

New Hope Corporation Limited

Interim Financial Results
Half Year Ended 31 January 2023

Presented by Robert Bishop, Rebecca Rinaldi and Dominic O'Brien

21 March 2023

IMPORTANT INFORMATION ABOUT THIS DOCUMENT

The presentation in this document is in summary form only. It should be read together with New Hope Corporation Limited's ("NHC's") other announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au

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HIGHLIGHTS

Robert Bishop
Chief Executive Officer



SHARE PRICE³

\$5.86

^ **158%**

INTERIM DIVIDEND

30.0c

SPECIAL DIVIDEND

10.0c

NPAT

\$669M

^ **103%**

Underlying EBITDA¹
(before non-regular items)

\$1,039M

^ **87%**

TOTAL TONNES SOLD

3.4Mt

∨ **34%**

SAFETY – TRIFR²

2.44

∨ **49%**

¹ Underlying Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) and Profit before Tax and Non-Regular Items are non-IFRS measures. This non-IFRS information has not been reviewed by Deloitte.

² Total Recordable Injury Frequency Rate (TRIFR)

³ Closing share price 31 January 2023

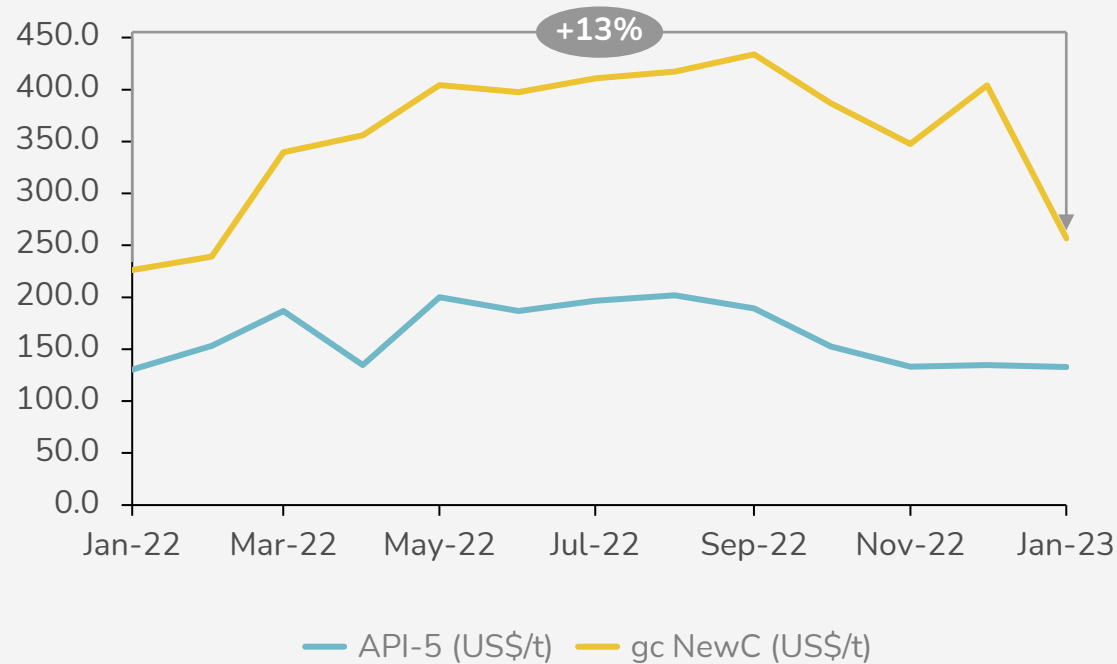
OPERATIONAL PERFORMANCE



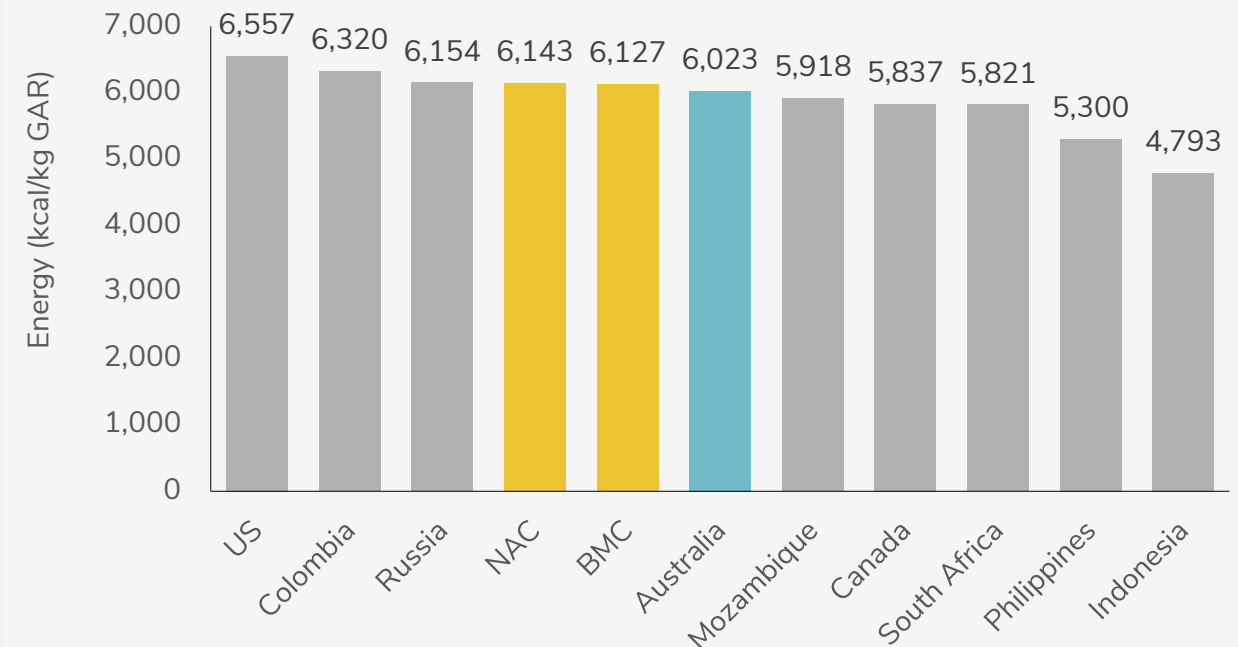
Strong Demand for High Quality, Low Emission Thermal Coal

While gC Newc index has declined over recent months, current prices still represent a significant margin for low-cost, high-quality operations like Bengalla and New Acland

Thermal coal price (USD\$/t)



