportion of coal being washed to produce high-CV products for blending to improve margins, restricted access in the December flooding event, lower road haulage volumes due to weather impacts and COVID related absences, and the timing of ROM coal production. Sales for the period were 3.3Mt, 8% below FY21 reflecting the saleable coal production profile.

Coal stocks at the end of June were 1.1Mt, 0.3Mt above FY21, reflecting the increased ROM coal production in the June quarter at Tarrawonga.

Directors' Report

For the year ended 30 June 2022

Development projects

Whitehaven acquired the quality assets of Vickery and Winchester South from Rio Tinto in 2010 and 2018 respectively. The Vickery mine will produce a majority of metallurgical coal for steel making, with the balance being high quality thermal coal while the Winchester South mine will produce high quality coking coal with a by-product of thermal coal for energy generation.

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)*.

Works are being undertaken as required for secondary approvals such as water, noise, air quality, cultural heritage and traffic management. Additional geological drilling and geotechnical works are underway to help further refine the mine plan and detailed design of the mine infrastructure.

Winchester South

Ownership: Whitehaven 100%

Winchester South is a large, undeveloped coal project about 30km from Moranbah in Queensland's Bowen Basin which is regarded as one of the premier metallurgical coal basins. At full capacity the mine is targeting an average ROM production of 15Mtpa to supply the international market for about 30 years.

The Project continues to progress through the Queensland Government's Coordinated Project approval process.

On 20 April 2022, Whitehaven Coal released its update to its Resources and Reserves Statement for the Winchester South Project in accordance with the JORC Code (2012). The updated declaration provides further confidence around resource definition and includes increased metallurgical coal tonnage and quality. Key highlights include:

- JORC Reserves upgraded to 380Mt, from 350Mt
- JORC Proved Reserves upgraded to 270Mt, from 140Mt
- 60% of the marketable reserves comprise metallurgical semi hard coking coal (SHCC)
- JORC Resources of 1,100Mt, inclusive of 670Mt of Measured and Indicated Resources
- 20+ year open cut mine life, targeting 15Mtpa ROM production
- average prime strip ratio of 5.0 bcm/tonne ROM and product strip ratio of 9.1 bcm/tonne product.

Narrabri Stage 3 Extension

Ownership: Whitehaven 77.5%

The Narrabri stage 3 extension project is an extension of the existing Narrabri underground mine.

On 1 April 2022, the IPC announced that it had approved the Narrabri Stage 3 Extension Project, subject to meeting a range of IPC conditions, including in relation to emissions mitigation technology and measures.

The project extends the life of the Narrabri underground mine from 2031 to 2044.

Federal EPBC approval and an application for a mining lease are being finalised along with the required secondary approvals prior to commencement of the project.

In early July, Whitehaven was notified that a client of the Environmental Defenders Office (EDO) had commenced judicial review proceedings in the NSW Land and Environment Court in respect of the Consent granted by the IPC. Whitehaven takes its role to support energy security and economic development goals in the Asia region extremely seriously and intends to defend the proceedings vigorously to ensure Narrabri remains a responsible and reliable source of coal throughout the energy transition.

Infrastructure

Rail track capacity

Whitehaven contracts its below rail capacity from the Australian Rail Track Corporation (ARTC). During FY22 the rail network was significantly impacted by a number of localised flooding events in different areas. ARTC was able to repair the damaged network.

Directors' Report

For the year ended 30 June 2022

Rail haulage capacity

Whitehaven has capacity within its two long-term rail haulage contracts for all current NSW-based mine production plans.

Whitehaven has been working with our rail haulage providers on improvement projects which will allow our logistics network to operate more efficiently and reliably.

The rail operators continued to be adversely impacted by COVID throughout FY22 leading to reduced trains running. Both rail operators have a number of strategies in place to minimise the impact whilst continuing to provide a safe and reliable service for Whitehaven's transport requirements.

Port capacity

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

As previously reported an NCIG shiploader was damaged in late 2020. The repairs were completed ahead of schedule and the shiploader returned to service in late July 2021.

Significant and repeated weather events throughout FY22 had a temporary adverse impact on the movement of ships into and out of the Port of Newcastle leading to increased vessel queues and higher demurrage costs.

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 40 cents per share totalling \$368.9 million to be paid on 16 September 2022.
- John Conde has advised that he will not stand for re-election at the Company's Annual General Meeting on 26 October 2022.

Outlook and likely developments

Thermal and Metallurgical Coal Outlook

Energy security is expected to remain a key priority while there is a continuing global energy supply shortfall – particularly for high quality thermal coal. It is likely to take several years before additional supply or alternative energy sources are available in the global energy complex to rebalance supply and demand.

Throughout the coming multi-decade decarbonisation transition, reliable baseload energy will be required, delivering continued strong demand for Whitehaven's high-quality coal that supports lower emissions relative to other coal products. As a result, ongoing prices for high-CV thermal coal are likely to remain well supported.

In the near term, thermal coal prices are expected to be robust as a result of the incoming sanctions on Russian coal into Europe and heavy rainfall experienced in the Hunter Valley in early July.

In metallurgical markets, while pricing is relatively strong compared to historical levels, it is expected that there will be further volatility due to global economic pressures in the near term. While longer-term there is a positive demand outlook for metallurgical coal and underpinning prices, in the near term we will continue to leverage opportunities to maximise volumes of higher priced thermal coal sales.

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

The Company'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. The Company does not currently hedge against coal price volatility.

Directors' Report

For the year ended 30 June 2022

Foreign currency risk

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

The Company 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 the Company'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, maintaining adequate committed credit facilities which have been provided by a diverse panel of Australian and international banks, and refinancing committed credit facilities typically before they become current liabilities.

As at 30 June 2022, Whitehaven had \$1.2 billion of cash on hand with additional headroom from the undrawn \$1 billion senior secured debt facility which expires on 31 July 2023.

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 the Company may exceed the currently envisaged timeframe or cost for a variety of reasons outside of the control of the Company.

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

The Company's coal 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 uncertainty is also an inherent operational risk which could result in pit wall failures or rock falls, mine collapse, cave-ins or other failures to mine infrastructure.

The Company 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.

Directors' Report

For the year ended 30 June 2022

Infrastructure 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 the Company'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. The Company'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. The Company manages this risk by continuing to invest in systems to prevent such attacks and undertaking staff training programs.

Counterparty risk

The Company 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 the Company's ability to optimise value from its projects
- failure of customers to perform against long-term take-or-pay agreements.

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.

Environment and safety 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 the Company's social licence to operate, leading to delays, disruption or the shutdown of operations. Potential environmental and safety risks include equipment failure, human errors in underground operations, vehicle and mining equipment interactions in open cut operations, roof fall hazards in underground operations and spontaneous combustion risks.

The Company 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 the Company 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 the Company'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. The Company 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 the Company engages effectively with the communities in which we operate and steps which the Company takes to maintain its social licence to operate will be provided in the Company's 2022 Sustainability Report to be released later this year.

Directors' Report

For the year ended 30 June 2022

Legal 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.

Climate change risk

The physical and non-physical impacts of climate change are interlinked with multiple other risks and may affect the Company'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 the Company's 2022 Sustainability Report.

The International Energy Agency (IEA) has outlined under both its enduring Stated Policies Scenario and Sustainable Development 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://webstore.iea.org/world-energy-outlook>.

COVID risk

As with most businesses around the world, the COVID pandemic has presented a range of health, commercial and financial risks to Whitehaven. This includes risk to continuity of operations, and potential disruptions to the movement of goods and people. Since before the pandemic emerged in Australia, we have been carefully planning to ensure continuity of supply of inputs, and have taken a range of steps – including direct advocacy to key government and other stakeholders – to ensure our workforce is ready to respond to the pandemic and is not adversely impacted by domestic border restrictions, limiting the operational impacts we have experienced. Whitehaven, and the resources sector more broadly, has so far demonstrated its resilience in the face of COVID. It has been widely acknowledged that the comprehensive suite of measures adopted across the resources sector quickly became the model for others to emulate. The development and rapid implementation of our response plan kept our people safe and supported continuity of production and employment. More broadly the experience of responding to COVID has validated the robustness of our WHS systems and procedures and ensured our preparedness to manage any future emerging risks of this nature.

The exceptional circumstances stemming from the pandemic have resulted in uncertainty surrounding public health and the global economy, including impacts on energy and industrial markets. Throughout the pandemic, our portfolio of coal products has remained sought after and well sold under long-term contracts to the cornerstone high-energy, low-impurity coal markets of Japan, Korea and Taiwan, as well as emerging markets in developing Southeast Asian nations.

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.

Directors' Report

For the year ended 30 June 2022

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 2022. It is set out on page 22.

5 (b) Non-audit services

During the year Ernst & Young, the Company's auditor, has performed certain other assurance 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.
- The non-audit services provided did 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.

Details of the amounts paid or payable to the auditor of the Company, Ernst & Young, and their related practices for non-audit services provided during the year are set out below:

	Consolidated 2022	Consolidated 2021
<i>In AUD</i>	\$	\$
Non-audit services		
Ernst & Young		
Review of <i>National Greenhouse and Energy Reporting Act 2007</i> requirements	115,000	60,000
Debt capital markets assurance services	209,741	-
	324,741	60,000

Auditor's independence declaration



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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 2022, 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.

A handwritten signature in black ink that reads 'Ernst & Young'.

Ernst & Young

A handwritten signature in black ink that appears to be 'Scott Jarrett'.

Scott Jarrett
Partner
25th August 2022

2022 Remuneration Report

(Audited)

Summary

On behalf of the Board, we are pleased to present Whitehaven Coal's Remuneration Report for the financial year ended 30 June 2022 (FY22).

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 FY22

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 Total Reportable Injury Frequency Rate (TRIFR) has improved, reducing from 5.9 in FY21 to 5.4 in FY22, and continues to track better than comparable industry performance. As a result of our continued focus and investment, we have also seen improvement in our environmental performance with a reduction in incidents occurring during the performance year.

A dynamic coal market in FY22 presented Whitehaven with opportunities to deliver exceptional outcomes for shareholders. Our executive team responded accordingly, leveraging our ability to produce high-quality coal and realise market premiums. The result has been a record financial year, with shareholders benefiting from substantial share value growth and capital returns through an on-market share buy-back and reinstatement of dividends.

The year was not without its challenges however. Like many organisations, Whitehaven faced significant COVID-related labour constraints and a very tight labour market throughout the year. Additionally, wet weather events in late 2021 disrupted production schedules, impacting both ROM and overburden results. Also consistent with the broader mining industry, Whitehaven faced escalating diesel, labour, demurrage, and explosive costs, resulting in unit costs at the upper end of the revised cost guidance range for the year. In addition, as a result of deliberate decisions to produce higher cost but higher margin products, production and cash costs were higher. These decisions contributed approximately \$1.0 billion to the final EBITDA result.

Overall, the Board is pleased with the performance of the business in FY22 and recognises the significant value created for shareholders as a result of management's strategic focus in driving production, and executing marketing and sales strategies to maximise earnings.

Remuneration outcomes for FY22

This year's Key Management Personnel (KMP) remuneration outcomes reflect the strong financial and

non-financial performance of the business over the past year, notably:

- record EBITDA result of \$3.1 billion, up from \$204.5 million
- 8% lower TRIFR in FY22, down to 5.4 from 5.9 in FY21
- environment enforcement actions down to 4 from 5 in FY21.

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. Overall, the 86% of maximum scorecard outcome reflects the strong financial results of the business in FY22 while also acknowledging the impact that certain uncontrollable factors and strategic decisions have had on management's ability to meet targets - specifically ROM production, overburden and cash costs.

The Board believes these remuneration outcomes are consistent with our shareholders' experience through FY22, and reflect management's ability to capitalise on market opportunities for the overall benefit of our shareholders.

Remuneration framework changes in FY23

Following the 2021 Annual General Meeting, at which many voting shareholders expressed concerns with our existing remuneration framework, the Board undertook a comprehensive review of the framework, supported by remuneration consultants Godfrey Remuneration Group.

We considered carefully feedback from shareholders, investors and proxy advisors. As outlined in Section 5, from FY23 we are introducing a new Single Incentive Plan (SIP) which replaces our existing Short-term Incentive (STI) Plan and Long-term Incentive (LTI) Plan. We believe this new framework better reflects shareholder interests by placing a strong focus on key annual operational imperatives, while also aligning with shareholders through material equity components. To further support this we have introduced a Minimum Shareholding Requirement. With the majority of remuneration delivered through equity, executives are encouraged to continue to behave like owners, focus on creating long-term value and remain with the organisation through market cycles.

Our remuneration framework must also be market competitive in order to attract, motivate and retain the best people. This is proving to be increasingly challenging in the coal industry and will likely continue to be difficult in years to come. 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. This important policy change has led to one-off TFR increases for our KMP in FY23, and reflects our desire to retain our talented management team. As outlined in section 5.1, fixed remuneration for the Managing Director and CEO, Paul Flynn, will increase to \$1,888,000 (+21%), for the Chief Financial Officer, Kevin Ball, it will increase to \$880,000 (+21%) and for the Executive General Manager (EGM)

Directors' Report Remuneration Report

For the year ended 30 June 2022

Operations, Ian Humphris, it will increase to \$850,000 (+21%).

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 competing interests appropriately and that we remain focused on delivering sustainable long-term returns to shareholders and valued outcomes for all our stakeholders.

Non-Executive Directors' fees

Non-Executive Directors' fees have not increased since 1 July 2017. A full market benchmarking exercise was undertaken during FY22 and as a result, as detailed in section 7.2, Board fees, but not Committee fees, have increased from 1 July 2022. Importantly, no increase is being sought to the Non-Executive Directors fees pool for FY23. Further, Non-Executive Directors will also be subject to the new Minimum Shareholding Requirements.

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

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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. Response to concerns raised regarding the FY21 Remuneration Report

At the 2021 AGM, 53.49% of votes cast by voting shareholders were against the FY21 Remuneration Report. Since then, the Whitehaven Coal Board and Remuneration Committee have consulted with proxy advisors, institutional investors and other stakeholders. The feedback has been valuable and has been incorporated into the FY22 review of our remuneration framework as well as the disclosure of outcomes. The key issues and concerns raised during these discussions are listed below.

Key concerns	Response
1. Misalignment between guidance and STI gateway from both a ROM and FOB perspective	From FY22 guidance and incentive targets will be more clearly aligned.
2. Lack of minimum shareholding requirement	The Board recognises the importance of maintaining strong alignment between shareholders and the Company's leadership. Following shareholder feedback, a minimum shareholding requirement is being introduced for all KMP including Board members and executives, as outlined in section 5.3.
3. Perception that management was not held to account for FY18 and FY19 environmental incidents and that five incidents in FY21 was too high for executives to be awarded at Stretch outcome	This report contains increased disclosure in section 4.2, which provides clarity between previous environmental incidents and executive remuneration outcomes relating to the financial year in which the incident occurred.
4. Limited STI target disclosure	Section 4.2. includes improved retrospective disclosure of FY22 STI targets
5. High CEO fixed pay relative to comparators on a market capitalisation basis	In conjunction with independent consultants Mercer, a comprehensive benchmarking exercise was undertaken in FY22, taking into account Whitehaven's current size and complexity. Pay practices across comparable ASX200 industrials were also considered. While the Board appreciates concerns regarding high fixed pay of the CEO, following this benchmarking exercise, the Board determined that Executive KMP fixed remuneration should increase, as attracting and retaining top talent to the coal industry necessitates a fixed pay premium. Further information can be found in section 3.6.
6. The FY21 STI outcomes appear high relative to FY20	In FY21, management navigated challenging coal market and geotechnical conditions, delivering improved performance relative to target across a number of measures, such as FOB costs and ROM production. The Board determined that this was an appropriate outcome under the circumstances.

