

19 January 2011

The Manager Company Announcements Office Australian Securities Exchange

Dear Sir,

# QUARTERLY STATEMENT OF PRODUCTION, DEVELOPMENT AND EXPLORATION

Please find attached a copy of the quarterly statement covering the production, development and exploration mining activities within the Wesfarmers group for the quarter ended 31 December 2010.

Yours faithfully,

L J KENYON COMPANY SECRETARY

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# **Quarterly Statement of Production, Development and Exploration**

# **DECEMBER 2010**

### **PREMIER**

### **Production**

Overburden removal was 25.4 per cent lower than the previous quarter due to operating in a low ratio part of the mine area. Coal production for the quarter was 811,000 tonnes, 16.0 per cent higher than for the previous quarter due to increased demand from Verve Energy.

### **Development**

There was no significant development activity during the quarter.

## **Exploration**

There was no significant exploration activity during the quarter.

## **CURRAGH**

#### **Production**

Overburden removal was 13.8 per cent lower than the previous quarter.

Coal production for the quarter was 2,380,000 tonnes (comprising 1,736,000 tonnes of metallurgical coal and 644,000 tonnes of steaming coal), 14.3 per cent higher than the previous quarter. Metallurgical coal production increased by 25.4 per cent compared to the previous quarter, as a result of unseasonal wet weather in the September quarter, and improved metallurgical coal yield. Steaming coal production was 7.7 per cent lower than the previous quarter due to lower steaming coal yield.

The month of December was affected by record wet weather and major flooding in Central Queensland resulting in significantly reduced coal production. The March 2011 quarter production will be affected by this extreme flood event.

### **Development**

As previously announced, the expansion of Curragh Mine up to 8.5 million tonnes per annum of export metallurgical coal was approved by the Wesfarmers Limited Board on 10 November 2009. Expansion works are underway, with the project scheduled for completion in late calendar year 2011.

## **Exploration**

A drilling program continued during the period at Curragh comprising 61 chip holes. The program was designed to target infill structural definition. No further exploration drilling was undertaken at Curragh North.

# **BENGALLA**

## **Production**

Wesfarmers' share of coal production for the quarter was 664,000 tonnes, 49.2 per cent higher than the previous quarter due to operating in a more productive part of the mine sequence.

# **Development**

An expansion of the mine's production from 7.8 to 9.3 million tonnes of run of mine (ROM) coal was approved on 30 November 2010.

# **Exploration**

There was no significant exploration activity during the quarter.

# ATTRIBUTABLE PRODUCTION

Mine	Ownership	Beneficial Interest	Coal Type	Quarter ended ('000 tonnes)			Full year ended ('000 tonnes)			% Change		
				Dec-09	Sep-10	Dec-10	Dec-08	Dec-09	Dec-10	Dec Qtr 2010 V Dec Qtr 2009	Dec Qtr 2010 V Sep Qtr 2010	Yr to Dec 2010 V Yr to Dec 2009
Premier	Wesfarmers Premier Coal Limited	100%	Steaming	690	699	811	3,234	3,075	2,799	17.5%	16.0%	(9.0)%
Curragh	Wesfarmers Curragh Pty Ltd	100%	Metallurgical	1,750	1,384	1,736	7,269	6,607	6,272	(0.8%)	25.4%	(5.1%)
			Steaming	546	698	644	2,647	2,578	2,648	17.9%	(7.7%)	2.7%
Bengalla	Wesfarmers Bengalla Limited	40%	Steaming	574	445	664	2,143	2,187	2,191	15.7%	49.2%	0.2%