Seaborne Thermal Coal Export Energy by Country 2022



Source: Wood Mackenzie Q3 2022 dataset
New Hope Estimates for own assets

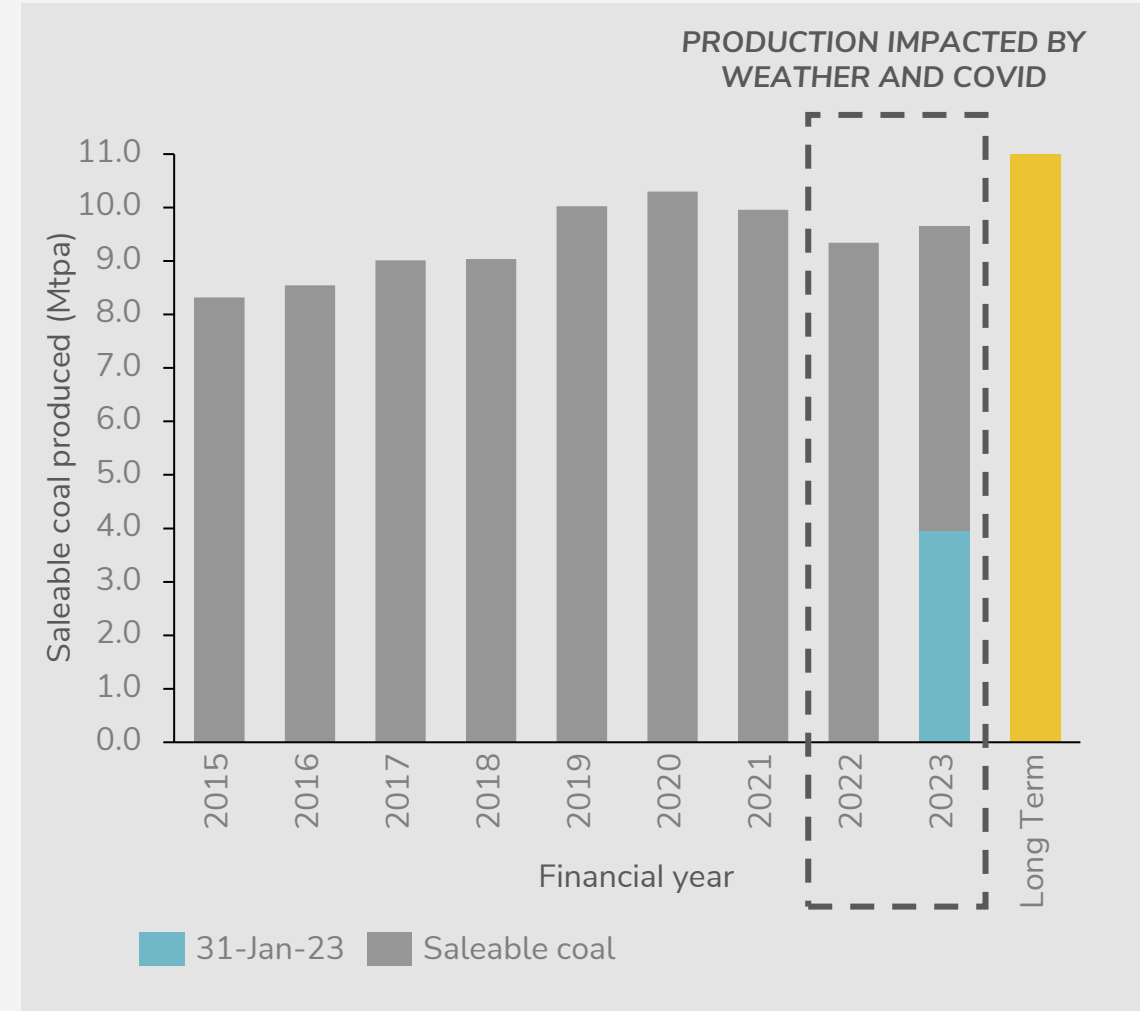
NSW Coal Operations – Bengalla¹

Strong safety and operational performance despite adverse weather impacting production (~1Mt)

Disciplined cost control leading to maximised margins

Additional dozer and truck capacity mobilised for second half FY23 to recover production deficit from adverse weather

Given single pit risk, focus on wet weather mitigation measures. Discharge dam ~20% capacity, and no in-pit water



¹ Numbers represent 100%. New Hope interest is 80%.

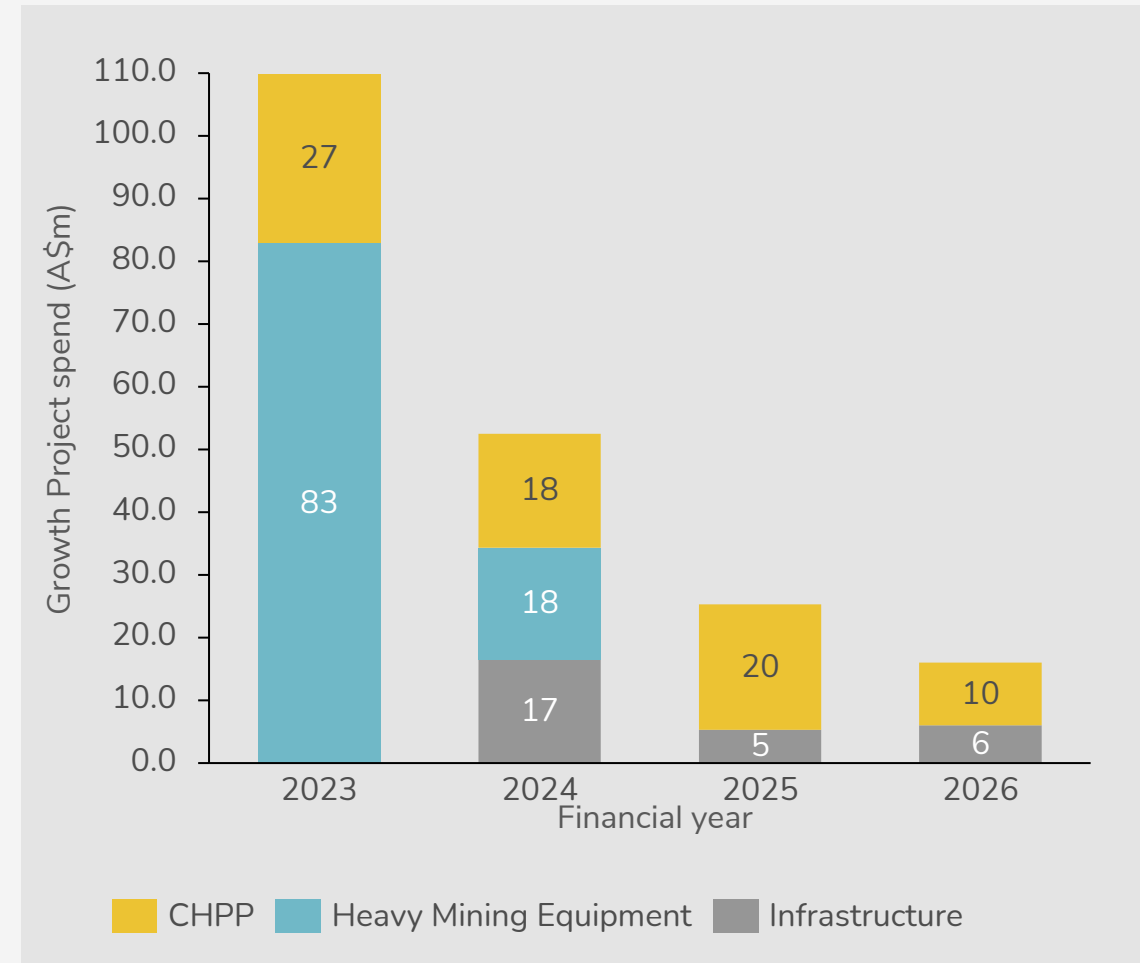
Bengalla Growth Project¹

Production ramp up to 13.4Mtpa ROM by September 2024 (Permitted to 15.0Mtpa)

Project will increase saleable production and increase overall product quality

Total project investment of \$200m funded through operating cash flows over financial year 2023 - 2025

Additional 100 FTE supporting long term production increase



¹ Numbers represent 100%. New Hope interest is 80%.