Directors' Report Remuneration Report

For the year ended 30 June 2022

1.2. Key Management Personnel for FY22

This report details the FY22 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 FY22. All Non-Executive KMPs listed below have held their respective positions for the full financial year.

Non-Executive Directors	Role held during FY22	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
John Conde AO	Deputy Chairman and Non-Executive Director	Chairman of Remuneration Committee Member of Audit & Risk Management Committee Member of Governance & Nomination Committee
Dr Julie Beeby	Non-Executive Director	Chairman of Health, Safety, Environment & Community Committee Member of Governance & Nomination Committee
Fiona Robertson	Non-Executive Director	Chairman of Audit & Risk Management Committee Member of Health, Safety, Environment & Community Committee
Lindsay Ward	Non-Executive Director	Member of Health, Safety, Environment & Community Committee Member of Remuneration Committee
Raymond Zage	Non-Executive Director	Nil

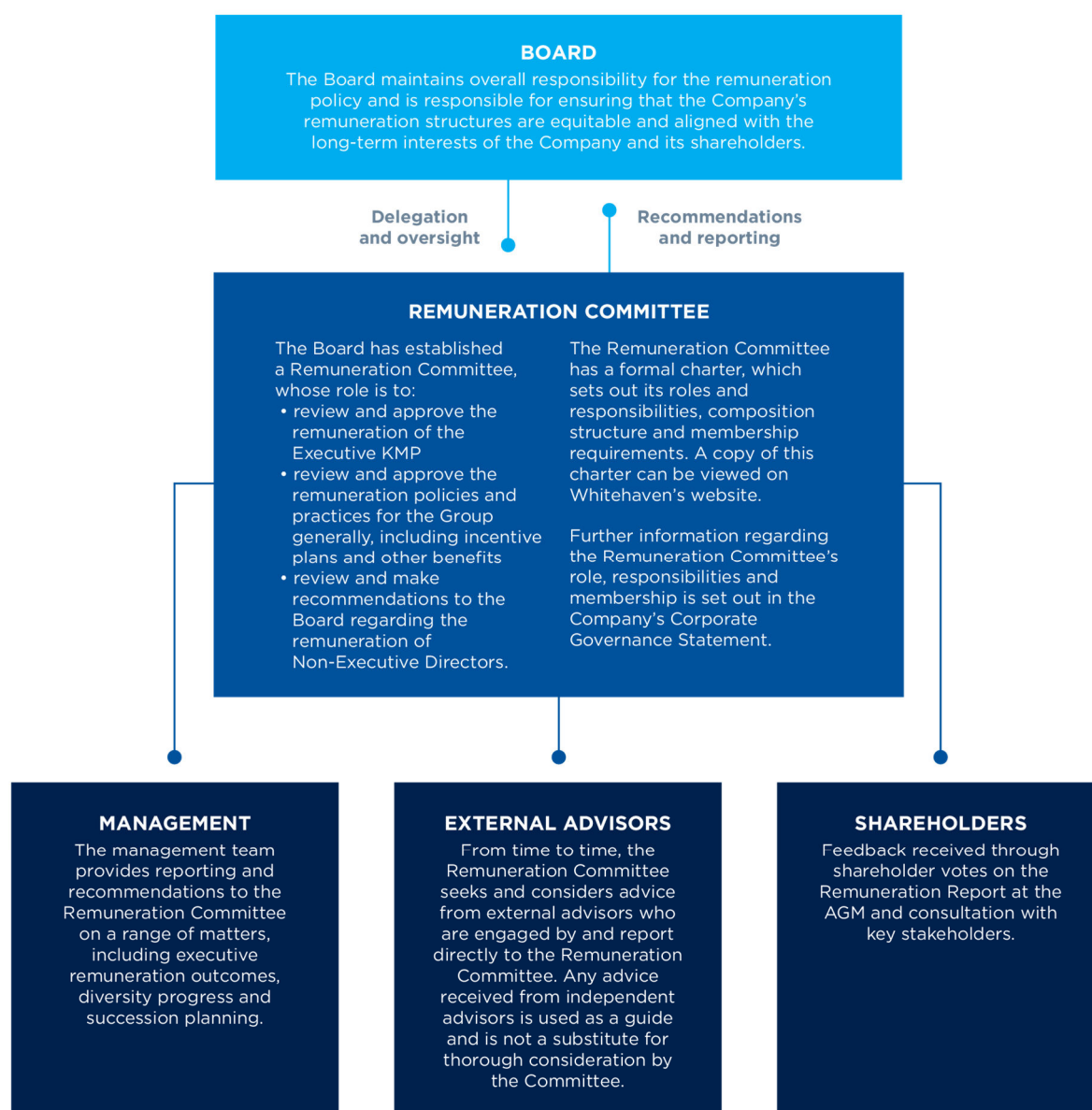
The following table sets out the Company's Executive KMP during FY22. All Executive KMPs listed below have held their respective positions for the full financial year.

Executive KMP	Role held during FY22	Dates
Paul Flynn	Managing Director and Chief Executive Officer (CEO)	Full year
Kevin Ball	Chief Financial Officer (CFO)	Full year
Ian Humphris	Executive General Manager (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 FY22 the Remuneration Committee engaged Godfrey Remuneration Group (GRG) as remuneration consultants to provide assistance with the review and redesign of the Company's remuneration framework, as well as Non-Executive Directors' remuneration benchmarking. No remuneration recommendations as defined in the *Corporations Act 2001* (Cth) were made or supplied by GRG.

In addition, the organisation commissioned Mercer as remuneration consultants 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).

No remuneration recommendations were obtained during FY22 as defined under the *Corporations Act 2001* (Cth).

Directors' Report Remuneration Report

For the year ended 30 June 2022

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 top quartile pay 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

Prior to the recent executive remuneration review, the Company's Executive KMP remuneration framework was 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 previous remuneration framework with respect to our core remuneration principles.

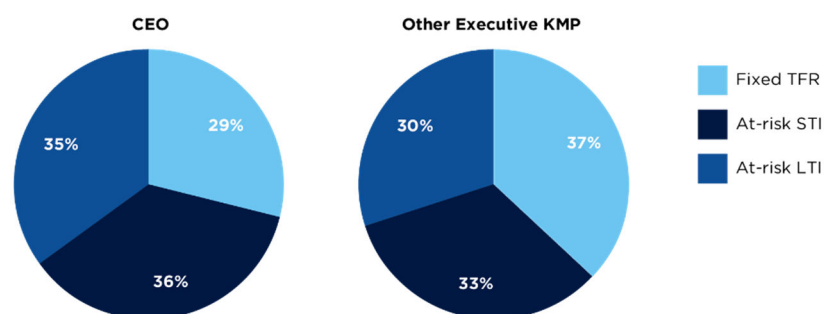
	Attract and retain skilled executives	Structures are equitable and reinforce relevant Company policies	Incentives are challenging and linked to the creation of sustainable shareholder returns	Incentives are aligned with the long-term interests of the Company and its stakeholders
	Fixed remuneration (TFR)	At-risk STI		At-risk LTI
	Cash		Equity	
COMPOSITION	Includes salary and superannuation	50% of STI is delivered as cash	50% of STI is deferred into rights to receive shares in the Company subject to meeting service-based vesting conditions (with vesting periods of 12 and 24 months)	Performance contingent rights with 3 and 4 year vesting schedules, terms of which are determined by the Board annually.
OPPORTUNITY	Fixed remuneration is targeted at the 75th percentile relative to organisations of comparable size and operating in similar industries	STI opportunity is set between 70% and 100% of TFR for target performance and between 87.5% and 125% of TFR for stretch performance		The face value of the LTI opportunity is set between 80% and 120% of TFR
BASIS OF OUTCOMES	Set based on skills, capabilities, experience, performance and role complexity with reference to external benchmarking	Outcomes based on a mix of annual financial and non-financial performance metrics aimed at driving execution of business strategy and creating shareholder value		Vesting is subject to three independent performance hurdles: Relative TSR, Costs Hurdle and Strategic Priority Delivery. The Strategic Priority Delivery hurdle also requires a minimum level of absolute TSR performance.
GOVERNANCE	Reviewed annually by the Remuneration Committee	Ability for the Board to adjust STI outcomes to ensure outcomes align with shareholder expectations		Ability for the Board to reduce the number of unvested rights if subsequent events show such a reduction to be appropriate

3. FY22 Remuneration Framework

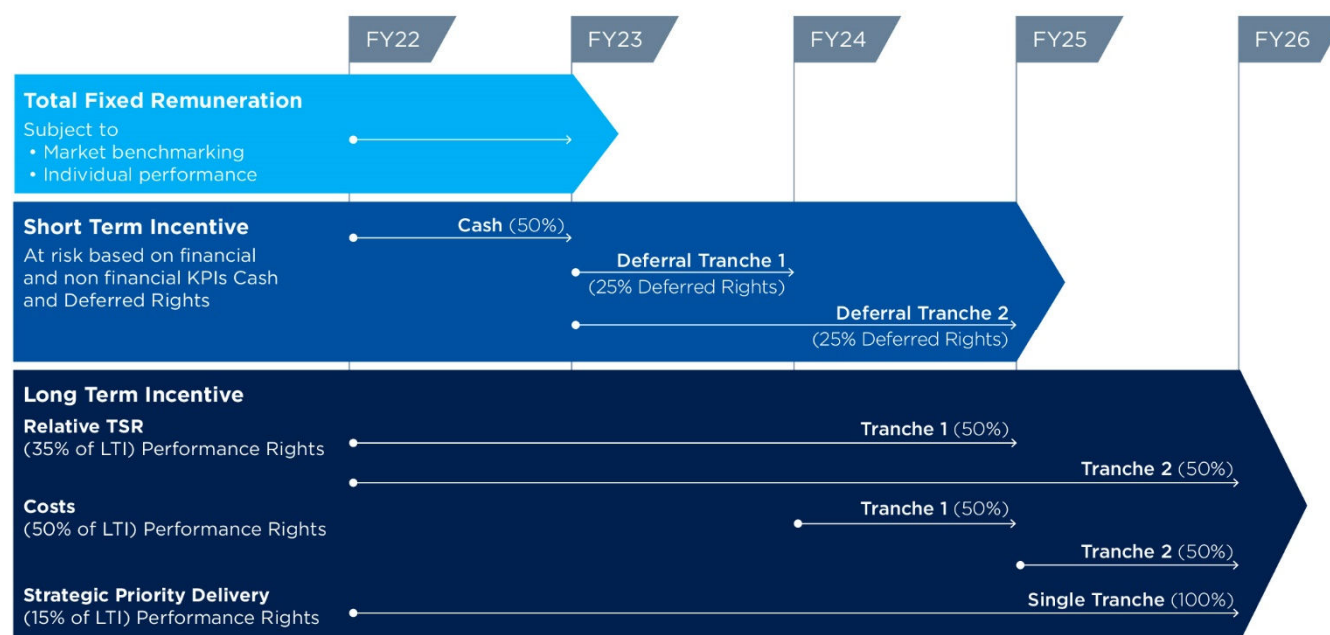
3.1. Mix and timing of Executive KMP remuneration in FY22

Executive KMP remuneration is delivered as a mix of fixed and at-risk remuneration. At-risk remuneration can be earned through STI and LTI 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 FY22 (based on maximum performance for at-risk components):



The following diagram shows the timing for determining and delivering Executive KMP remuneration for FY22:



3.2. Fixed remuneration

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 has 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.

Directors' Report Remuneration Report

For the year ended 30 June 2022

3.3. FY22 STI award structure

The STI provides executives with an annual incentive opportunity that rewards performance against annual targets across a range of financial and non-financial objectives aligned to stakeholder interests. The terms of the FY22 STI are outlined below.

The only change made relative to FY21 was the introduction of an additional safety measure, aimed at driving the identification and rectification of potential level 4 & 5 safety hazards.

Feature	Description																		
Performance period	12-month performance period from 1 July 2021 to 30 June 2022																		
STI Opportunity	CEO: target 100% of TFR and stretch 125% of TFR Other Executive KMP: target 70% of TFR and stretch 87.5% of TFR																		
Calculation of STI award	The value of STI awards is calculated as follows. $\text{Value of STI Award} = \text{TFR} \times \text{Target Opportunity} \times \text{Level of KPI result}$																		
Form of delivery, vesting and exercise	The STI for FY22 will be delivered 50% in cash in September 2022 and 50% in deferred rights that are intended to be granted in or around November 2022. Upon exercise of these rights, the recipient is entitled to receive one ordinary share in the Company for each deferred right that vests. Half of the deferred rights vest and become exercisable following completion of FY23, while the other half will vest and become exercisable following the completion of FY24, subject to meeting service conditions. Vested deferred rights that have not been exercised by August 2032 will automatically be exercised. No amount is payable on vesting or exercise of deferred rights. Upon exercise of rights that vest, participants are entitled to receive a dividend equivalent payment (DEP) in respect of the period between 1 July 2021 (i.e. the start of the service period) and the date of exercise.																		
Performance conditions and KPI weighting	Whitehaven has chosen performance conditions that link to our strategy and motivate outperformance of annual business plans. The Board set target KPIs at the commencement of FY22. The table below summarises the KPIs that were adopted as performance conditions in FY22, and the applicable weighting of each performance condition: <table> <tr> <th>KPI</th><th>Scorecard Weighting</th></tr> <tr> <td>Safety (TRIFR)</td><td>10%</td></tr> <tr> <td>Safety (Level 4 & 5 Hazard Identification & Rectification)</td><td>10%</td></tr> <tr> <td>Environmental Enforcements</td><td>10%</td></tr> <tr> <td>Environment Critical Control Verification</td><td>10%</td></tr> <tr> <td>Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)</td><td>10%</td></tr> <tr> <td>FOB cost per tonne (equity basis)</td><td>25%</td></tr> <tr> <td>ROM production (managed basis)</td><td>12.5%</td></tr> <tr> <td>Overburden (mbcm)</td><td>12.5%</td></tr> </table> An individual performance overlay determines final KPI results, such that KMP may only achieve an STI award greater than the formulaic scorecard outcome in cases of exceptionally strong performance relative to their individual performance goals. Further, individual performance below expectations results in a reduction in STI award. Assessment of individual KMP performance was completed by the Board and Remuneration Committee at the conclusion of FY22.	KPI	Scorecard Weighting	Safety (TRIFR)	10%	Safety (Level 4 & 5 Hazard Identification & Rectification)	10%	Environmental Enforcements	10%	Environment Critical Control Verification	10%	Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	10%	FOB cost per tonne (equity basis)	25%	ROM production (managed basis)	12.5%	Overburden (mbcm)	12.5%
KPI	Scorecard Weighting																		
Safety (TRIFR)	10%																		
Safety (Level 4 & 5 Hazard Identification & Rectification)	10%																		
Environmental Enforcements	10%																		
Environment Critical Control Verification	10%																		
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	10%																		
FOB cost per tonne (equity basis)	25%																		
ROM production (managed basis)	12.5%																		
Overburden (mbcm)	12.5%																		
Board Discretion	The Board maintains discretion to alter the formulaic outcomes outlined above if the results generate any unintended outcomes when taking into account the perspectives of various stakeholders including but not limited to shareholders, employees and communities.																		

