



NEWS

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OCTOBER TO DECEMBER 2014 QUARTER COAL PRICE NEGOTIATION

Price negotiations for the October to December 2014 quarter for metallurgical coal exports from Wesfarmers Resources' Curragh mine in Queensland's Bowen Basin have now been concluded with the majority of customers.

For the October to December 2014 quarter, the weighted average US\$FOB for new contract prices of Curragh metallurgical coal (hard coking, semi coking and PCI) will decrease by approximately one per cent as compared to the July to September 2014 quarter prices. Approximately 70 per cent of deliveries in the October to December 2014 quarter are forecast to be at the new contract prices with the balance at carry over prices, and subject to actual contract deliveries for the October to December 2014 quarter.

Managing Director of Wesfarmers Resources Mr Stewart Butel said the coal pricing outcome for Curragh's range of metallurgical coals was in line with recent market price settlements.

"Curragh's hard coking coal benchmark price has remained largely flat over the three quarters to December 2014," Mr Butel said. "Curragh's hard coking coal benchmark price for the October to December 2014 quarter does, however, reflect a US\$37 per tonne or an approximate 25 per cent decrease from pricing in the October to December 2013 quarter, in line with market pricing."

For further information:

Mark Scatena
General Manager, Investor Relations & Planning
(+61) 8 9327 4416 or (+61) 439 979 398

Stewart Butel
Managing Director, Wesfarmers Resources
(+61) 7 3031 7794

APPENDIX ONE – QUARTERLY PRICE SETTLEMENTS (CURRAGH)

| Quarterly Pricing Settlements ^{1,3} | Units | FY14 | | FY15 | |
|---|--|-------------------|-------------------|-------------------|-------------------|
| | | Jan – Mar 2014 | Apr – Jun 2014 | Jul - Sep 2014 | Oct – Dec 2014 |
| Weighted average ² price movement (quarter on quarter) | per cent | (5) | (16) | 0 | (1) |
| Hard coking coal benchmark price ⁴ | US\$ FOB per metric tonne ³ | 138 | 111 | 111 | 110 |

1. Wesfarmers Resources, in its ordinary course of business, enters into forward foreign exchange contracts to protect the division from adverse currency fluctuations. Further details in relation to the hedging profile can be found in the Wesfarmers Limited 2014 Full Year Results Supplementary Information released to the ASX on 20 August 2014.
2. Weighted average pricing for Curragh metallurgical coal (hard coking, semi coking and PCI).
3. Price settlements are approximate.
4. Based on highest price for Curragh hard coking coal in the quarter.