NSW Coal Operations – Malabar Resources Limited

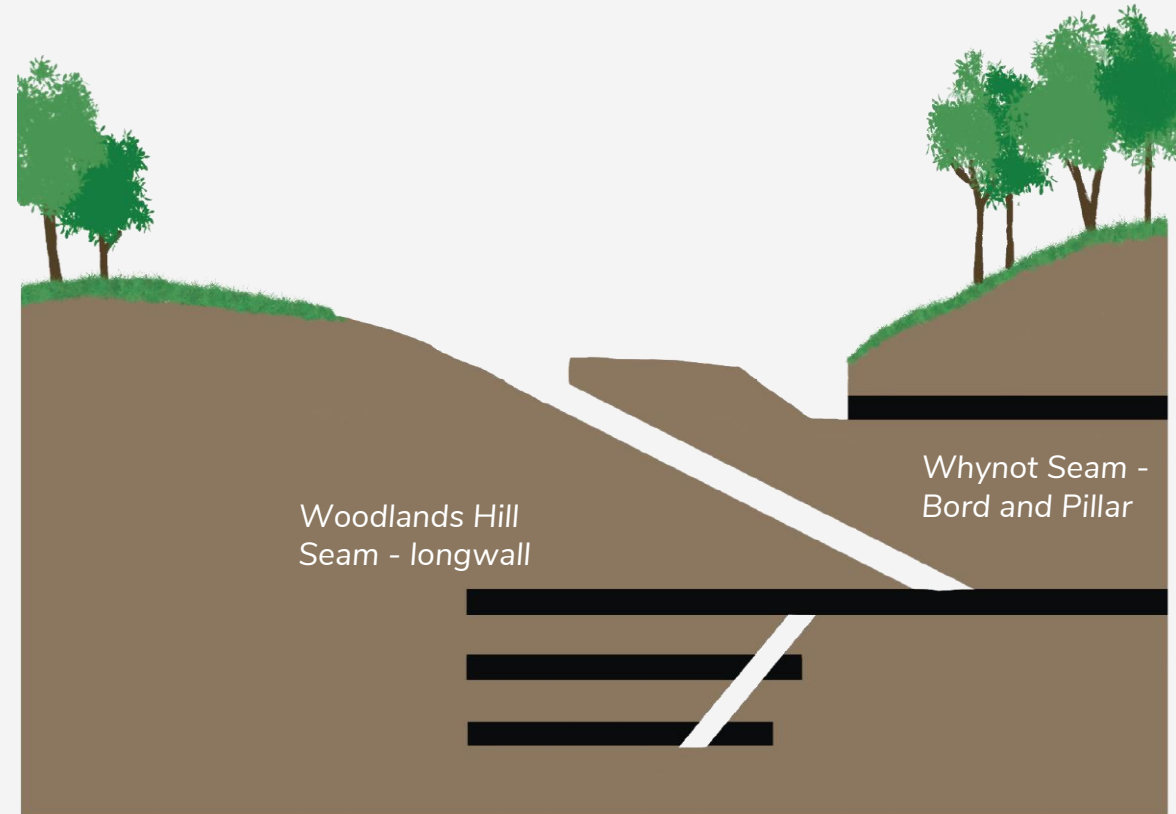
15% equity investment held in Malabar Resources. Flagship asset is the Maxwell Mine

Construction activities commenced during the period and first coal has since been mined from the Whynot seam

Targeting up to 6.5Mtpa¹ predominately coking coal through longwall extraction

Aligns to New Hope strategy of investing in high-quality coal assets which are low on the cost curve with secure, long term approvals

Maxwell Underground Mine



¹ Numbers represent 100%. New Hope interest is 15%.

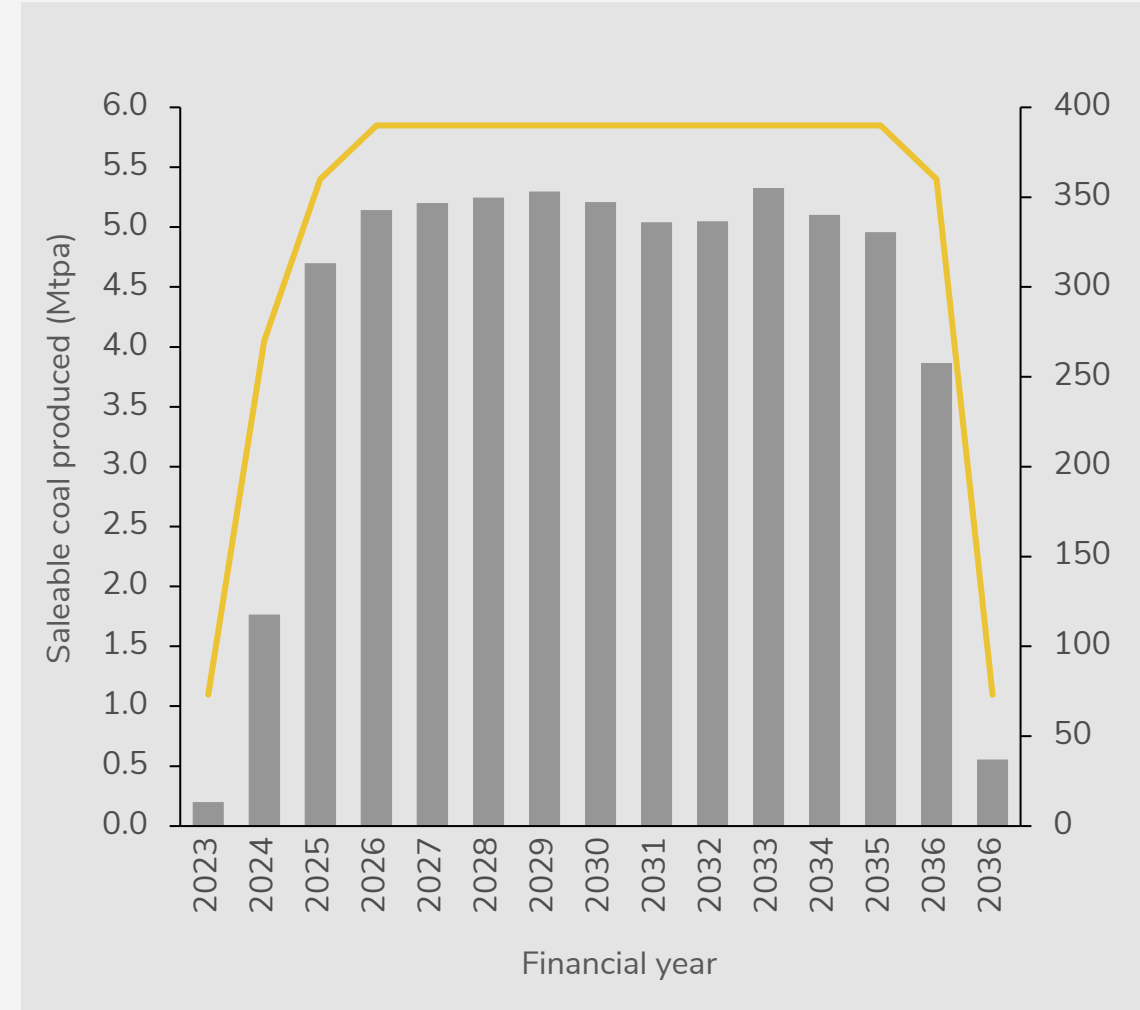
Queensland Coal Operations - New Acland Stage 3