3.4. FY22 LTI award structure

The key LTI structure and measures (specifically relative TSR, Costs and Strategic Priority Delivery) remain broadly consistent with FY21. The only change, as described below, is intended to clarify some of the circumstances under which the Board might recalibrate the LTI Costs hurdle.

Consistent with prior years, the Board has set the entry point as the first quartile of Wood Mackenzie data of Australian industry outcomes for comparable mines as the target for LTI Costs Hurdle, allowing for the rail freight differential between Whitehaven and our peers due to the location of Whitehaven mines. The Board may, where it is appropriate to do so, recalibrate the LTI Costs Hurdle to take account of structural changes in the Company's asset portfolio or other circumstances that were not reasonably foreseeable at the time of grant. As approved at the 2021 Annual General Meeting, for FY22 these circumstances might include a strategic decision taken to produce higher quality coal at higher cost in order to increase financial returns for shareholders. The Board intends only to reward performance that is consistent with shareholder expectations.

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For the year ended 30 June 2022

This change does not alter the total reward opportunity for Executive KMPs but rather provides a more direct link between strategy and remuneration outcomes.

The terms of the LTI grants made during FY22 to Executive KMP were as follows:

Feature	Description										
LTI Opportunity	CEO: 120% of TFR Other Executive KMP: 80% of TFR										
Calculation of LTI award	The value of LTI awards and the number of performance rights granted is calculated as follows: $\text{TFR} \times \text{Target Opportunity} = \frac{\text{Value of LTI Award}}{\text{VWAP of performance right}} = \text{Number of performance rights granted}$										
Form of delivery, vesting and exercise	LTI awards granted in FY22 were provided in the form of performance rights, being rights to receive one ordinary share in the Company for each performance right that vests on meeting relevant performance conditions. Vested deferred rights that have not been exercised by October 2031 will automatically be exercised. No amount is payable on vesting or exercising of deferred rights. Upon exercise of rights that vest, participants are entitled to receive a dividend equivalent payment (DEP) in respect of the period between 1 July 2021 (i.e. the start of the service period) and the date of exercise.										
Relative TSR Awards Weighting = 35%	Performance Period: the Relative TSR awards are divided into two equal tranches capable of vesting and becoming exercisable after three and four year performance periods respectively, beginning on 1 July 2021. Conditions: the award is subject to a relative TSR performance hurdle (TSR Hurdle) which compares the TSR performance of the Company with the TSR performance of companies operating in the S&P ASX100 index. Vesting schedule: <table> <tr> <th>Performance level</th><th>Outcome as a % of target opportunity</th></tr> <tr> <td>75th percentile or above</td><td>100% of the TSR Awards will vest</td></tr> <tr> <td>Between 50th and 75th percentile</td><td>Vesting will occur on a pro rata straight line basis between 50% and 100%</td></tr> <tr> <td>At 50th percentile</td><td>50% of the TSR Awards will vest</td></tr> <tr> <td>Below 50th percentile</td><td>0% TSR Awards will vest</td></tr> </table> Reason chosen: this measure arguably allows for an objective external assessment of the shareholder value created by the Company relative to other large organisations over a sustained period.	Performance level	Outcome as a % of target opportunity	75th percentile or above	100% of the TSR Awards will vest	Between 50th and 75th percentile	Vesting will occur on a pro rata straight line basis between 50% and 100%	At 50th percentile	50% of the TSR Awards will vest	Below 50th percentile	0% TSR Awards will vest
Performance level	Outcome as a % of target opportunity										
75th percentile or above	100% of the TSR Awards will vest										
Between 50th and 75th percentile	Vesting will occur on a pro rata straight line basis between 50% and 100%										
At 50th percentile	50% of the TSR Awards will vest										
Below 50th percentile	0% TSR Awards will vest										
Costs Hurdle Awards Weighting = 50%	Performance Period: FOB cost per tonne achieved for the year ended 30 June 2024 with the Costs Hurdle Awards being tested at that time. Awards will be capable of vesting after the end of the performance period, with half of any vested awards becoming exercisable immediately and half subject to deferral for a further year before becoming exercisable. Conditions: the award is subject to the Company achieving a cost per tonne target (Costs Hurdle Target) that will position the company competitively on the then current cost curve. The Board has set the target as the first quartile of Wood Mackenzie data of Australian industry outcomes for comparable mines (i.e. haul distance adjusted to account for the northern location of Whitehaven's mines, which results in additional rail costs for the organisation). A Costs Hurdle gateway also applies to ensure that a base level of cost control is achieved before any of the award vests. The Board intends only to reward performance that is consistent with shareholder expectations. The Board may, where it is appropriate to do so, recalibrate the LTI Costs Hurdle to take account of structural changes in the Company's asset portfolio or other circumstances that were not reasonably foreseeable at the time of grant, for example a strategic decision taken to produce higher quality coal at higher cost in order to increase financial returns for shareholders. Vesting schedule: <table> <tr> <th>Performance level</th><th>Outcome as a % of target opportunity</th></tr> <tr> <td>Target or lower</td><td>100% of the Costs Hurdle Awards will vest</td></tr> <tr> <td>Between target and gateway</td><td>Vesting will occur on a pro rata straight line basis between 50% and 100%</td></tr> <tr> <td>Gateway</td><td>50% of the Costs Hurdle Awards will vest</td></tr> <tr> <td>Above gateway</td><td>0% Costs Hurdle Awards will vest</td></tr> </table> Notwithstanding the vesting schedule above, the Board retains discretion to lapse any or all of the Costs Hurdle Awards if the Board considers that vesting would be inappropriate in light of the intent and purpose of the target. Full vesting will only occur if the Board is satisfied performance meets or exceeds the Costs Hurdle Target as set out above. The Costs Hurdle Awards will lapse in full if the Costs Hurdle Gateway is not achieved. Reason chosen: this measure is aligned to the Company's objective to be positioned competitively against Australian coal producers in relation to production costs when measured on the then current coal industry cost curve. Competitive costs protect and preserve shareholder value in difficult times and support enhanced returns when the commodity cycle recovers.	Performance level	Outcome as a % of target opportunity	Target or lower	100% of the Costs Hurdle Awards will vest	Between target and gateway	Vesting will occur on a pro rata straight line basis between 50% and 100%	Gateway	50% of the Costs Hurdle Awards will vest	Above gateway	0% Costs Hurdle Awards will vest
Performance level	Outcome as a % of target opportunity										
Target or lower	100% of the Costs Hurdle Awards will vest										
Between target and gateway	Vesting will occur on a pro rata straight line basis between 50% and 100%										
Gateway	50% of the Costs Hurdle Awards will vest										
Above gateway	0% Costs Hurdle Awards will vest										
Strategic Priority Delivery Awards Weighting = 15%	Performance Period: single tranche measured over a four-year performance period, capable of vesting following 30 June 2025.										

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For the year ended 30 June 2022

	Conditions: the award is subject to Company achievement toward key strategic priorities, assessed by the Board. It is also subject to an additional 'gateway' test, of positive TSR to ensure that an award is only considered after shareholder value growth is achieved over the relevant performance period. Vesting schedule: Subject to satisfaction of the performance gateway/underpin (i.e. achieving positive absolute TSR between FY21 and FY25), following the end of the performance period the Board will assess achievement in the delivery of, and progress towards, key strategic priorities and determine the outcome of the Strategic Priority Delivery Rights. Due to the commercially sensitive nature of the strategic priorities, retrospective disclosure of the outcomes against the performance levels will be provided in the Remuneration Report for the year of vesting. Reason chosen: this measure is designed to align senior employees to the efficient and effective delivery of long-term projects that directly impact shareholder value.
Retesting	Any component of the LTI award that does not vest following testing will lapse. There is no retesting of awards that do not vest.

3.5. Policies and conditions of rights awarded under equity plans

Malus and Clawback

The Board has discretion to reduce or claw back all vested and unvested 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. Upon exercise of vested rights, the recipient is entitled to receive a dividend equivalent payment (DEP) in respect of any prior period between the start of the performance period and exercise. Any DEP made to participants may be made in cash or provided as additional fully paid ordinary shares in the Company, as determined by the Board.

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 by:

- 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.

Directors' Report Remuneration Report

For the year ended 30 June 2022

3.6. 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. 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. One is based on current company size (1/3 to 3x Whitehaven's market capitalisation) plus a coal industry premium, and another which 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 making remuneration decisions, having both benchmarking groups enables 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 FY23 fixed and total remuneration

Groups	Companies	
1 - Comparable size and industry This group had a median market capitalisation of \$4.5 billion (as at the time of benchmarking).	Adbri Ltd AGL Energy Ltd APA Group Beach Energy BlueScope Steel Ltd Boral Ltd Coronado Global Resources Inc. CSR Ltd Evolution Mining 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
2 - ASX200 Industrials This group had a median market capitalisation of \$7.2 billion (as at the time of benchmarking).	Adbri Ltd Alumia Ltd Ampol Ltd Beach Energy Ltd BHP Group Ltd BlueScope Steel 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 Worley Ltd Yancoal Australia Ltd

4. FY22 Remuneration Outcomes

4.1. Summary of Company performance

Company performance for the last five years

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

	FY22	FY21	FY20	FY19	FY18
Revenue (\$m)	4,920.1	1,557.0	1,721.6	2,487.9	2,257.4
Statutory EBITDA (\$m) ¹	3,060.1	204.5	306.0	1,001.2	1,002.2
Net profit/(loss) after tax (\$m) ¹	1,952.0	(543.9)	30.0	527.9	524.5
Share price at year end (dollars per share)	\$4.84	\$1.94	\$1.43	\$3.66	\$5.78 ²
Basic EPS (cents per share)	197.6	(54.6)	3.0	53.5	53.1
Diluted EPS (cents per share)	195.1	(54.6)	3.0	52.4	52.1
Shareholder dividends paid (cents per share)	8	-	31.5	47	33 ³
Share buy-back (\$m)	362.6	-	-	-	-
Total Reportable Injury Frequency Rate (TRIFR) ⁴	5.4	5.9	4.1	6.2	6.9
Saleable production (Mt)	17.3	16.9	18.4	19.8	20.9

1 Statutory EBITDA and net profit after tax for FY18 has been restated for the adoption of AASB 16 Leases.

2 The opening share price for 2018 was \$2.87.

3 Includes capital return of 14 cents per share.

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

4.2. FY22 Executive KMP STI outcomes

Before the start of each financial year, the Board sets target KPIs aligned to strategy that drive outperformance of annual business plans. At financial year end, the CEO recommends to the Board the individual outcomes for each Executive KMP, based on a combination of scorecard and individual outcomes. The Board then assesses and approves the overall STI outcomes for the CEO and Executive KMP.

Scorecard targets and outcomes

Strong financial outcomes, underpinned by record EBITDA of \$3.1 billion, and target and above target health, safety and environment performance led to an overall 86% of maximum scorecard outcome.

The table below summarises results for each KPI, as well as the FY22 STI scorecard outcome, including details where the Board has considered the interests of shareholders in determining outcomes that reflect the value created beyond the KPI results. For instance, Target performance has been determined for the FY22 STI Outcome for FOB Unit Costs, as management's successful execution of a high-quality coal strategy delivered substantial value for shareholders, contributing significantly to the record EBITDA. This strategy however, resulted in higher costs than anticipated, for which the Board made allowance when determining the final outcome. Similarly, the STI outcomes for ROM Production and Overburden were determined at Target outcomes following consideration of COVID-related labour constraints, wet weather events in late 2021 which disrupted production schedules, and consistent with broader mining industry, Whitehaven faced escalating diesel, demurrage, and costs of explosives. As outlined in the relevant sections below, in these instances, the Board recognised and made allowance for the reasonably unforeseeable circumstances that management encountered during FY22.

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For the year ended 30 June 2022

KPI Unit	Weighting	FY22 Result	FY22 Targets and Results			FY22 STI Outcome (% of max)
			Gateway (50%)	Target (100%)	Stretch (125%)	
HEALTH, SAFETY AND ENVIRONMENT						
TRIFR (TRIF rate)	10%	5.4	5.9	5.6	5.3	93.3%
						
Leading Safety Indicator – Hazard Reporting (Potential Level 4 & 5 hazards reported and actions completed)	10%	336	66	132	198	100%
						
Environment Compliance (Enforceable Actions)	10%	4	5	4	3	80%
						
Environment Critical Controls Verified (% completion)	10%	94%	85%	90%	100%	88%
						

Safety remains our first and foremost priority across sites, and following continued investment and focus, TRIFR continued to improve, reducing from 5.9 to 5.4 in FY21 and FY22 respectively. This outcome continues to track below comparable industry performance. Additionally, our leaders are actively identifying and rectifying Level 4 and Level 5 safety hazards, as demonstrated by the stretch outcome for this metric. This commitment to pro-active and pre-emptive safety measures helps ensure our workforce continually strives towards our Zero Harm goal.

Similarly, as a result of continued attention and commitment, environmental performance improved this year with the number of environmental enforcement actions continuing to trend downward, to 4 in FY22, leading to a Target outcome. The Board also took into account the nature and severity of these events when reviewing the Target outcome (2x Penalty Notices, 1x Prevention Notice, 1x Pending Outcome). The pending outcome is expected to be resolved in FY23 and the Board will continue to monitor this event. Each of these events were investigated with corrective actions implemented to prevent reoccurrence.

When assessing management's performance across the Environment Compliance measure, the Board considered the impact of legacy incidents, specifically those for which proceedings were resolved in FY22 (i.e. events which occurred in FY20 and FY19). It was determined that in each case, the incident was appropriately factored into remuneration outcomes at the time of the incident. Similarly, the Board reviewed environmental incidents from prior years that were subsequently withdrawn by the relevant authority or where no further action was taken, and confirmed a recasting of prior years' STI outcomes would not be appropriate.

A high level of critical controls being verified (CCVs) also occurred during the year, resulting in an outcome between Target and Stretch. The CCV process involves site-specific risk assessments to identify critical controls, the development of performance standards to assess the critical controls, and the verification of the effectiveness of controls using the performance standard. The Board continues to place strong emphasis on compliance and minimising environmental incidents.

FY22 Targets and Results						
KPI Unit	Weighting	FY22 Result	Gateway (50%)	Target (100%)	Stretch (125%)	FY22 STI Outcome (% of max)
FINANCIALS						
EBITDA (A\$m)	10%	\$3,060	\$650	\$720	\$850	100%
					\$3,060	
FOB Unit Cost (A\$/tonne)	25%	\$84	\$76	\$74	\$72	80%
			\$84			

The FY22 record EBITDA of \$3.1 billion, up from \$0.2 billion in FY21, reflects exceptionally strong coal prices throughout most of the financial year, coupled with solid operational performance. This strong result was supported by a record average achieved coal price of \$325/t, up from \$95/t in the prior year (before applicable royalties).

Group costs were at the upper end of the revised cost guidance, which increased to \$79/t - \$84/t in January 2022, from the original \$72/t - \$76/t guidance. Costs were impacted by higher than anticipated diesel prices, labour costs and increased demurrage costs as a result of weather impacts at the Port of Newcastle and coal supply disruptions. Further, as pricing spreads continued to increase between high-quality and low-quality markets, additional costs were incurred as the Company increased washing in order to increase the availability of high-CV coal. The premiums associated with this high-CV coal contributed an estimated \$1.0 billion to the final EBITDA result.

