



Company	Whitehaven Coal Ltd
Code	WHC
Meeting	AGM
Date	17 October 2019
Venue	The Mint Sydney
Monitor	Geoff Orrock

Number attendees at meeting	30 shareholders plus 20 visitors
Number of holdings represented by ASA	35
Value of proxies	\$0.8m
Number of shares represented by ASA	244,219
Market capitalisation	\$3.24 billion
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	No

Whitehaven's Coal has a long term future

The Chair and MD both referred to another record year which facilitated an unprecedented distribution of 50cps to shareholders by way of a full year dividend payout ratio of 88% of net profit after tax. Both also commented on the strong position the company is in for continuing future success with increasing demand for the company's high calorific value, low impurity thermal coal across India and SE Asia. The International Energy Agency predicts that coal fired power generation in these markets will grow by more than 200% by 2040. Future growth is underpinned by the two significant near-term assets at Vickery and South Winchester which will take saleable coal production towards 40 mtpa by 2030.

The Chair then opened the formal part of the business (which was not recorded) for discussion of Financial Performance.

There were few questions and more than an hour of comment relating to climate change (or climate emergency), the future of coal fired power, particularly under a proposed 1.5 degree scenario, (the lack of) community support, and problems in waste handling. The company referred most speakers to its *Sustainability Report 2019* which discusses business resilience and how the company plans to successfully chart a path into a more carbon constrained future. The company

also remarked that it recognised that it operates only with community support and social licence and detailed a number of initiatives.

ASA asked if free-on-board Costs had spiked or would remain at the current level and we were told that the most likely range was around A\$70/t.

Another shareholder enquired that with the possibility of takeover offers at the current share price, would further share buy-backs be implemented. He was told that the disposition of cash would be considered by the Board over time.

Both Remuneration Report and MD's long-term incentive Grant resolutions were well supported as were the election and re-election of directors. ASA reminded the Board of our views on diversity and commented that an ASX-200 company which ASA monitored had a majority of women directors and over the last ten years total shareholder return had exceeded 1,700% which drew some wry smiles on the front table.

The proportional takeover provisions were renewed and the alteration to the Constitution was fully supported.

The meeting closed just short of 3 hours duration.

At the end of the meeting ASA expressed concerns to the Chair over the length of the meeting and that many of the early speakers had left without voting and asked the Board to consider that rather than discuss the many ESG issues raised under Item 1 - Financial Performance it would be more appropriate to have these discussions under a separate Item.

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