Mining Leases were issued on 26 August 2022 and the Associated Water Licence was granted on 20 October 2022

First mining will begin late financial year 2023 and first coal shipment expected first quarter financial year 2024

Full production from approved mining areas will be reached early calendar year 2025

Currently over 100 locally based employees are working at New Acland. Through the expressions of interest, the Company has received a strong response from local businesses and suppliers looking to work with the mine at various levels



— Head count ■ Saleable coal (Mt)

New Acland Stage 3

Production will increase to cover three pits over the permitted mining area reducing single pit risk

LOM strip ratio x 4.2 and FOB cash cost A\$90.9/t

Total project capital \$384m spread over the next two financial years funded by operating cash flow

Key infrastructure \$96m

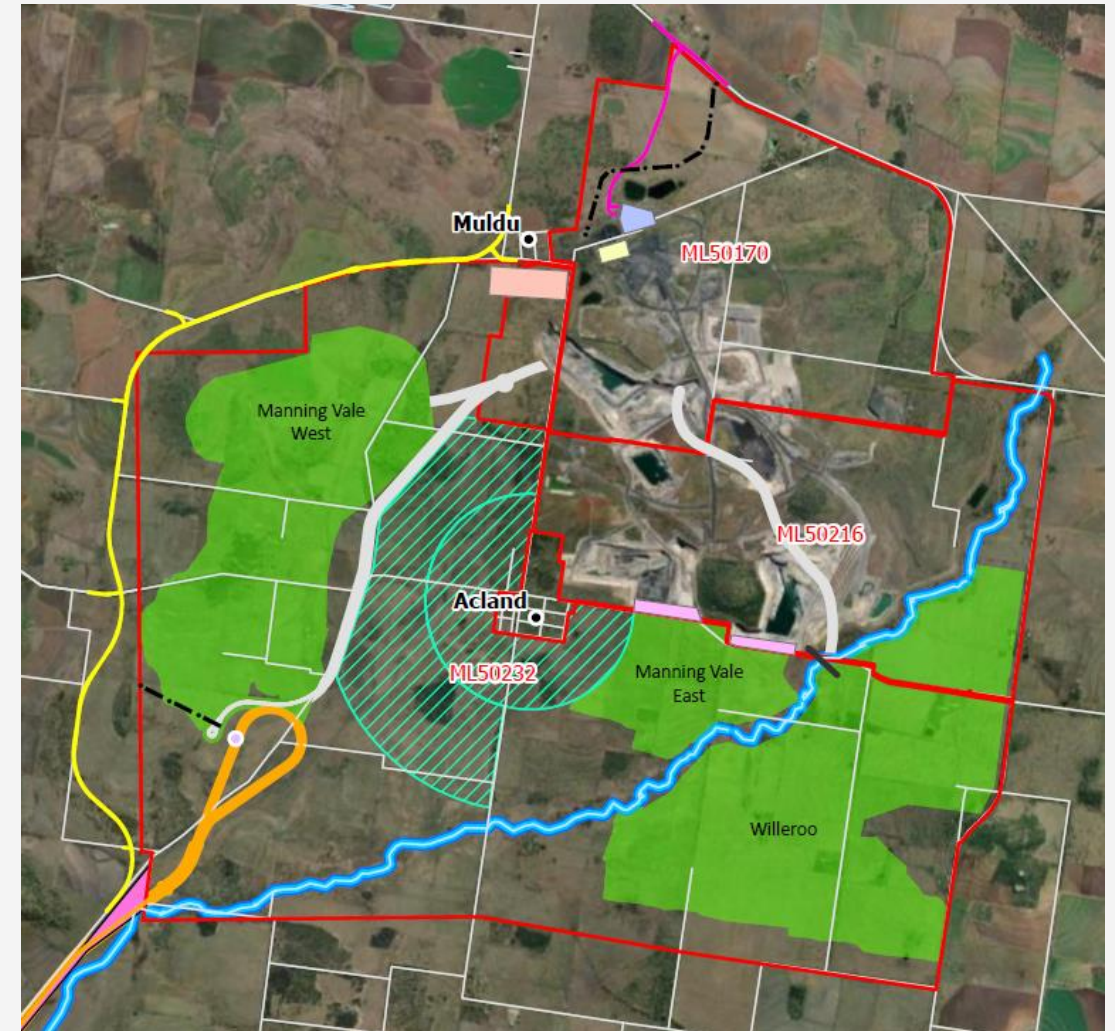
Rail Spur \$109m

Train load out facility \$88m

CHPP \$81m

Heavy Mining Equipment \$10m

QBH now at near full capacity (10Mt pa) following New Acland Stage 3 approval



FINANCIAL RESULTS

Rebecca Rinaldi
Chief Financial Officer



FINANCIAL HIGHLIGHTS

REALISED PRICE
(\$AUD)