Recognising that the high-quality coal strategy, which has delivered significant value to shareholders, also contributed to higher than anticipated costs, the Board determined to use an adjusted FOB Unit Cost outcome, aligned to Target performance. This has been done to ensure STI outcomes reflect management's ability to successfully execute the strategy and capitalise on price dynamics to generate the best outcomes for shareholders.

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KPI Unit	Weighting	FY22 Result	FY22 Targets and Results			FY22 STI Outcome (% of max)
			Gateway (50%)	Target (100%)	Stretch (125%)	
OPERATIONS						
ROM Production (Mt)	12.5%	20.0	20.0	21.5	22.0	80%
						
Overburden (Mbcm)	12.5%	95.2	103.4	114.8	120.6	80%
						

Despite challenging operational circumstances such as high COVID-related absenteeism and significant wet weather events in the Gunnedah basin in HI which resulted in mine site access flooding, improved operational performance led to FY22 ROM Production of 20.0Mt, which was within our original market guidance range.

The Board, taking into account these constraints, determined to use outcomes aligned to Target performance, for both ROM Production and Overburden to ensure STI outcomes reflect management's FY22 performance.

Individual STI outcomes

Executive KMP outcomes for FY22 are set out in the table below, which take into account a combination of the Group-wide scorecard metrics detailed above, and individual KMP performance. 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 priorities, notably the exceptional execution of the Company's value-creating strategy to produce coal at a quality level higher than originally budgeted, all three Executive KMP were assessed as 'Exceeding Expectations' by the Board. This resulted in an uplift from 86% to 96% of maximum opportunity.

Executive KMP	Paid as cash	Deferred equity	Total	Percentage of maximum STI received	Percentage of maximum STI forfeited
	(\$)	(\$)	(\$)		
Paul Flynn	936,300	936,300	1,872,600	96%	4%
Kevin Ball	305,850	305,850	611,700	96%	4%
Ian Humphris	294,000	294,000	588,000	96%	4%

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

4.3. FY22 Executive KMP LTI vesting outcomes

The table below sets out the LTI awards capable of vesting in 2022 and the results of the respective performance condition testing.

Award type	LTI year	Performance period	Tranche	Target	Performance achieved	Vesting outcome ²
TSR Award	2018	1 July 2018 – 30 June 2022	2 of 2	75th percentile or above	35th Percentile (TSR of 5.8%)	0%
TSR Award	2019	1 July 2019 – 30 June 2022	1 of 2	75th percentile or above	68th Percentile (TSR of 47.7%)	86.8%
Costs Hurdle Award ¹	2019	1 January 2021 – 31 December 2021	1 of 1	75th percentile or above	75th Percentile	100%

¹ 50% of vested 2019 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 2023.

² The remaining proportion of each award due to vest in FY22 was forfeited.

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. Prior to testing, work was undertaken with Wood Mackenzie to ensure the model used was an appropriate representation and comparison of

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Whitehaven cost outcomes. Specifically, comparable mines with similar ash content were referenced to ensure like for like comparisons. Further, as noted in the table above, 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 Coal to compare financial year costs to industry data, in this or subsequent years.

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

Executive KMP LTI awards vesting in FY22

Executive KMP	2018 TSR Hurdle (Tranche 2)	2019 TSR Hurdle (Tranche 1)	2019 Costs Hurdle	LTI value	Vested LTI at face value of award ¹	Vested LTI share price appreciation ¹
Performance Rights				\$	\$	\$
Paul Flynn	-	108,021	248,780	1,726,933	1,316,596	410,336
Kevin Ball	-	33,607	77,398	537,269	409,609	127,661
Ian Humphris	-	-	-	-	-	-
Award Test Date	30 June 2022	30 June 2022	30 June 2022			
VWAP - Face value	\$5.70	\$3.69	\$3.69			
VWAP - Award Test Date	\$4.84	\$4.84	\$4.84			

4.4. LTI awards granted in FY22

A summary of the LTI awards granted in FY22 (i.e. the face value and the fair value of the LTI granted to each Executive KMP) is set out in the table below:

Executive KMP	Number of performance rights granted ¹	Face value of performance rights grant ²	Fair value of performance rights at grant date ³
		(\$)	(\$)
Paul Flynn	955,409	1,872,600	2,029,289
Kevin Ball	297,245	582,600	631,348
Ian Humphris	285,715	560,000	606,859

1 Refer to section 3.4 for the terms of the LTI grant.

2 The face value of the LTI performance rights of \$1.96 was calculated using the volume weighted average price of Whitehaven shares over the 20 trading day period commencing 10 trading days prior to 30 June 2021.

3 The fair value for awards granted to the Executive KMP is based on the average fair value of \$2.12 per performance right as at 26 November 2021, being the grant date. The factors and assumptions used in determining the fair value are set out in note 5.5 to the financial statements.

4 The issue of these securities was done in accordance with the approval of the Company's shareholders under ASX Listing Rule 10.14 at the Company's 2021 Annual General Meeting

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For the year ended 30 June 2022

4.5. 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 FY22 have realised exceptional benefits for stakeholders, including shareholders, employees and the communities in which we operate. 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 FY22. It includes:

- fixed remuneration earned in FY22
- STI earned in respect of FY22 performance (including the cash component payable in September 2022 and the deferred component awarded in equity, which may vest and become exercisable in later years)
- LTI that vested in FY22, including the impact of share price growth between the grant date and the vesting date
- any non-monetary benefits provided to Executive KMP in FY22 (including fringe benefits).

For further details on STI and LTI outcomes for FY22 refer to sections 4.2 and 4.3 respectively.

Name	FY	TFR ¹	STI ² cash	Total cash	Deferred equity STI ³	LTI ⁴ vested at face value of award	Other ⁵	Total remuneration	Vested LTI ⁶ share price growth	Total including share price growth
Paul Flynn	2022	1,560,500	936,300	2,496,800	936,300	1,316,596	12,900	4,762,596	410,336	5,172,933
	2021	1,530,000	509,490	2,039,490	509,490	-	12,900	2,561,880	-	2,561,880
Kevin Ball	2022	728,250	305,850	1,034,100	305,850	409,609	8,600	1,758,159	127,661	1,885,819
	2021	714,000	166,434	880,434	166,433	-	-	1,046,867	-	1,046,867
Ian Humphris	2022	700,000	294,000	994,000	294,000	-	12,900	1,300,900	-	1,300,900
	2021	650,000	163,637	813,637	163,635	-	12,900	990,172	-	990,172

1 Total fixed remuneration (TFR) comprises base salary and superannuation.

2 STI represents the amount of cash STI 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 equity STI refers to the amount of STI deferred into rights that are subject to further service conditions. The Deferred FY22 STI is expected to be issued at a volume weighted average price (VWAP) of \$4.84. It is expected that rights issued under the STI will vest and become exercisable in two equal tranches following the completion of FY23 and FY24. Refer to section 3.3 for further details.

4 LTI vested represents LTI awards made in 2018 and 2019 (FY21: 2017 and 2018) for which the test period ended during the financial year and which have vested. The amounts shown are the face value of the awards at grant. Refer to section 4.2 for further details.

5 Other includes parking, motor vehicle benefits and other similar items. Kevin Ball has been eligible for a parking benefit from 1 November 2021.

6 LTI share price growth is the amount of the LTI award delivered by an increase between the face value VWAP used for the award that was granted and the VWAP of a share at the award test date for those awards which vested. LTI outcomes are explained further in section 4.2 of this report.

5. Changes to the Remuneration Framework from FY23

During FY22, the Board undertook a comprehensive review of Whitehaven's executive remuneration framework which, with the support of the Godfrey Remuneration Group, aimed to ensure that the framework:

- is fit for purpose, recognising the attraction and retention challenges of the coal industry;
- aligns executive remuneration outcomes with the experience of shareholders; and
- supports the execution of the Company's evolving strategy.

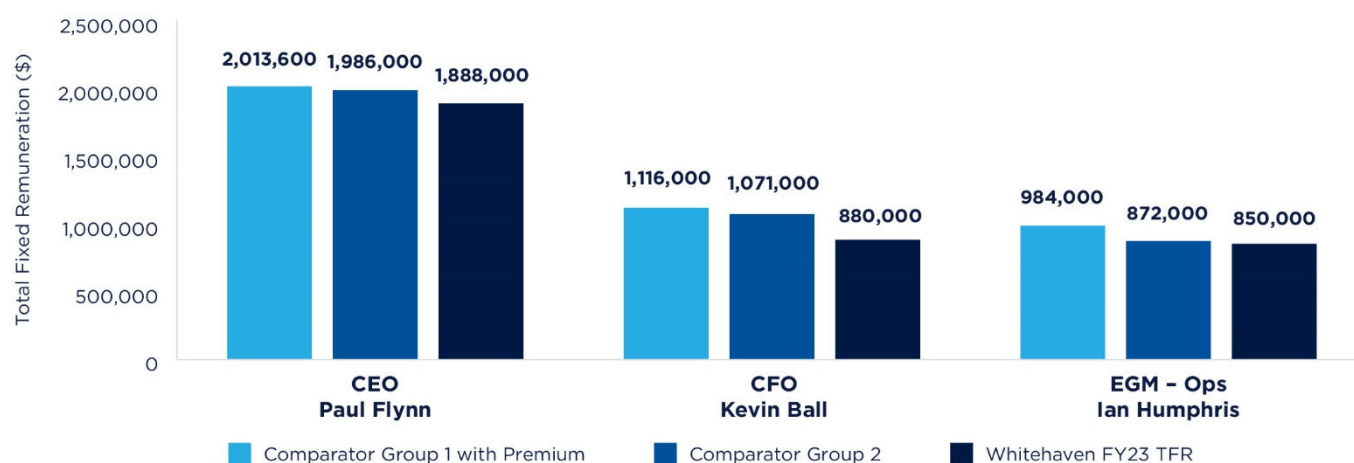
Following this review, the Board determined that it was in the best interests of the Company and its stakeholders to target the 75th percentile from a fixed remuneration perspective and adopt a Single Incentive Plan (SIP), to replace the previous Short-term and Long-term Incentive Plans. These changes, which are set out below, took effect at the beginning of FY23 and will be implemented in line with similar incentive schemes in the market.

5.1. Fixed Remuneration

Executives will receive a component of their remuneration in the form of fixed remuneration, which is a combination of cash and superannuation contributions.

As described in section 3.6, the Board now references two comparator groups and targets the 75th percentile of each group, while adding a coal industry premium to the primary peer group. As the graphic below illustrates, KMP fixed remuneration is now positioned slightly below the 75th percentile of both comparator groups.

Fixed remuneration benchmarking



5.2. New Single Incentive Plan

The incentive 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 ensures executives are aligned strongly with shareholder experiences.

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.
$\text{Value of SIP Award} = \text{TFR} \times \text{Target Opportunity} \times \left((80\% \times \text{scorecard result}) + (20\% \times \text{individual performance}) \right)$	
Scorecard KPIs and weightings	The scorecard KPIs represent 80% of the overall SIP outcome.

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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 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	Weighting
Health, Safety and Environment Measures (40%)	
Safety (TRIFR)	20%
Environmental Enforcement (EEAFR)	20%
Financial Measures (40%)	
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)	25%
FOB cost per tonne (equity basis)	15%
Production Measures (20%)	
ROM production (managed basis)	20%

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 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.
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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 annually over 3 years, subject to service conditions; and - 34% Performance Rights, divided equally into two tranches which are subject to performance conditions over a four-year period commencing at grant Refer to graphic on the following page.
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Performance Rights	Relative Quality Cost Measure (50% 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). 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 (50% weighting): These Rights are subject to Company achievement toward delivery of Strategic Priorities. Performance Rights linked to the Strategic Priority Delivery Measure are intended to align executives to the efficient and effective delivery of long-term projects that directly impact shareholder value creation. Progress towards strategic priorities will be assessed by the Board at the end of the 4-year performance period, and will include projects such as Vickery Extension, Winchester South and Narrabri Stage 3. 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 cyclicity of a commodity business, coupled with the limited number of comparable ASX-listed pure coal producers makes relative performance comparisons problematic.
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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 discretion to alter the formulaic outcomes outlined above if the results generate any unintended outcomes when taking into account the perspectives of various stakeholders including but not limited to shareholders, employees and communities.

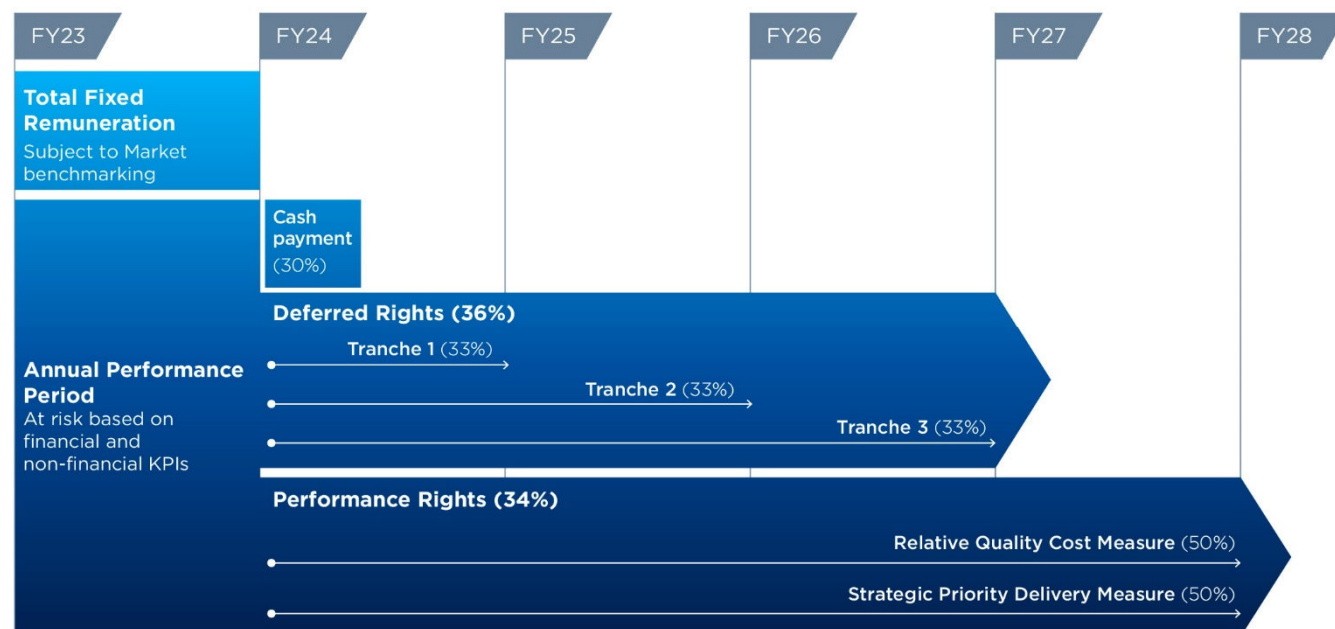
Timing of remuneration delivery

To ensure executives are aligned appropriately to shareholder experience and to support executive retention, the vesting schedule has been lengthened relative to previous frameworks and is broadly consistent with other SIPs in the market.

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For the year ended 30 June 2022

The diagram below illustrates the timing for determining and delivering Executive KMP under the SIP:



5.3. New Minimum Shareholding Requirements

Prior to FY23, Whitehaven Coal did not have a minimum shareholding policy in place for executives or Non-Executive Directors. Although there is no legislative requirement to maintain such a policy, the Remuneration Committee considers it appropriate to encourage KMP to hold a reasonable number of WHC shares with a view to aligning further the interests of executives with those of shareholders. In addition to the changes outlined above, a Minimum Shareholding Requirement (MSR) has been introduced from July 2022. As outlined in the table below, Non-Executive Directors and Executive KMP are now subject to the requirements, and have 3 years and 5 years respectively to comply.