\$467.4/t

^ 143%

TOTAL REVENUE

\$1,582M

^ 54%

CASH GENERATED
FROM OPS

\$983M

^ 117%

GOVERNMENT
CONTRIBUTIONS

\$580M

^ 279%

NPAT

\$669M

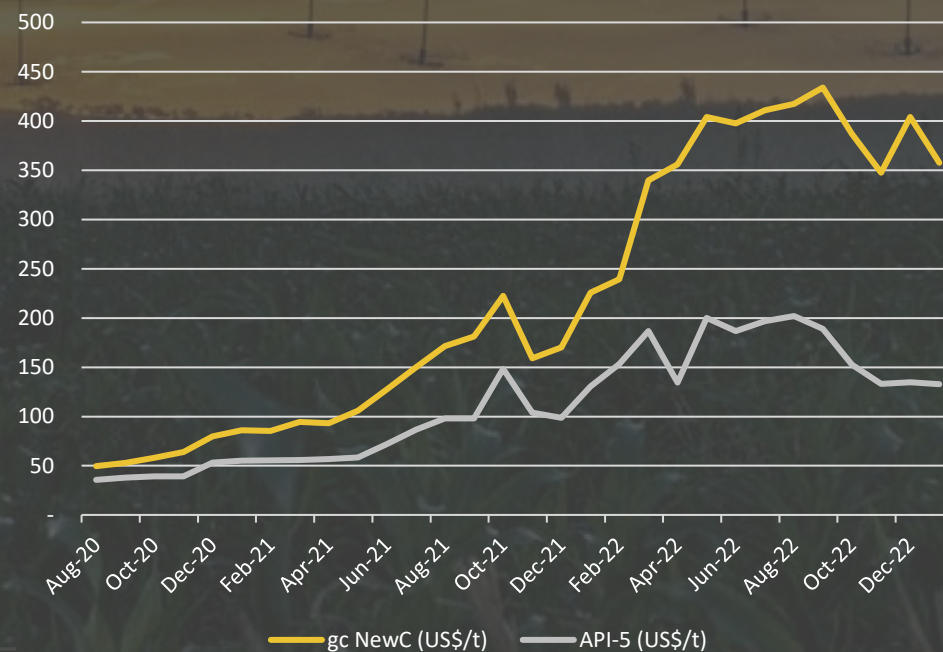
^ 103%

NET ASSETS

\$2,496M

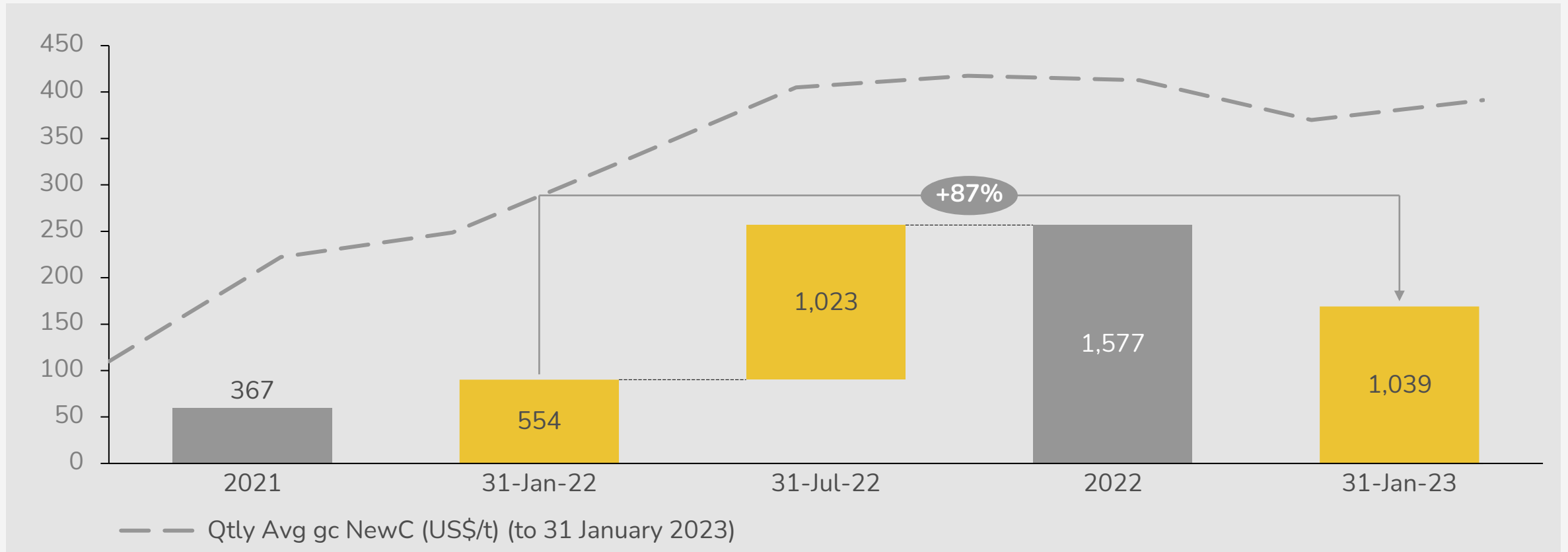
^ 8%

Newcastle Thermal Prices \$US/t



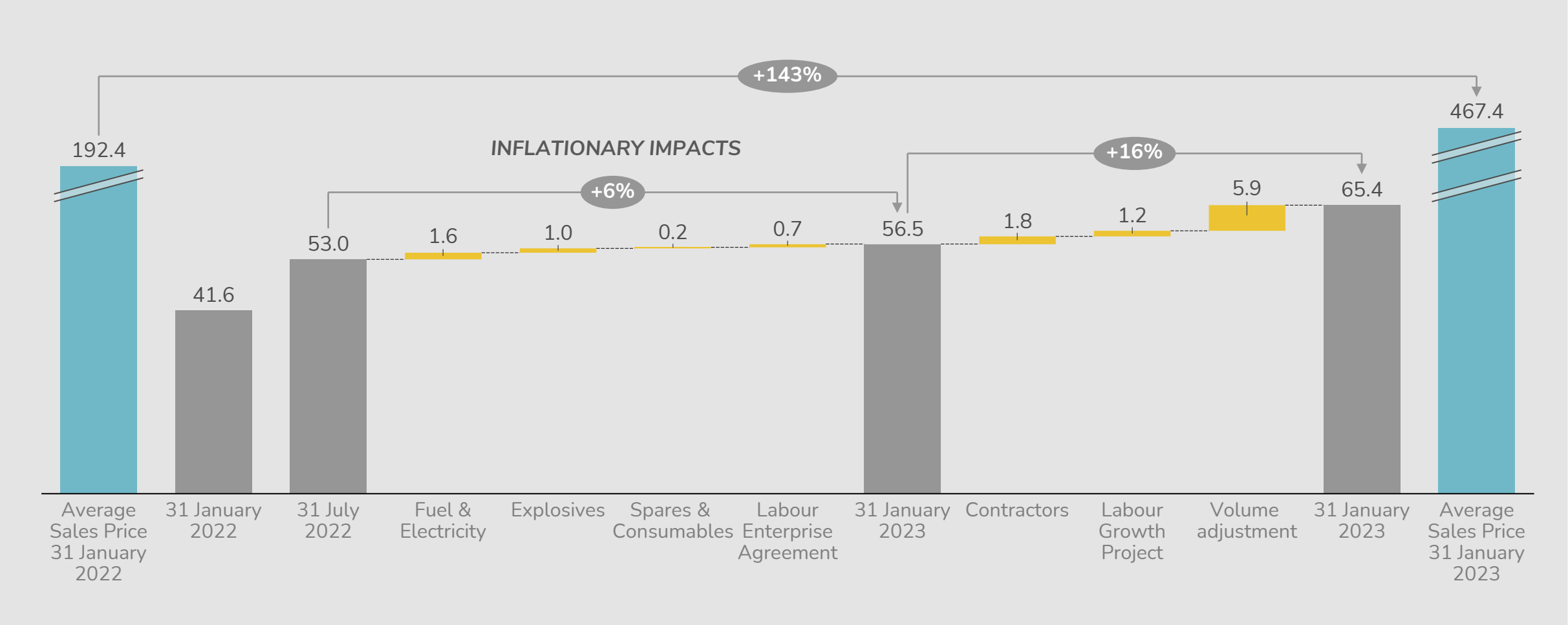
Underlying EBITDA¹

- Record Underlying EBITDA¹ achieved despite significant rain events
- Record realised pricing received contributing to 87% increase in Underlying EBITDA¹



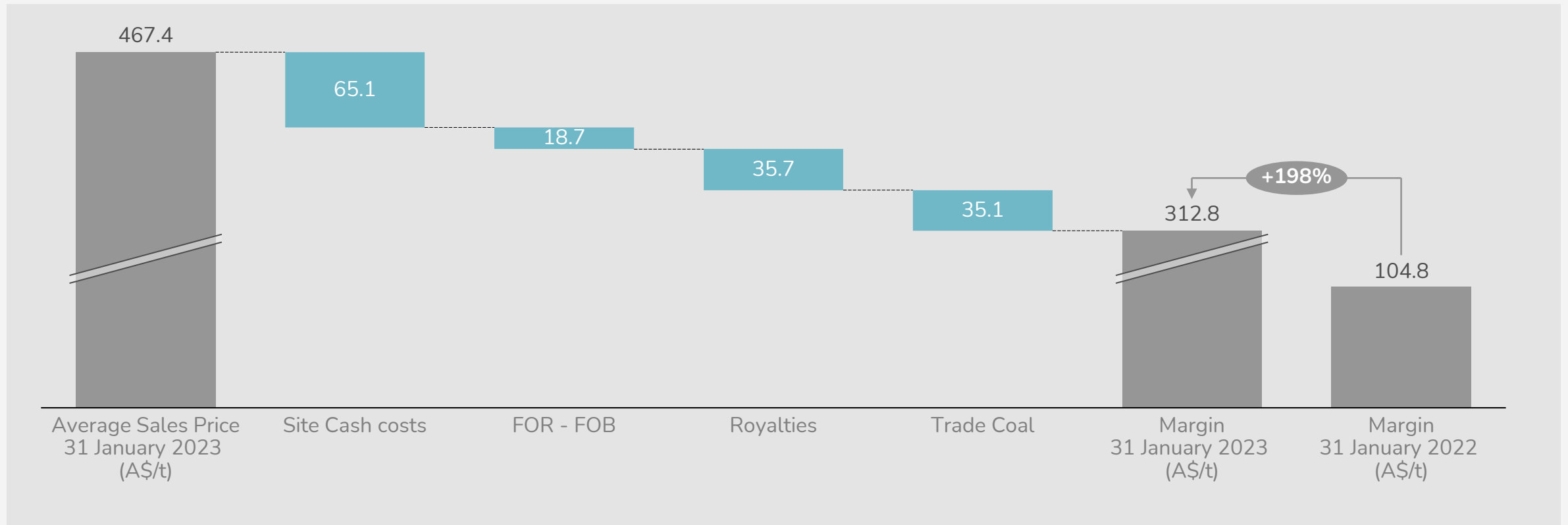
¹ Underlying Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) is a non-IFRS measure. This non-IFRS information has not been reviewed by Deloitte.

Site Cash Costs (A\$/Production t) Increase due to Inflationary Pressures and Weather Impacts on Volumes



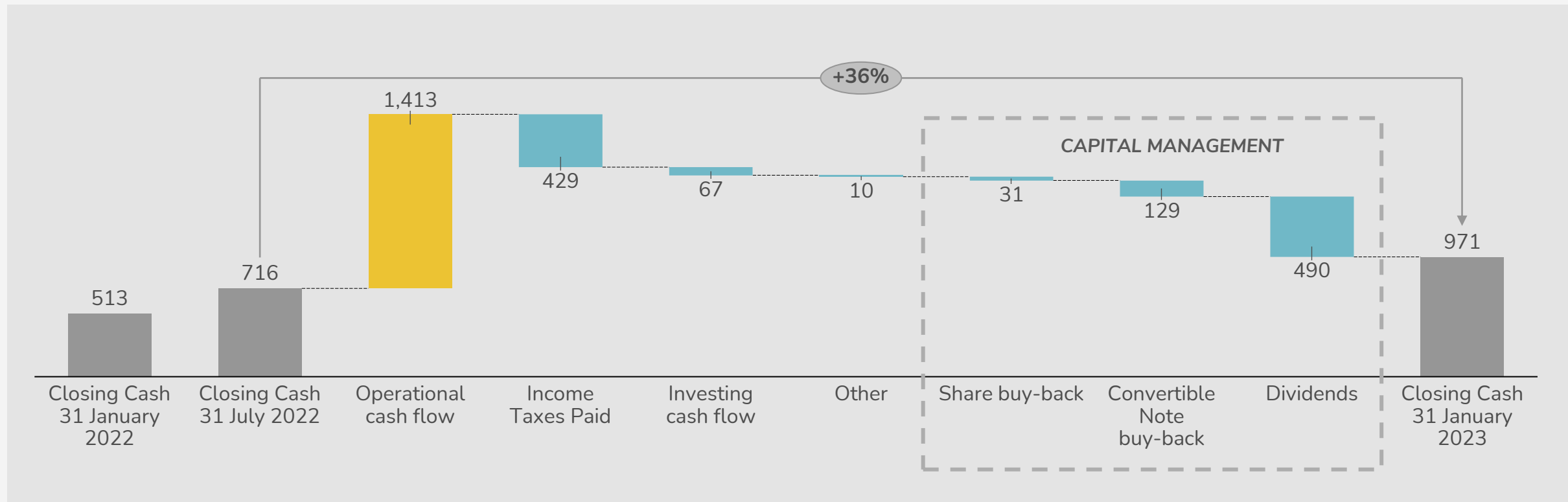
Underlying EBITDA¹ MARGIN... Low-Cost Operations Maintaining Strong Margins at Bengalla

- Trade coal used to ensure customer commitments are met to provide energy security to these customers
- Site cash cost per sales tonne increase due to weather related disruptions impacting volume mined



¹ Underlying Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) is a non-IFRS measure. This non-IFRS information has not been reviewed by Deloitte.

Cash Generation Remains Strong with a Focus on Capital Management Initiatives to Strengthen Balance Sheet...



Capital Management...Aligned to Long-term Strategy

The Company has taken significant steps to strengthen its balance sheet, focus on capital opportunities and provide significant fully franked dividends to shareholders.