Role	Requirement	Time to comply
Non-Executive Directors	1 year of fees	3 years
Managing Director & Chief Executive Officer	100% of TFR	5 years
Other Executive KMP	50% of TFR	5 years

Given the potential share price volatility of a commodity-based company, an historical 5-year average share price will be used to assess minimum shareholding compliance each year. KMP are expected to demonstrate meaningful progress towards meeting their minimum shareholding level across the required period. From FY23, this progress will be reported in conjunction with the current disclosure of actual shares held by each KMP.

6. 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 STI and LTI arrangements, and the new SIP, 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 LTI arrangements).

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 FY23 is \$1,888,000 (FY22: \$1,560,500). It includes salary, superannuation contributions, any components under Whitehaven's salary packaging guidelines and all Director fees. TFR is reviewed annually.
Single Incentive Plan	As outlined in section 5, Mr Flynn is eligible to participate in the new SIP. At target performance, his FY23 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

7. Non-Executive Director remuneration

This section explains the fees paid to Non-Executive Directors during FY22 and approved fees for FY23.

7.1. Non-Executive Director fees

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. Historically there has not been a formal minimum shareholding requirement, however Non-Executive Directors have always been encouraged to hold shares. As outlined in Section 5, Non-Executive Directors are now subject to minimum shareholding requirements.

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 FY23.

7.2. FY22 and FY23 Board and Committee Fees

The table below sets out Board and Committee fees for FY22 and FY23.

There had been no changes to Non-Executive Director fees since 1 July 2017; however, following a market benchmarking exercise supported by independent consultants Godfrey Remuneration Group, it was determined that increases to Board fees were required in order to remain competitive with comparable organisations. The increased fees for FY23 are outlined below, noting Committee fees remain unchanged.

	FY22			FY23		
	Chairman	Deputy Chairman	Member	Chairman	Deputy Chairman	Member
Board	\$375,000 ¹	\$262,500 ¹	\$140,000	\$450,000 ¹	\$315,000 ¹	\$180,000
Audit & Risk Management Committee	\$40,000		\$20,000	\$40,000		\$20,000
Remuneration Committee	\$40,000		\$20,000	\$40,000		\$20,000
Governance & Nominations Committee	No fee		No fee	No fee		No fee
Health, Safety, Environment & Community Committee	\$40,000		\$20,000	\$40,000		\$20,000

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

The fees set out above exclude mandatory statutory superannuation contributions made on behalf of the Non-Executive Directors.

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7.3. FY22 Non-Executive Director remuneration

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

Non-Executive Directors	FY	Short-term benefits, \$		Post-employment benefits, \$		Total fees for services as a Non-Executive Director ¹
		Board and Committee fees	Non-monetary benefits	Other long-term benefits (non-cash)	Superannuation benefits	
Mark Vaile (Chairman)	2022	375,000	-	-	23,568	398,568
	2021	375,000	-	-	21,694	396,694
John Conde (Deputy Chairman)	2022	262,500	-	-	23,568	286,068
	2021	262,500	-	-	21,694	284,194
Dr Julie Beeby	2022	180,000	-	-	18,000	198,000
	2021	180,000	-	-	17,100	197,100
Fiona Robertson	2022	200,000	-	-	20,000	220,000
	2021	200,000	-	-	19,000	219,000
Lindsay Ward	2022	180,000	-	-	18,000	198,000
	2021	180,000	-	-	17,100	197,100
Raymond Zage	2022	140,000	-	-	-	140,000
	2021	140,000	-	-	-	140,000
Total	2022	1,337,500	-	-	103,136	1,440,636
	2021	1,337,500	-	-	96,588	1,434,088

1 No termination benefits or share-based payments are paid or are payable to Non-Executive Directors.

8. Executive KMP statutory tables and additional disclosures

8.1. 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:

	Year	Short-term benefits, \$		Post-employment benefits, \$			Share based payments, \$			
		Salary & fees	Non-monetary benefits	Cash STI	Superannuation benefits	Termination benefits	LTI	STI	Total Performance remuneration	related
		(A)		(B)			(C)	(B)		%
Executive Directors										
Paul Flynn	2022	1,533,000	12,900	936,300	27,500	-	1,401,410	593,442	4,504,552	65%
	2021	1,505,000	12,900	509,490	25,000	-	965,864	434,251	3,452,505	55%
Other Executive KMP										
Kevin Ball	2022	703,250	8,600	305,850	25,000	-	435,997	193,457	1,672,154	56%
	2021	689,000	-	166,434	25,000	-	304,214	138,682	1,323,330	46%
Ian Humphris	2022	672,500	12,900	294,000	27,500	-	292,835	170,189	1,469,924	52%
	2021	625,000	12,900	163,637	25,000	-	103,514	65,471	995,522	33%
Total	2022	2,908,750	34,400	1,536,150	80,000	-	2,130,242	957,088	7,646,630	
	2021	2,819,000	25,800	839,561	75,000	-	1,373,592	638,405	5,771,357	

(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 STI (refer to sections 3.3 and 4.1 for details) and the fair value at each grant date of STI deferred rights expensed over the relevant period for the service vesting condition (which is included in the share based payments column of the table)s. The fair value of STI 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.

(C) The fair value for LTI 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.

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8.2. Movement in options and 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:

Executive KMP	Instrument	Balance as at 1 July 2021 (number)	Granted (number)	Granted (\$)	Vested/ awarded during the year (number)	Exercised (number)	Exercised (\$)	Lapsed (number)	Lapsed (year of grant)	Balance as at 30 June 2022 (number)	Vested and exercisable at 30 June 2022
		(A)	(B)				(C)		(D)		(E)
Paul Flynn	Performance Rights (LTI)	2,072,672	955,409	2,029,289	-	-	-	296,164	2017/2018	2,731,917	-
	Options (LTI)	489,031	-	-	-	292,444	456,213	196,587	2018	-	-
	Deferred Rights (STI)	256,809	259,944	509,490	169,309	169,309	435,750	-	-	347,444	-
Kevin Ball	Performance Rights (LTI)	647,851	297,245	631,348	-	-	-	95,159	2017/2018	849,937	-
	Options (LTI)	177,025	-	-	-	105,862	165,145	71,163	2018	-	-
	Deferred Rights (STI)	81,816	84,915	166,433	53,233	53,233	134,673	-	-	113,498	-
Ian Humphris	Performance Rights (LTI)	419,730	285,715	606,859	-	-	-	-	-	705,445	-
	Deferred Rights (STI)	12,229	83,488	163,636	6,115	-	-	-	-	95,717	6,115

(A) The number of rights granted during FY22 includes:

(a) the FY22 LTI awards (further details are provided in section 3.4).

(b) the deferred rights component of the FY21 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 2021. The granting of rights occurred on 26 November 2021.

(B) The value of LTI performance rights granted in the year is the fair value of the performance rights at grant date.

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 2021 as fair value, being \$1.96 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) The 2017 LTI TSR Hurdle Tranche 2 Rights, the 2018 LTI Costs Target Hurdle and the 2018 LTI TSR Hurdle Tranche 1 Rights fully lapsed during the year due to the performance conditions not being met.

Tranche 1 of the FY20 STI and Tranche 2 of the FY19 STI deferred 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 1 July 2020 and 1 July 2019 respectively.

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

(E) No vested equity instruments were unexercisable as at 30 June 2022.

Directors' Report Remuneration Report

For the year ended 30 June 2022

8.3. 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 2021	Received on vesting and exercise of STI/LTI	Other net change	Held at 30 June 2022
Non-Executive Directors		(A)	(B)	(C)
Mark Vaile	1,509,317	-	-	1,509,317
John Conde	708,620	-	-	708,620
Dr Julie Beeby	85,000	-	-	85,000
Fiona Robertson	75,395	-	-	75,395
Lindsay Ward	77,500	-	-	77,500
Raymond Zage	10,583,134	-	200,000	10,783,134
Executive KMP				
Paul Flynn	1,630,607	339,844	-	1,970,451
Kevin Ball	440,565	161,525	(400,000)	202,090
Ian Humphris	19,695	-	-	19,695

(A) No shares were granted as remuneration during FY22 (other than shares allocated on exercise of vested awards).

(B) Includes shares sold and purchased during FY22.

(C) No shares were held nominally at the end of FY22.

8.4. 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
25th August 2022

Financial Report

For the year ended 30 June 2022



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Consolidated statement of comprehensive income

For the year ended 30 June 2022

		2022	2021
	Note	\$'000	\$'000
Revenue	2.1	4,920,102	1,556,976
Other income		7,136	6,836
Operating expenses		(764,331)	(700,433)
Coal purchases		(308,049)	(173,683)
Selling and distribution expenses		(377,395)	(330,924)
Royalties		(368,778)	(108,789)
Depreciation and amortisation		(238,881)	(260,662)
Impairment losses	2.2	-	(650,000)
Administrative expenses		(46,886)	(34,228)
Share-based payments expense	5.5(a)	(9,234)	(6,995)
Foreign exchange gain/(loss)		7,570	(4,279)
Profit/(loss) before net financial expense		2,821,254	(706,181)
Finance income		1,464	228
Finance expense		(56,825)	(62,242)
Net finance expense	5.2	(55,361)	(62,014)
Profit/(loss) before tax		2,765,893	(768,195)
Income tax (expense)/benefit	2.3(a)	(813,928)	224,281
Net profit/(loss) for the year		1,951,965	(543,914)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net movement on cash flow hedges	5.2	(88)	(15,146)
Income tax effect	2.3(b)	26	4,544
Other comprehensive loss for the period, net of tax	5.2	(62)	(10,602)
Total comprehensive income/(loss) for the period, net of tax		1,951,903	(554,516)
Earnings per share			
Basic earnings/(loss) per share (cents per share)	2.4	197.6	(54.6)
Diluted earnings/(loss) per share (cents per share)	2.4	195.1	(54.6)

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 2022

		2022	2021
	Note	\$'000	\$'000
Assets			
Cash and cash equivalents		1,215,460	95,202
Trade and other receivables	3.1	657,459	154,163
Inventories	3.2	157,039	175,930
Derivatives	5.3(d)	31	-
Total current assets		2,029,989	425,295
Trade and other receivables	3.1	7,298	11,785
Investments	5.3(d)	856	37
Property, plant and equipment	4.1	3,426,847	3,330,413
Exploration and evaluation assets	4.2	647,289	613,508
Intangible assets	4.3	12,180	11,828
Derivatives	5.3(d)	74	-
Total non-current assets		4,094,544	3,967,571
Total assets		6,124,533	4,392,866
Liabilities			
Trade and other payables	3.3	361,897	231,268
Interest-bearing liabilities	5.1	77,843	75,116
Employee benefits	7.1	33,987	31,926
Income tax payable	2.3(c)	551,830	-
Provisions	4.4	16,461	18,423
Derivatives	5.3(d)	7,774	3,485
Total current liabilities		1,049,792	360,218
Non-current liabilities			
Other payables	3.3	48,464	46,269
Interest-bearing liabilities	5.1	166,854	917,597
Deferred tax liability	2.3(c)	405,169	155,055
Provisions	4.4	242,516	203,789
Derivatives	5.3(d)	104	4,200
Total non-current liabilities		863,107	1,326,910
Total liabilities		1,912,899	1,687,128
Net assets		4,211,634	2,705,738
Equity			
Issued capital	5.4(a)	2,642,338	3,013,661
Share-based payments reserve		14,867	12,213
Hedge reserve		(5,441)	(5,379)
Retained earnings		1,559,870	(314,757)
Total equity		4,211,634	2,705,738

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 2022

		Issued capital	Share-based payment reserve	Hedge reserve	Retained earnings	Total equity
		\$'000	\$'000	\$'000	\$'000	\$'000
	Note		5.4(b)	5.4(b)		
Balance at 1 July 2020		3,003,964	15,253	5,223	225,150	3,249,590
Loss for the period		-	-	-	(543,914)	(543,914)
Other comprehensive loss		-	-	(10,602)	-	(10,602)
Total comprehensive loss for the year		-	-	(10,602)	(543,914)	(554,516)
Transactions with owners in their capacity as owners						
Share-based payments	5.5(a)	-	6,995	-	-	6,995
Share issues/transfers to settle share-based payments		11,034	(7,470)	-	1,959	5,523
Cash settled share-based payments		-	(836)	-	319	(517)
Transfer on lapse of share-based payments		-	(1,729)	-	1,729	-
Purchase of shares through employee share plan	5.4(a)	(1,337)	-	-	-	(1,337)
Closing balance at 30 June 2021		3,013,661	12,213	(5,379)	(314,757)	2,705,738
Balance at 1 July 2021		3,013,661	12,213	(5,379)	(314,757)	2,705,738
Profit for the period		-	-	-	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)
Closing balance at 30 June 2022		2,642,338	14,867	(5,441)	1,559,870	4,211,634

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 2022

		2022	2021
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash receipts from customers		4,385,223	1,541,762
Cash paid to suppliers and employees		(1,803,269)	(1,372,274)
Cash generated from operations		2,581,954	169,488
Interest paid		(41,637)	(43,136)
Interest received		1,464	228
Income taxes (paid)/refunded		(11,958)	12,185
Net cash from operating activities	3.4	2,529,823	138,765
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		3,860	3,499
Purchase of property, plant and equipment		(124,210)	(68,693)
Expenditure on projects		(33,781)	(22,165)
Acquisition of subsidiary and private royalty ¹		(23,064)	(16,232)
Net cash used in investing activities		(177,195)	(103,591)
Cash flows from financing activities			
Payment of finance facility upfront costs		(6,248)	(2,538)
Purchase of shares		(12,879)	(1,337)
Proceeds from senior bank facility		40,000	110,000
Repayment of senior bank facility		(728,000)	(60,000)
Repayment of secured loans – ECA facility		(9,795)	(10,119)
Repayment of lease principal		(76,673)	(82,738)
Share buy-back ²		(358,981)	-
Payment of dividends		(79,794)	-
Net cash used in financing activities		(1,232,370)	(46,732)
Net change in cash and cash equivalents		1,120,258	(11,558)
Cash and cash equivalents at 1 July		95,202	106,760
Cash and cash equivalents at 30 June		1,215,460	95,202

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. The acquisition consideration is comprised of three components to be paid in instalments over five years. An amount of USD \$4.4 million was paid on 31 December 2021 upon completion of the agreement.

2 A share trade entered into on 30 June 2022 for \$3,588,000 was settled and paid on 4 July 2022 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 2022

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 2022 was authorised for issue in accordance with a resolution of the Directors on 25 August 2022. 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:

2.3	Taxes	page 63
4.1	Property, plant and equipment	page 72
4.2	Exploration and evaluation	page 73
4.4	Provisions	page 75
6.2	Interest in joint operations	page 91

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 2022 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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 2022 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 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.

Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 *Making Materiality Judgements* (the PS), in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures.

Notes to the consolidated financial statements

For the year ended 30 June 2022

The amendments aim to help entities provide accounting policy disclosures that are more useful by:

- replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies
- adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

These amendments are effective for annual periods beginning on or after 1 January 2023. They are not expected to have a significant impact on the Group's consolidated financial statements.