Fully Franked Dividends

- 30 cps – Ordinary Interim Fully Franked Dividend
- 10 cps – Special Fully Franked Dividend

Buy-backs

- \$75.8m reverse book-build repurchase completed for the Senior Convertible Notes
- \$31.3m on market buy-back, representing 5.7 million shares brought back

The Company's future surplus capital requirements will include:

Future Opportunities

- Expansion capital for New Acland Stage 3 and Bengalla Life of Mine increase
- M&A opportunities aligned to NHC's strategy

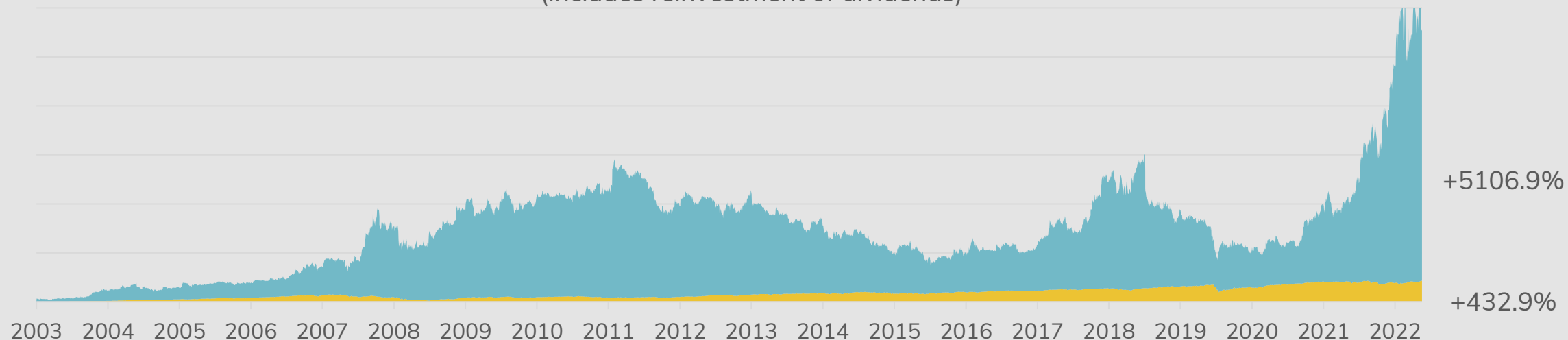
Future Capital Management

- Fully Franked Dividends
- On Market Buy-backs
- Buy-back of remaining Convertible Notes
- Other capital returns

Consistent Outperformance Since IPO in 2003

- Disciplined capital management leading to TSR of 22.6%¹ compared to the ASX All Ordinaries² of 9.0% per annum
- Total return on investment since IPO of 5106.9% compared to the ASX All Ordinaries of 432.6%

Cumulative performance to 31 January 2023
(includes reinvestment of dividends)

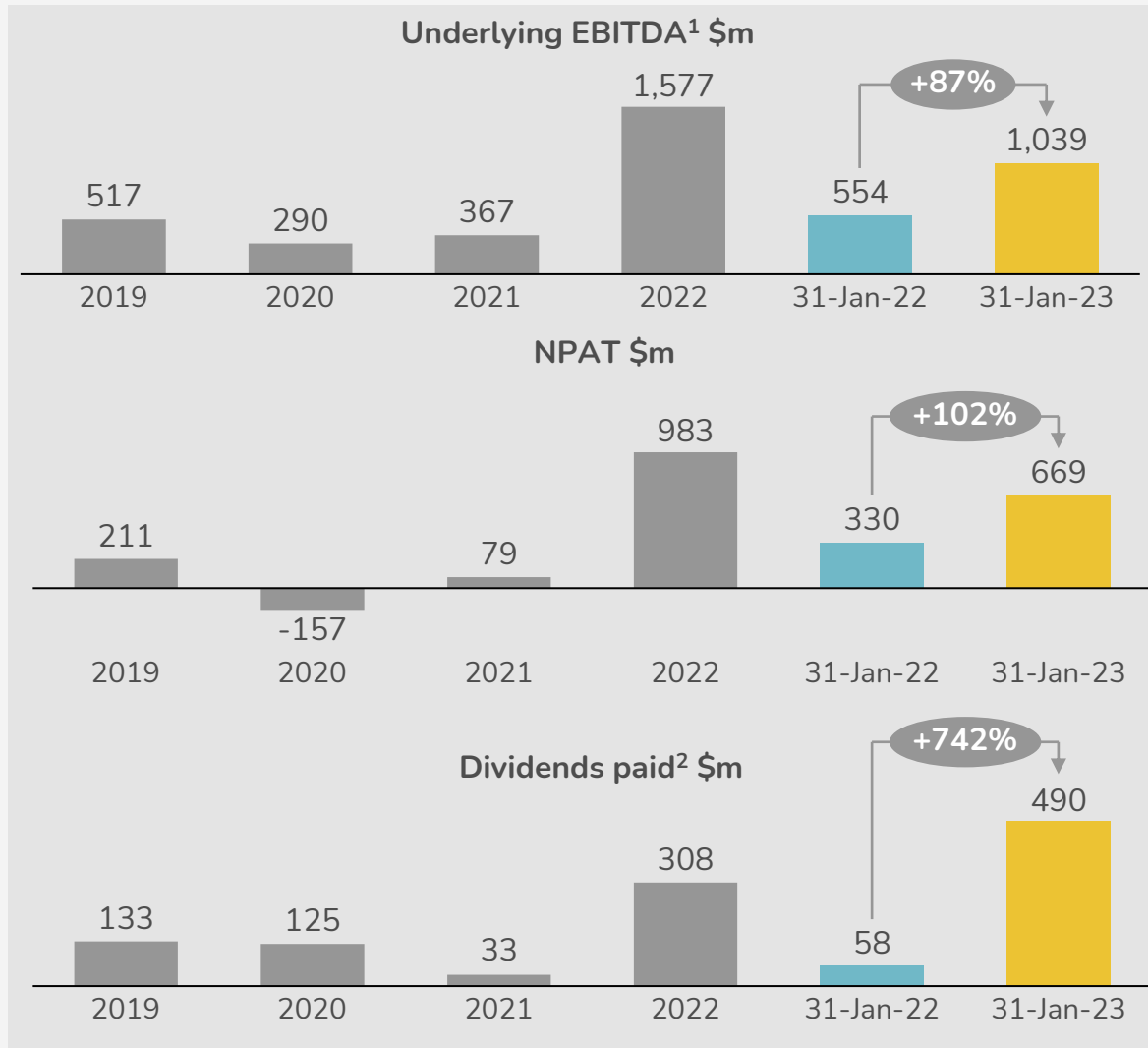


Source: Bloomberg

1. Based on net dividend reinvestment
2. ASX All Ordinaries Accumulation Index

■ All Ordinaries Accumulation Index ■ NHC

Financial Performance, on Track for Record Earnings...



	(A\$ million)		
	31-Jan-23	31-Jan-22	% change
EBITDA before non regular items	1038.5	554.4	87%
Depreciation and Amortisation	(68.3)	(67.3)	2%
Net Financial Income and Expenses ³	14.6	(7.8)	288%
Profit before income tax and non regular items	984.8	479.3	105%
Non regular items before tax	(32.0)	(8.4)	(281)%
Profit before income tax and after non regular items	952.8	470.9	102%
Income Tax (Expense) / Benefit	(284.2)	(140.6)	(102)%
Statutory Profit after tax and non-regular items	668.6	330.4	102%
	(Cents)		
Earnings per share	77.5	39.7	95%
Dividend per share	40.0	30.0	33%

¹ Underlying Earnings before Interest, Tax and Depreciation and Amortisation (EBITDA) is a non-IFRS measure. This non-IFRS information has not been reviewed by Deloitte.