Amendments to IAS 8 – Definition of Accounting Estimates

In February 2021, the IASB issued amendments to IAS 8, in which it introduced a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

These amendments are effective for annual periods beginning on or after 1 January 2023. They are not expected to have a significant impact on the Group's consolidated financial statements.

Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the IASB issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

Under the amendments, the initial recognition exception does not apply to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. It only applies if the recognition of an asset and a liability resulting from a transaction gives rise to taxable and deductible temporary differences that are not equal.

These amendments are effective for annual periods beginning on or after 1 January 2023. 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. Coal trading and blending segment has been added in FY22 to capture the performance of 3rd party coal purchases and sales as well as the benefits the Group enjoys from blending different coal qualities from our mines in such a way that the final sale price achieved for the blended coal is greater. The prior comparative period has been restated to effect this change in segments.

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:

Notes to the consolidated financial statements

For the year ended 30 June 2022

	Open Cut Operations	Underground Operations	Coal Trading and Blending	Unallocated Operations	Total
Year ended 30 June 2022	\$'000	\$'000	\$'000	\$'000	\$'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					
Segment expenditure	63,267	57,775	-	36,949	157,991

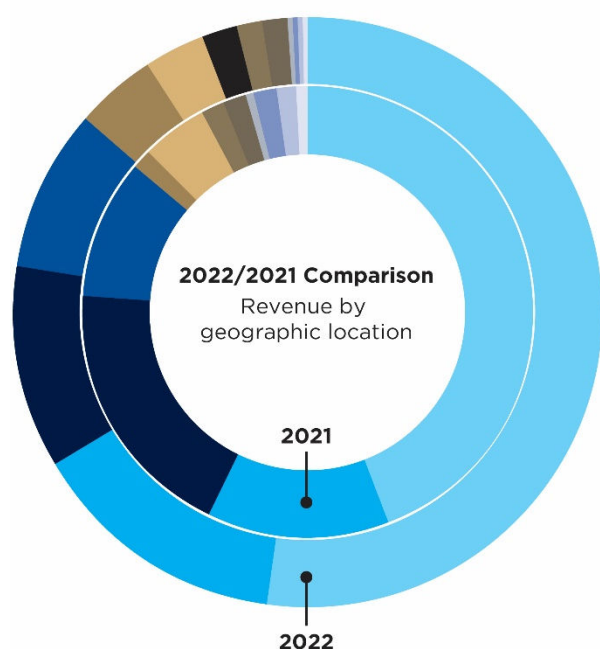
	Open Cut Operations	Underground Operations	Coal Trading and Blending	Unallocated Operations	Total
Year ended 30 June 2021	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Sales to external customers	1,107,187	263,101	189,506	(2,818)	1,556,976
Revenue by product type:					
Metallurgical coal	208,821	35,457	-	-	244,278
Thermal coal	898,366	227,644	189,506	(2,818)	1,312,698
Total revenue from contracts with customers	1,107,187	263,101	189,506	(2,818)	1,556,976
Result					
Segment EBITDA result	250,410	(48,657)	15,823	(13,095)	204,481
Impairment losses					(650,000)
Depreciation and amortisation					(260,662)
Income tax benefit					224,281
Net finance expense					(62,014)
Net loss after tax per consolidated statement of comprehensive income					(543,914)
Capital expenditure					
Segment expenditure	43,418	21,967	-	25,473	90,858

Notes to the consolidated financial statements

For the year ended 30 June 2022

Other segment information

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



	2022	2021
Revenue by geographic location	\$'000	\$'000
Japan	2,570,531	691,455
Taiwan	706,948	201,886
Korea	540,430	295,988
India	437,593	151,421
Indonesia	216,719	24,472
Malaysia	168,657	73,870
Europe	96,784	-
New Caledonia	66,857	25,796
Vietnam	64,275	22,939
Philippines	18,193	10,980
Thailand	12,704	26,335
Other	7,929	20,258
Domestic	12,482	11,576
Total revenue	4,920,102	1,556,976

Notes to the consolidated financial statements

For the year ended 30 June 2022

Major customers

The Group has three major customers, who account for 43.4% (2021: 40.5%) 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. Significant items

The items below are significant to understanding the overall results of the Group. The Company believes the disclosure of these items provides readers of the financial statements with further meaningful insights to understand the financial performance of the Group.

		2022	2021
	Note	\$'000	\$'000
Included within the balances presented on the face of the consolidated statement of comprehensive income:			
Impairment losses			
Property, Plant and Equipment	4.1	-	638,882
Intangibles	4.3	-	11,118
Significant items before tax		-	650,000
Applicable income tax benefit		-	(193,399)
Significant items after tax		-	456,601

Significant items are items of income and expense, which, due to their nature and variable financial impact or the expected infrequency of the events giving rise to them, are separated for internal reporting, and analysis of Whitehaven's results to aid in providing an understanding and comparative basis of the underlying financial performance. In FY21, Whitehaven recognised significant expenses totalling \$650 million. The significant expenses relate to asset impairments. For further details see notes 4.1 and 4.3. The FY21 impairment charge was allocated to the following:

- Narrabri (\$548.7 million) due to the reduction in the JORC Coal Reserves on the current Narrabri Mining Lease, arising out of an optimisation plan which has been developed to focus on the production of higher quality coal over the balance of mine life
- Werris Creek (\$90.2 million) due to revisions to its mine plan and uncertainties for this market segment after the adoption of conservative price assumptions considering the uncertainties in coal markets
- Rail intangible (\$11.1 million) relates to rail rights which are no longer expected to be utilised.

Notes to the consolidated financial statements

For the year ended 30 June 2022

2.3. Taxes

a) Income tax expense

	2022	2021
	\$'000	\$'000
Current tax (expense)/benefit		
Current period	(742,653)	68,478
Adjustments for prior periods	21	(1,040)
Deferred tax expense		
Origination and reversal of temporary differences	(92,339)	157,061
Recognition of tax losses	21,771	-
Adjustments for prior periods	(728)	(218)
Income tax (expense)/benefit reported in the consolidated statement of comprehensive income	(813,928)	224,281
Reconciliation between tax expense and profit before tax		
Profit/(loss) before tax	2,765,893	(768,195)
Income tax (expense)/benefit using the Company's domestic tax rate of 30% (2021: 30%)	(829,768)	230,459
Non-deductible expenses:		
Share-based payments	(2,770)	(2,098)
Other non-deductible expenses	(7,109)	(2,822)
Recognition of tax losses	21,771	-
On-market share purchases by employee share scheme trust reimbursed by the Group	3,927	-
Over/(under) provided in prior periods	21	(1,258)
Total income tax (expense)/benefit	(813,928)	224,281

b) Income tax recognised directly in other comprehensive income

	2022	2021
	\$'000	\$'000
<i>Deferred income tax related to items charged directly to equity</i>		
Derivatives	26	4,544
Income tax benefit recorded in equity	26	4,544

Notes to the consolidated financial statements

For the year ended 30 June 2022

c) Recognised tax assets and liabilities

	2022	2022	2021	2021
	Current income tax payable	Deferred income tax	Current income tax payable	Deferred income tax
	\$'000	\$'000	\$'000	\$'000
Opening balance	-	(155,055)	13,225	(384,920)
Charged to income – corporate tax	(742,653)	(92,339)	68,478	157,061
Charged to equity	-	26	-	4,544
(Utilisation)/recognition of deferred tax asset on current year losses	178,865	(178,865)	(68,478)	68,478
Recognition of tax losses	-	21,771	-	-
Adjustment for prior periods	-	(707)	(1,040)	(218)
Payments/(refunds)	11,958	-	(12,185)	-
Closing balance	(551,830)	(405,169)	-	(155,055)

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

	Assets		Liabilities	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property, plant and equipment	-	-	(417,868)	(328,752)
Exploration and evaluation	-	-	(82,200)	(68,027)
Receivables	-	-	(3,433)	(5,225)
Inventory	-	-	(1,394)	(1,390)
Investments	359	359	-	-
Right-of-use assets and lease liabilities (net)	-	-	(6,088)	(6,357)
Deferred stripping	-	-	(6,509)	(1,676)
Deferred foreign exchange gain	-	3,872	(2,387)	-
Provisions	86,178	74,564	-	-
Tax losses	27,589	180,976	-	-
Other items	584	-	-	(3,399)
Tax assets/(liabilities)	114,710	259,771	(519,879)	(414,826)
Set-off of tax (liabilities)/assets	(114,710)	(259,771)	114,710	259,771
Net tax liabilities	-	-	(405,169)	(155,055)

Notes to the consolidated financial statements

For the year ended 30 June 2022

d) Unrecognised deferred tax assets

There were no unrecognised income tax losses at 30 June 2022 (2021: \$21,771,000).

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.

Significant accounting judgements, estimates and assumptions

Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered probable that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These rely on estimates of future production and sales volumes, operating costs, rehabilitation costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation. These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and liabilities recognised on the consolidated statement of financial position. Other tax losses and temporary differences not yet recognised may also require adjustment, resulting in a corresponding credit or charge to the consolidated statement of comprehensive income.

Notes to the consolidated financial statements

For the year ended 30 June 2022

2.4. 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:

	2022	2021
	\$'000	\$'000
Profit attributable to ordinary shareholders		
Net profit/(loss) attributable to ordinary shareholders (\$'000)	1,951,965	(543,914)
Weighted average number of ordinary shares		
Issued ordinary shares at 1 July (000s)	998,624	992,026
Effect of shares issued/(acquired) during the year (000s)	(10,820)	4,519
Weighted average number of ordinary shares at 30 June (000s)	987,804	996,545
Basic earnings/(loss) per share attributable to ordinary shareholders (cents)	197.6	(54.6)

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:

	2022	2021
	\$'000	\$'000
Profit attributable to ordinary shareholders (diluted)		
Net profit/(loss) attributable to ordinary shareholders (diluted) (\$'000)	1,951,965	(543,914)
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares (basic) (000s)	987,804	996,545
Effect of performance rights on issue (000s)	12,603	-1
Weighted average number of ordinary shares (diluted) (000s)	1,000,407	996,545
Diluted earnings/(loss) per share attributable to ordinary shareholders (cents)	195.1	(54.6)

1 In FY21, the potential ordinary shares are anti-dilutive and therefore diluted earnings per share has not been calculated.

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

3. Working capital and cash flows

3.1. Trade and other receivables

	2022	2021
	\$'000	\$'000
Current		
Trade receivables	600,700	95,715
Other receivables and prepayments	28,549	39,476
Receivables due from other investors in joint operations	28,210	18,972
	657,459	154,163
Non-current		
Other receivables and prepayments	7,298	11,785

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

	2022	2021
	\$'000	\$'000
Coal stocks ¹	119,282	138,071
Consumables and stores	37,757	37,859
	157,039	175,930

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

3.3. Trade and other payables

	2022	2021
	\$'000	\$'000
Current		
Trade payables	59,948	78,808
Other payables and accruals	301,949	152,460
	361,897	231,268
Non-current		
Other payables	48,464	46,269

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

3.4. Reconciliation of cash flows from operating activities

		2022	2021
	Note	\$'000	\$'000
Profit/(loss) for the period		1,951,965	(543,914)
<i>Adjustments for:</i>			
Depreciation and amortisation		238,881	260,662
Impairment losses	2.2	-	650,000
Amortisation of deferred development costs	4.1	10,953	56,615
Development costs deferred	4.1	(101,605)	(94,578)
Amortisation of finance facility upfront costs		16,458	14,495
Non-cash interest expense accruals		(5,448)	1,341
Foreign exchange (gains)/losses unrealised		(17,281)	5,316
Unwinding of discounts on provisions	4.4	4,178	3,269
Share-based compensation payments	5.5(a)	9,234	6,995
Cash-settled share-based payments		-	(517)
Gain on sale of non-current assets		(1,905)	(3,680)
Subtotal		2,105,430	356,004
Change in trade and other receivables		(498,811)	(26,414)
Change in inventories and deferred stripping		(4,641)	(422)
Change in trade and other payables		133,331	38,955
Change in provisions and employee benefits		(7,430)	(17,263)
Change in tax payable		551,830	12,967
Change in deferred taxes		250,114	(225,062)
Cash flows from operating activities		2,529,823	138,765

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

4. Resource assets and liabilities

4.1. Property, plant and equipment

Year ended 30 June 2022	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 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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

Year ended 30 June 2021	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 2020	144,078	1,088,567	614,939	3,224,657	5,072,241	467,357	2,496,740	2,964,097	8,036,338
Additions	9,688	21,873	33,917	11,105	76,583	94,578	391,657	486,235	562,818
Transfers	25,035	-	-	(25,035)	-	-	-	-	-
Disposals	-	(22,524)	(38,188)	(31,981)	(92,693)	-	-	-	(92,693)
Balance at 30 June 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
Accumulated depreciation and impairment									
Balance at 1 July 2020	-	(412,581)	(253,572)	(608,080)	(1,274,233)	(169,116)	(2,437,995)	(2,607,111)	(3,881,344)
Depreciation charge for the year	-	(54,224)	(109,132)	(96,272)	(259,628)	(56,615)	(392,605)	(449,220)	(708,848)
Impairment	(5,335)	-	-	(288,644)	(293,979)	(292,693)	(52,210)	(344,903)	(638,882)
Disposals	-	22,492	30,532	-	53,024	-	-	-	53,024
Balance at 30 June 2021	(5,335)	(444,313)	(332,172)	(992,996)	(1,774,816)	(518,424)	(2,882,810)	(3,401,234)	(5,176,050)
Carrying amount at 30 June 2021	173,466	643,603	278,496	2,185,750	3,281,315	43,511	5,587	49,098	3,330,413

Impairment

Year-ended 30 June 2022

Based on the impairment analysis performed at 30 June 2022, no impairment loss was recognised.

Where there is an indicator that previously recognised impairment losses may no longer exist or may have decreased, the asset is tested for impairment. The impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount of the asset and is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, had no impairment loss been recognised. As the FY21 impairment was recognised on the basis of a reduction in JORC reserves at Narrabri and revisions to mine conditions at Werris Creek, no impairment reversal was recognised in FY22.

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

Year-ended 30 June 2021

Based on the impairment analysis performed at 30 June 2021, the Group identified impairments of \$638.9 million. The FY21 impairment charge was allocated to the following:

- Narrabri (\$548.7 million) due to the reduction in the JORC Coal Reserves on the current Narrabri Mining Lease, arising out of an optimisation plan which has been developed to focus on the production of higher quality coal over the balance of mine life
- Werris Creek (\$90.2 million) due to revisions to its mine plan and uncertainties for this market segment
After the adoption of conservative price assumptions considering the uncertainties in coal markets.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 \$32,600,000 in the year ended 30 June 2022 (2021: \$27,981,000).

The cost relating to leases with a contract term of less than twelve months amounted to \$14,822,000 for the year ended 30 June 2022 (2021: \$6,261,000).

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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.

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.

In assessing coal prices, we considered our latest internal forecasts and coal pricing assumptions from recognised commodity consultants. In determining their coal price forecasts, the commodity consultants considered scenarios from the International Energy Agency (IEA).

The recoverability of assets has been assessed by undertaking scenario analysis to better understand and assess external risks to our business and inform strategic decision making including against the independent externally verifiable scenarios of the International Energy Agency (IEA) Stated Policies Scenario (STEPS) and Sustainable Development Scenario (SDS). Scenario analysis is not the same as forecasting: it is a mechanism that uses scenarios, in some cases with dramatic deviations from a base case and with varying degrees of profitability, to test business resilience and to frame consequential financial outcomes.

If thermal coal is displaced in Asia either more rapidly or more slowly than our forecasts anticipate, or if supply reinvestment takes place more slowly than necessary to meet Asia's demand, then the resulting supply overhang or supply shortfall could result in commodity prices which are lower or higher.

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

4.2. Exploration and evaluation

Exploration and evaluation assets	\$'000
Balance at 1 July 2021	613,508
Exploration and evaluation expenditure	33,781
Balance at 30 June 2022	647,289
Balance at 1 July 2020	591,343
Exploration and evaluation expenditure	22,165
Balance at 30 June 2021	613,508

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, or
- 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, and
- 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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

4.3. Intangible assets

	Water access rights	Rail access rights ¹	Total
	\$'000	\$'000	\$'000
Balance at 1 July 2021	11,828	-	11,828
Additions	352	-	352
Balance at 30 June 2022	12,180	-	12,180
Balance at 1 July 2020	11,828	11,118	22,946
Impairment ²	-	(11,118)	(11,118)
Balance at 30 June 2021	11,828	-	11,828

- 1 As part of the agreement to cancel previously existing infrastructure sharing arrangements, Whitehaven agreed to pay 10.1% of the construction cost of the shared portion of the Boggabri-Maules Creek rail spur. In return, Whitehaven received access to rail tonnes on the joint rail spur.
- 2 Impairment relates to rail rights which are no longer expected to be utilised.

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 2021	222,212
Payments made on rehabilitation and biodiversity activities	(12,920)
Change in cost estimates	45,507
Unwinding of discount	4,178
Balance at 30 June 2022	258,977

	2022	2021
	\$'000	\$'000
Current	16,461	18,423
Non-current	242,516	203,789
Balance at 30 June	258,977	222,212

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

5. Capital structure and financing

5.1. Interest-bearing liabilities

	2022	2021
	\$'000	\$'000
Current liabilities		
Lease liabilities	71,665	72,191
Secured loans – ECA facility	9,470	9,796
Capitalised borrowing costs	(3,292)	(6,871)
	77,843	75,116
Non-current liabilities		
Senior bank facility	-	688,000
Lease liabilities	130,825	190,729
Secured loans – ECA facility	38,730	48,200
Capitalised borrowing costs	(2,701)	(9,332)
	166,854	917,597
	244,697	992,713
Financing facilities	1,250,690	1,320,916
Facilities utilised at reporting date	250,690	1,008,916
Facilities not utilised at reporting date	1,000,000	312,000

Financing activities during the financial year

During the current year, \$728 million of debt drawn under the senior bank facility was repaid (30 June 2021: \$60 million) and \$40 million was redrawn (30 June 2021: \$110 million). The Group repaid \$9.8 million of the ECA facility during the year (30 June 2021: \$10.1 million) and \$nil was drawn down (30 June 2021: \$nil). The senior bank facility and the ECA facilities are secured via a fixed and floating charge over the majority of the Group's assets. Under the facility, the Group is subject to compliance with gearing, net worth and interest coverage financial covenants.

Included within current and non-current lease liabilities are leases recognised in accordance with *AASB 16 Leases* of \$24,725,000 and \$42,281,000 respectively (30 June 2021: \$33,743,000 and \$55,244,000 respectively). 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 2022 and 30 June 2021.

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

5.2. Finance income and expense

	2022	2021
	\$'000	\$'000
<i>Recognised in the statement of comprehensive income</i>		
Interest income	1,464	228
Finance income	1,464	228
Interest expense on lease liabilities	(9,322)	(11,906)
Interest on drawn debt facility	(10,266)	(20,865)
Other financing costs	(18,691)	(13,100)
Interest and financing costs	(38,279)	(45,871)
Net interest expense	(36,815)	(45,643)
Unwinding of discounts on provisions	(4,178)	(3,269)
Amortisation of finance facility upfront costs	(14,368)	(13,102)
Other finance expenses	(18,546)	(16,371)
Net finance expense	(55,361)	(62,014)
<i>Recognised directly in equity</i>		
Net change in cash flow hedges	(88)	(15,146)
Income tax effect	26	4,544
Finance expense recognised directly in other comprehensive income, net of tax	(62)	(10,602)

Recognition and measurement

Finance income comprises interest income on funds invested and foreign currency gains. 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.

Foreign currency gains and losses are reported on a net basis.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 using a gearing ratio, which is net debt divided by total capital plus net debt.

There were no changes in the Group's approach to capital management during the year.

The Group's gearing ratio is calculated as net debt divided by total equity plus net debt.

	2022	2021
	\$'000	\$'000
Interest-bearing liabilities	(244,697)	(992,713)
Less cash and cash equivalents	1,215,460	95,202
Net cash/(debt)	970,763	(897,511)
Equity	4,211,634	2,705,738
Equity and net debt	3,240,871	3,603,249
Gearing ratio	n/a	25% ¹

¹ Calculated including lease liabilities under AASB 16 Leases of \$88,987,000.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 2022, a net foreign exchange gain of \$7.6 million was recognised (30 June 2021: net foreign exchange loss of \$4.3 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 2022 was a \$7.8 million liability (30 June 2021: \$7.7 million liability), comprising assets and liabilities that were recognised as derivatives.

At 30 June 2022, the Group had the following financial instruments that were not designated in cash flow hedges that were exposed to foreign currency risk:

	2022	2021
	\$'000 USD	\$'000 USD
Cash and cash equivalents	147,409	19,310
Trade and other receivables	4,904	28,159
Trade and other payables	(34,205)	(8,416)
Net statement of financial position exposure	118,108	39,053

The following exchange rates applied during the year:

	Average rate		Reporting date spot rate	
Fixed-rate instruments	2022	2021	2022	2021
USD	0.7258	0.7468	0.6889	0.7518

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 2022		
AUD:USD strengthening by 10%	1,978	(15,586)
AUD:USD weakening by 10%	(19,684)	19,049
30 June 2021		
AUD:USD strengthening by 10%	7,916	(4,722)
AUD:USD weakening by 10%	(9,634)	5,772

Notes to the consolidated financial statements

For the year ended 30 June 2022

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	
	2022	2021
	\$'000	\$'000
Fixed rate instruments		
Lease liabilities	(202,490)	(262,920)
	(202,490)	(262,920)
Variable rate instruments		
Financial assets	1,215,460	95,202
Financial liabilities	(48,201)	(745,996)
	1,167,259	(650,794)

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 2022		
100bp increase	-	11,673
100bp decrease	-	(11,673)
30 June 2021		
100bp increase	-	(6,508)
100bp decrease	-	6,508

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

Exposure to credit risk

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

	Note	Carrying amount	
		2022	2021
		\$'000	\$'000
Cash and cash equivalents		1,215,460	95,202
Trade and other receivables	3.1	600,700	95,715
Derivative financial instruments	5.3(d)	105	-
Investments	5.3(e)	856	37
		1,817,121	190,954

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

Asia	564,062	84,405
Australia	36,630	11,310
Europe	8	-
	600,700	95,715

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 43.4% of the Group's revenue is attributable to sales transactions with three customers (2021: 40.5% 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.

The Group recognised an impairment loss for trade receivables of \$nil during the year ended 30 June 2022 (2021: \$nil).

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

	Gross	
	2022	2021
	\$'000	\$'000
Not past due	598,217	91,517
Past due 0-30 days	2,064	3,958
Past due 31-120 days	419	240
Past due 121 days to one year	-	-
More than one year	-	-
	600,700	95,715

Guarantees

The policy of the Group is to provide bank guarantees for bonding requirements associated with mining operations, infrastructure assets and other purposes such as security of leased premises. Guarantees are provided under the senior secured bank facility, secured bilateral bank guarantee facilities and unsecured bank facilities. Details of outstanding guarantees are provided in note 7.4.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 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

30 June 2021							
	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	262,920	300,961	42,754	38,588	76,453	103,441	39,725
Senior bank facility	688,000	688,000	-	-	-	688,000	-
Secured loans	57,996	61,463	5,593	5,212	10,298	27,243	13,117
Trade and other payables	277,537	279,843	231,602	-	16,115	32,126	-
Forward exchange contracts:							
Outflow	209,885	209,957	157,715	4,001	16,115	32,126	-
Inflow	(202,200)	(202,200)	(154,210)	(3,984)	(14,669)	(29,337)	-
	1,294,138	1,338,024	283,454	43,817	104,312	853,599	52,842

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 2022 and 30 June 2021.

- 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:

	30 June 2022	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000	\$'000
Assets measured at fair value				
Equity shares	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)	-
	30 June 2021	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000	\$'000
Assets measured at fair value				
Equity shares	37	-	-	37
Forward exchange contracts - receivable	-	-	-	-
	37	-	-	37
Liabilities measured at fair value				
Forward exchange contracts - payable	(7,685)	-	(7,685)	-
	(7,685)	-	(7,685)	-

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 2022.

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

e) Financial assets and liabilities by categories

Note	2022		2021	
	Amortised cost	Other ¹	Amortised cost	Other ¹
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	1,215,460	-	95,202	-
Trade and other receivables	3.1 664,757	-	165,948	-
Investments	5.3(d) -	856	-	37
Other financial assets ¹	5.3(d) -	105	-	-
Total financial assets	1,880,217	961	261,150	37

1 Other financial assets at 30 June 2022 include \$0.1 million relating to derivatives in designated hedges.

Note	2022		2021	
	Amortised cost ¹	Other ²	Amortised cost ¹	Other ²
	\$'000	\$'000	\$'000	\$'000
Financial liabilities				
Trade and other payables	3.3 410,361	-	277,537	-
Loans and borrowings	5.1 244,697	-	992,713	-
Other financial liabilities ²	5.3(d) -	7,878	-	7,685
Total financial liabilities	655,058	7,878	1,270,250	7,685

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 \$7.9 million (2021: \$7.7 million) relating to derivatives in designated hedges.

f) Changes in liabilities arising from financing activities

	30 June 2022	30 June 2021
	\$'000	\$'000
As at 1 July	1,008,916	1,052,720
Outflows from secured loans	(9,795)	(10,119)
Outflows from lease liabilities	(76,673)	(82,738)
Net (outflows)/inflows from senior bank facility	(688,000)	50,000
Increase/(Decrease) in lease liabilities	16,242	(947)
As at 30 June	250,690	1,008,916
Consisting of:		
Current loans and borrowings¹	81,135	81,987
Non-current loans and borrowings²	169,555	926,929

1 Current loans and borrowings does not include capitalised borrowing costs of \$3,292,000 (2021: \$6,871,000).

2 Non-current loans and borrowings does not include capitalised borrowing costs of \$2,701,000 (2021: \$9,332,000).

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

Notes to the consolidated financial statements

For the year ended 30 June 2022

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.

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For the year ended 30 June 2022

5.4. Share capital and reserves

a) Share capital

	2022		2021	
	Number of shares	\$'000	Number of shares	\$'000
Fully paid ordinary share capital			1,032,644,232	3,013,661
Ordinary share capital at the beginning of the period	1,032,644,232	3,013,661	1,026,045,885	3,003,964
Shares issued	-	-	6,598,347	6,268
Share buy-back ¹	(76,372,580)	(362,568)	-	-
Transfer of shares by share plan	-	4,124	-	4,766
Shares purchased by share plan	-	(12,879)	-	(1,337)
Ordinary share capital at the end of the period	956,271,652	2,642,338	1,032,644,232	3,013,661

¹ Includes share trade entered into on 30 June 2022 for 738,311 shares totalling \$3,587,970, which was settled and paid on 4 July 2022.

At 30 June 2022, a trust on behalf of the Company held 2,502,186 ordinary fully paid shares in the Company (30 June 2021: 4,123). During the year, 1,611,937 of these shares were transferred to performance rights plan recipients and 4,110,000 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

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.

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.

c) Dividends

Dividends of \$79,890,000 were paid to shareholders during the year ended 30 June 2022 (2021: \$nil).

On 25 August 2022, the Directors declared a fully franked final dividend of 40 cents per share totalling \$368.9 million to be paid on 16 September 2022.

Dividend franking account

As at 30 June 2022, \$nil franking credits were available to shareholders of Whitehaven Coal Limited (30 June 2021: \$nil). When the final dividend is paid on 16 September 2022, the franking account will be in a deficit balance until the Group's FY22 tax liability is paid in full to the ATO on 1 December 2022, returning the account to a credit balance.

Notes to the consolidated financial statements

For the year ended 30 June 2022

5.5. Share-based payments

a) Recognised share-based payment expenses

	2022	2021
Employee expenses	\$'000	\$'000
Share options and performance rights – senior employees	9,234	6,995

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 and option grant to CEO and senior employees

The Company issued performance rights to the CEO and senior employees under the Company's medium and long-term incentive (MTI and LTI) programs in FY21 and FY22. The terms and conditions of the grant are as follows:

	2022		2021	
Performance rights	Number of instruments	Vesting date	Number of instruments	Vesting date
MTI	2,424,720	30 June 2024	2,948,107	30 June 2023
LTI tranche 1	671,499	30 June 2024	909,933	30 June 2023
LTI tranche 2	671,499	30 June 2025	909,928	30 June 2024
LTI tranche 3	1,764,165	30 June 2024/25 ¹	2,305,625	30 June 2023/24 ¹
LTI tranche 4	421,171	30 June 2025	485,768	30 June 2024
Total	5,953,054		7,559,361	

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 are subject to a performance measure linked to relative total shareholder return (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 Company must also achieve positive TSR performance before any vesting of SPD rights. 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 FY22 (or for which the test period concluded on 30 June 2022) and the results of the relevant test:

		Outcomes		
MTI Year	Test Type	Performance	Vested	Lapsed
2019	Relative TSR	68th percentile	86.84%	13.16%
2019	Costs Target Hurdle	75th percentile	100%	0%

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 options/rights	Weighted average exercise price	Number of options/rights
	2022	2022	2021	2021
Outstanding at beginning of period	\$0.17	14,178,517	\$0.59	14,230,664
Exercised during the period	\$0.72	(1,393,492)	\$0.00	(2,605,673)
Granted during the period	\$0.00	6,805,561 ¹	\$0.00	8,338,227 ²
Forfeited during the period	\$0.00	(1,605,058)	\$0.19	(1,606,826)
Lapsed during the period	\$0.78	(1,868,527)	\$1.34	(4,177,875)
Outstanding at 30 June	\$0.00	16,117,001	\$0.17	14,178,517
Exercisable at 30 June	\$0.00	32,549	\$0.92	1,095,626

1 Includes 852,507 performance rights granted during the year under the FY21 STI scheme.

2 Includes 643,067 performance rights granted during the year under the FY20 STI scheme.

The outstanding balance as at 30 June 2022 is represented by:

Options/performance rights over ordinary shares	Number	Exercise price	Dates exercisable between
Performance rights	18,983	\$nil	30 June 2022 - 13 August 2026
Performance rights	3,095	\$nil	30 June 2022 - 31 August 2027
Performance rights	235,805	\$nil	30 June 2022 - 27 October 2028
Performance rights	2,399,798	\$nil	30 June 2022 - 28 October 2029
Performance rights	6,788,764	\$nil	30 June 2022 - 31 October 2030
Performance rights	6,670,556	\$nil	25 August 2022 - 31 October 2031
Outstanding at 30 June 2022	16,117,001		

During the year ended 30 June 2022, 830,531 share options and 562,961 performance rights were exercised (2021: nil share options and 2,605,673 performance rights).

The weighted average remaining contractual life of share options and performance rights outstanding at 30 June 2022 is 8.6 years (2021: 7.9 years).

Notes to the consolidated financial statements

For the year ended 30 June 2022

d) Option 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.

The following table lists the inputs to the models used for the years ended 30 June 2022 and 30 June 2021:

2022	Rights						
	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%

2021	Rights						
	MTI	MTI	LTI	LTI	LTI	LTI	LTI
Performance hurdle	TSR	Cost	TSR	TSR	Cost	Cost	TSR/Strategic Objectives
Grant date	4 Dec 20	4 Dec 20	4 Dec 20	4 Dec 20	4 Dec 20	4 Dec 20	4 Dec 20
Vesting date	30 Jun 23	30 Jun 23	30 Jun 23	30 Jun 24	30 Jun 23	30 Jun 24	30 Jun 24
Fair value at grant date	\$0.91	\$1.61	\$0.91	\$0.97	\$1.61	\$1.61	\$1.09
Share price	\$1.61	\$1.61	\$1.61	\$1.61	\$1.61	\$1.61	\$1.61
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	0.12%	0.12%	0.12%	0.14%	0.12%	0.14%	0.14%

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

Notes to the consolidated financial statements

For the year ended 30 June 2022

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	
	2022	2021		2022	2021
Parent entity					
Whitehaven Coal Limited					
Subsidiaries					
Whitehaven Coal Mining Limited ¹	100%	100%	Maules Creek Coal Pty Ltd ¹	100%	100%
Namoi Mining Pty Ltd ¹	100%	100%	Boardwalk Resources Limited ¹	100%	100%
Namoi Agriculture & Mining Pty Ltd	100%	100%	Boardwalk Coal Management Pty Ltd ¹	100%	100%
Betalpha Pty Ltd ¹	100%	100%	Boardwalk Coal Marketing Pty Ltd ¹	100%	100%
Tarrawonga Coal Pty Ltd ¹	100%	100%	Boardwalk Sienna Pty Ltd ¹	100%	100%
Tarrawonga Coal Sales Pty Ltd ²	100%	100%	Boardwalk Monto Pty Ltd ¹	100%	100%
Whitehaven Coal Holdings Pty Ltd ¹	100%	100%	Boardwalk Dingo Pty Ltd ¹	100%	100%
Whitehaven Coal Infrastructure Pty Ltd ¹	100%	100%	Boardwalk Ferndale Pty Ltd ¹	100%	100%
Narrabri Coal Australia Pty Ltd ²	100%	100%	Coalworks Limited ¹	100%	100%
Narrabri Coal Pty Ltd ¹	100%	100%	Yarrawa Coal Pty Ltd ¹	100%	100%
Narrabri Coal Operations Pty Ltd ¹	100%	100%	Loyal Coal Pty Ltd	92.5%	92.5%
Narrabri Coal Sales Pty Ltd ¹	100%	100%	Ferndale Coal Pty Ltd	92.5%	92.5%
Creek Resources Pty Ltd ¹	100%	100%	Coalworks (Oaklands North) Pty Ltd ¹	100%	100%
Werris Creek Coal Sales Pty Ltd ¹	100%	100%	CWK Nominees Pty Ltd ¹	100%	100%
Werris Creek Coal Pty Ltd ¹	100%	100%	Oaklands Land Pty Ltd ¹	100%	100%
WC Contract Hauling Pty Ltd ¹	100%	100%	Coalworks (Vickery South) Pty Ltd ¹	100%	100%
Whitehaven Blackjack Pty Ltd ¹	100%	100%	Coalworks Vickery South Operations Pty Ltd ¹	100%	100%
Whitehaven Project Pty Ltd ¹	100%	100%	Vickery South Marketing Pty Ltd ¹	100%	100%
Whitehaven Employee Share Plan Pty Ltd ¹	100%	100%	Vickery South Operations Pty Ltd ¹	100%	100%
Whitehaven WS Pty Ltd ²	100%	100%	Vickery South Pty Ltd ¹	100%	100%
Aston Resources Limited ¹	100%	100%	Vickery Coal Pty Ltd ²	100%	100%
Aston Coal 2 Pty Ltd ¹	100%	100%	Winchester South WS Pty Ltd	100%	100%
Aston Coal 3 Pty Ltd ¹	100%	100%	Winchester South Coal Operations Pty Ltd ²	100%	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.

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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:

	Country of incorporation	Ownership interest and voting rights	
		2022	2021
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	
	2022	2021
Information relating to Whitehaven Coal Limited	\$'000	\$'000
Current assets	504,802	302,100
Total assets	2,321,112	2,759,914
Current liabilities	-	-
Total liabilities	-	-
Issued capital	2,780,095	3,142,664
Retained earnings	(473,850)	(394,963)
Share-based payments reserve	14,867	12,213
Total shareholders' equity	2,321,112	2,759,914
Loss of the parent entity ¹	(2,812)	(654,191)
Total comprehensive loss of the parent entity	(2,812)	(654,191)

1 Included within the loss for the year ended 30 June 2022 is a charge of \$nil (FY21: \$650 million) relating to impairment of investments in subsidiaries. Refer to note 2.2 for details of impairment of the underlying assets.

Notes to the consolidated financial statements

For the year ended 30 June 2022

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 footnote 1) 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 and 24 June 2020.

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	
	2022	2021
	\$'000	\$'000
Statement of comprehensive income		
Profit/(loss) before tax	2,765,893	(768,195)
Income tax (expense)/benefit	(813,928)	224,281
Profit/(loss) after tax	1,951,965	(543,914)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Net movement on cash flow hedges	(88)	(15,146)
Income tax effect	26	4,544
Other comprehensive income/(loss) for the period, net of tax	(62)	(10,602)
Total comprehensive income/(loss) for the period, net of tax	1,951,903	(554,516)
Statement of financial position		
Assets		
Cash and cash equivalents	1,215,375	95,117
Trade and other receivables	659,392	156,096
Inventories	157,039	175,930
Derivatives	31	-
Total current assets	2,031,837	427,143
Trade and other receivables	7,298	11,785
Investments	856	37
Property, plant and equipment	3,426,550	3,330,116
Exploration and evaluation	647,289	613,508
Intangible assets	12,180	11,828
Derivatives	74	-
Total non-current assets	4,094,247	3,967,274
Total assets	6,126,084	4,394,417

Notes to the consolidated financial statements

For the year ended 30 June 2022

	Closed Group	
	2022	2021
	\$'000	\$'000
Statement of financial position		
Liabilities		
Trade and other payables	361,894	231,265
Interest-bearing liabilities	77,843	75,116
Employee benefits	33,987	31,926
Income tax payable	551,830	-
Provisions	16,461	18,423
Derivatives	7,774	3,485
Total current liabilities	1,049,789	360,215
Non-current liabilities		
Other payables	48,464	46,269
Interest-bearing liabilities	166,854	917,597
Deferred tax liabilities	405,169	155,055
Provisions	242,516	203,789
Derivatives	104	4,200
Total non-current liabilities	863,107	1,326,910
Total liabilities	1,912,896	1,687,125
Net assets	4,213,188	2,707,292
Issued capital	2,639,938	3,011,261
Share-based payments reserve	14,867	12,213
Hedge reserve	(5,441)	(5,379)
Retained earnings	1,563,824	(310,803)
Equity	4,213,188	2,707,292

6.5. Related parties

	2022	2021
	\$'000	\$'000
Compensation to Executive KMP and Non-Executive Directors of the Group		
Short-term employee benefits	5,817	5,052
Contributions to superannuation plans	183	172
Share-based compensation payments	3,087	2,028
Total compensation	9,087	7,252

Notes to the consolidated financial statements

For the year ended 30 June 2022

7. Other notes

7.1. Employee benefits

	2022	2021
	\$'000	\$'000
Consolidated statement of comprehensive income		
Wages and salaries	205,975	189,259
Contributions to superannuation plans	14,236	13,223
Other associated personnel expenses	8,976	6,432
Increase in liability for annual leave	3,614	1,542
Increase in liability for long service leave	112	19
Share-based compensation payments	9,234	6,995
	242,147	217,470
Consolidated statement of financial position		
Salaries and wages accrued	7,832	9,497
Liability for long service leave	449	337
Liability for annual leave	25,706	22,092
	33,987	31,926

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.

Notes to the consolidated financial statements

For the year ended 30 June 2022

7.2. Auditor's Remuneration

	2022	2021
	\$	\$
<i>Auditors of the Company - Ernst & Young (Australia)</i>		
Fees to the auditor for		
Audit and review of statutory financial statements of the parent covering the Group	602,315	573,028
Audit of joint operations	343,685	326,972
Total audit services	946,000	900,000
Other assurance services where there is discretion as to whether the service is provided by the auditor or another firm		
Review of <i>National Greenhouse and Energy Reporting Act 2007</i> requirements	115,000	60,000
Debt capital markets assurance services	209,741	-
Total other assurance services	324,741	60,000
Other services		
Other non-audit services	-	-
Total other services	-	-
Total auditor's remuneration	1,270,741	960,000

7.3. Commitments

a) Capital expenditure commitments

	2022	2021
	\$'000	\$'000
Contracted for but not provided for and payable:		
Within one year ¹	42,598	10,027

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

Notes to the consolidated financial statements

For the year ended 30 June 2022

7.4. Contingencies

a) Bank guarantees

	2022	2021
	\$'000	\$'000
The Group provided bank guarantees to:		
i) government departments as a condition of continuation of mining and exploration licences	256,468	276,330
ii) rail capacity providers	25,529	29,339
iii) port capacity providers	156,564	137,046
iv) electricity network access supplier	20,493	22,470
v) other	3,688	3,367
	462,742	468,552

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 40 cents per share totalling \$368.9 million to be paid on 16 September 2022.
- John Conde has advised that he will not stand for re-election at the Company's Annual General Meeting on 26 October 2022.

Directors' declaration

For the year ended 30 June 2022

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 2022 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 2022
- (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
25th August 2022

Independent Auditor's report

For the year ended 30 June 2022



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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"), which comprises the statement of financial position as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial report, including a summary of significant accounting policies, and the directors' declaration.

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

- a. Giving a true and fair view of the Company's financial position as at 30 June 2022 and of its 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 Company 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 as a whole, 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.

Independent Auditor's report

For the year ended 30 June 2022



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working world

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

Why significant	How our audit addressed the key audit matter
At 30 June 2022, the Group's consolidated statement of financial position included \$3,427m of property, plant and equipment and \$647.3m of exploration and evaluation assets. As disclosed in Note 4.1 of the financial report, the Group assess 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 such as coal, forecast coal price, operating costs and capital expenditure, discount rates and 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 assess 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 2022, the Group concluded no impairment indicators were present. 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 value of the carrying amount of these assets relative to the Group's total assets, and the significant judgement involved in the assessment of indicators of impairment in particular the impact of changes in the demand and price for coal 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 completeness of 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 the prior year. ◦ 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 consider the existence of information contrary to the Group's impairment indicators conclusion. With regards to exploration and evaluation assets, we performed procedures on the Group's assessment of indicators of impairment for each area of interest: ▶ Obtained evidence to support title to the areas of interest and the regulatory approvals received for Vickery 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. 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 2022 annual report other than 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.

Independent Auditor's report

For the year ended 30 June 2022



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Our opinion on the financial report does not cover the other information and we do not and will 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 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 Group 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.

Independent Auditor's report

For the year ended 30 June 2022



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- ▶ 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 Company'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 business activities within the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the 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.

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 23 to 48 of the directors' report for the year ended 30 June 2022.

Independent Auditor's report

For the year ended 30 June 2022



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In our opinion, the Remuneration Report of Whitehaven Coal Limited for the year ended 30 June 2022, 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
25 August 2022

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
JPMorgan Chase & Co.	6.72%	64,306,391	18 Aug 2022
Dimensional Entities	5.08%	48,633,676	12 Jul 2022

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	6,833	0.35
1,001 - 5,000	7,689	2.17
5,001 - 10,000	2,771	2.24
10,001 - 100,000	3,056	8.89
100,001 and over	248	86.35
	20,597	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 468.

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	174,060,388	18.20
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	173,735,018	18.17
CITICORP NOMINEES PTY LTD	168,680,027	17.64
BNP PARIBAS NOMS PTY LTD <DRP>	58,282,858	6.09
NEWECONOMY COM AU NOMINEES PTY LIMITED <900 ACCOUNT>	28,775,901	3.01
AET SFS PTY LTD <BOARDWALK RES INV P/C>	26,678,979	2.79
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	22,903,567	2.40
NATIONAL NOMINEES LIMITED	22,672,308	2.37
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	21,126,181	2.21
BRISPTOT NOMINEES PTY LTD <HOUSE HEAD NOMINEE A/C>	7,972,428	0.83
WARBONT NOMINEES PTY LTD <UNPAID ENTREPOT A/C>	5,967,895	0.62
BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD <DRP A/C>	5,652,370	0.59
BNP PARIBAS NOMS PTY LTD <GLOBAL MARKETS DRP>	5,121,828	0.54
BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING COLLATERAL>	4,704,189	0.49
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED GSCO ECA	4,409,572	0.46
UBS NOMINEES PTY LTD	4,212,567	0.44
ECAPITAL NOMINEES PTY LIMITED <ACCUMULATION A/C>	3,195,786	0.33
INVIA CUSTODIAN PTY LIMITED <ABEX LIMITED A/C>	3,100,889	0.32
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	2,959,602	0.31
NATIONAL NOMINEES LIMITED <DB A/C>	2,697,760	0.28
	746,910,113	78.11

This information is current as at 18 August 2022.

Glossary

ARTC	Australian Rail Track Corporation
ASEAN	Association of Southeast Asian Nations
bcm	Bank cubic metre
CHPP	Coal Handling Preparation Plant
CV	Calorific value
EBITDA	Earnings Before Interest, Taxation, Depreciation and Amortisation
ECA	Export Credit Agency
FEC	Forward Exchange Contract
FOB	Free-on-Board
FVLCD	Fair Value Less Costs of Disposal
FY21	Financial Year ending 30 June 2021
FY22	Financial Year ending 30 June 2022
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
MTI	Medium-Term Incentive
Mtpa	Million tonnes per annum
NAR	Net As Received basis
NCIG	Newcastle Coal Infrastructure Group
NPAT	Net profit after tax
PWCS	Port Waratah Coal Services
ROM	Run-of-Mine
SIP	Single Incentive Plan
STI	Short-Term Incentive
t	Tonne
TFR	Total Fixed Remuneration
TRIFR	Total Recordable Injury Frequency Rate
TSR	Total Shareholder Return
VWAP	Volume weighted average price

Corporate directory

Directors

The Hon. Mark Vaile AO

Chairman

John Conde AO

Deputy Chairman

Dr Julie Beeby

Non-Executive Director

Paul Flynn

Managing Director and CEO

Lindsay Ward

Non-Executive Director

Fiona Robertson

Non-Executive Director

Raymond Zage

Non-Executive Director

Company Secretary

Timothy Burt

Registered and Principal Administrative Office

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Australian Business Number

ABN 68 124 425 396

Stock Exchange Listing

**Australian Securities
Exchange Limited**

ASX Code: WHC

Auditor

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Share Registry

Computershare Investor Services Pty Limited

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Victoria 3001 Australia

P 1300 855 080

(or +61 3 9415 4000)

Country of Incorporation

Australia

Web address

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