² Based on Dividends paid during the period.

³ Net Financial Income and Expenses comprises of statutory finance income and expenses minus unwinding of discount on provisions and commitment fees on loan facility.

RESPONSIBLE OPERATOR

Dominic O'Brien

*Executive General Manager
and Company Secretary*

Safety and Wellbeing

Adopting the characteristics of a high reliability organisation

Learning from both our incidents and that of our industry

Using technology to improve our systems and processes to help address more complex problems

Engaging our people through health and wellbeing programs and initiatives

Class Library

Access all our body and mind recorded classes.

[Click here for 100+ classes](#)



Yoga



Fitness Circuit



Stretching

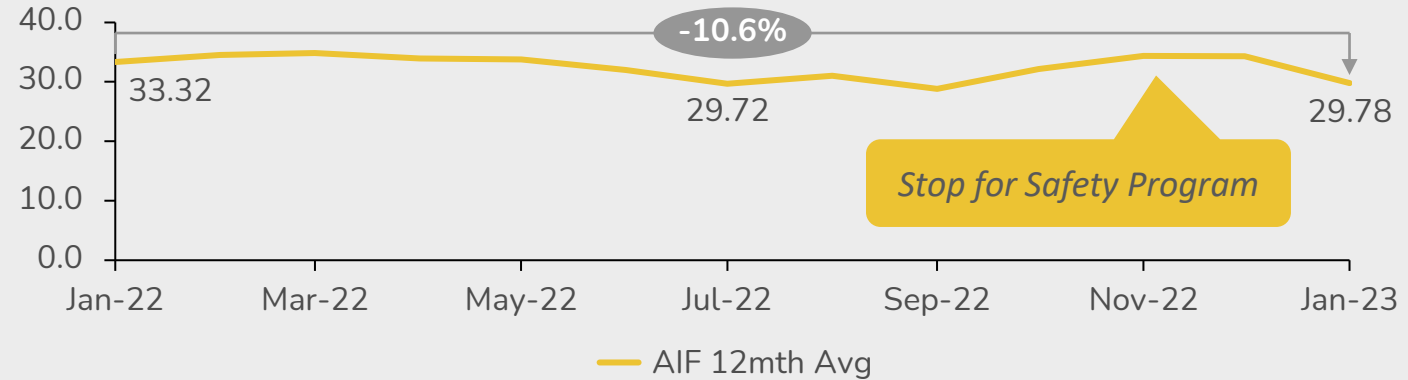


Mindset

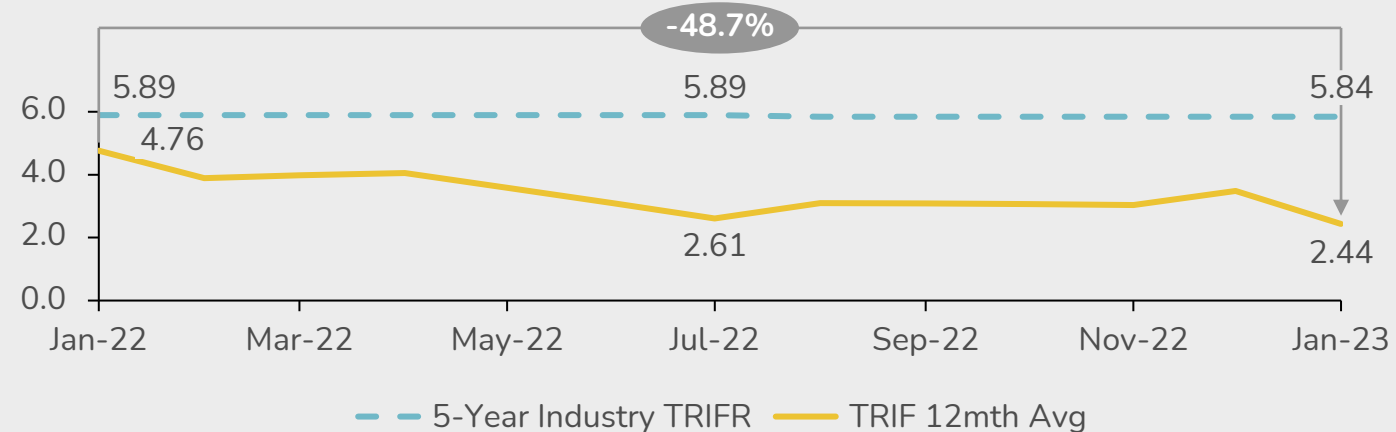


Meditation and Breathing

All Injury Frequency Rate (AIFR)





Total Recordable Injury Frequency Rate (TRIFR)



Our People, Securing an Engaged and Diverse Workforce

Workforce

745 ↑

 **15.7%** ↑
 **84.3%**


Workforce Growth Potential

~450

Locally Employed

Acland	Bengalla
93%	89%

YTD Promotions

29  **34% Female**

YTD Voluntary Turnover Rate

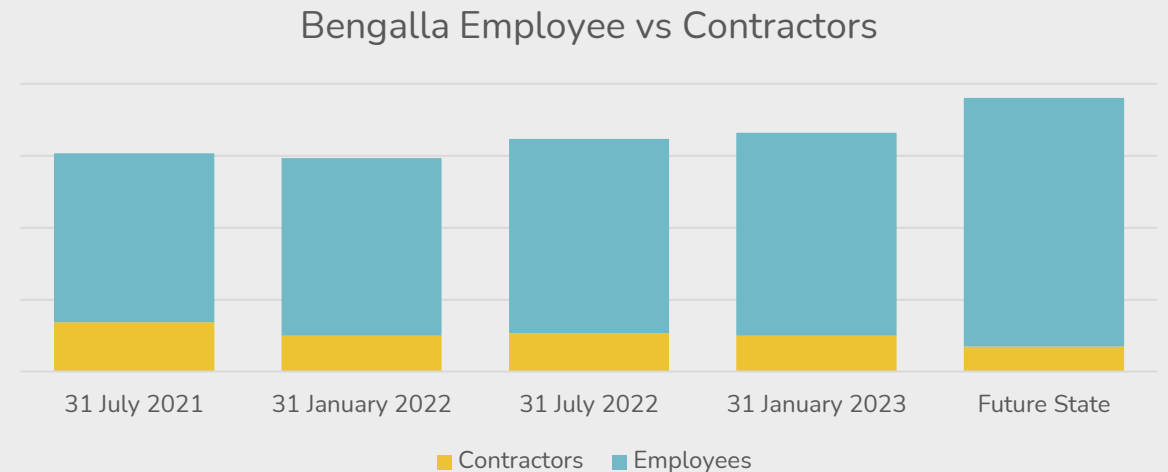
6.4%

Average Tenure

8.67 Yrs

Average Age

44 Yrs



Converting contractors to permanent to realise safety performance and production improvements

Employee Engagement Survey

Strengthening local employment and pathways for increasing indigenous employment opportunity

Environmental, Social and Governance

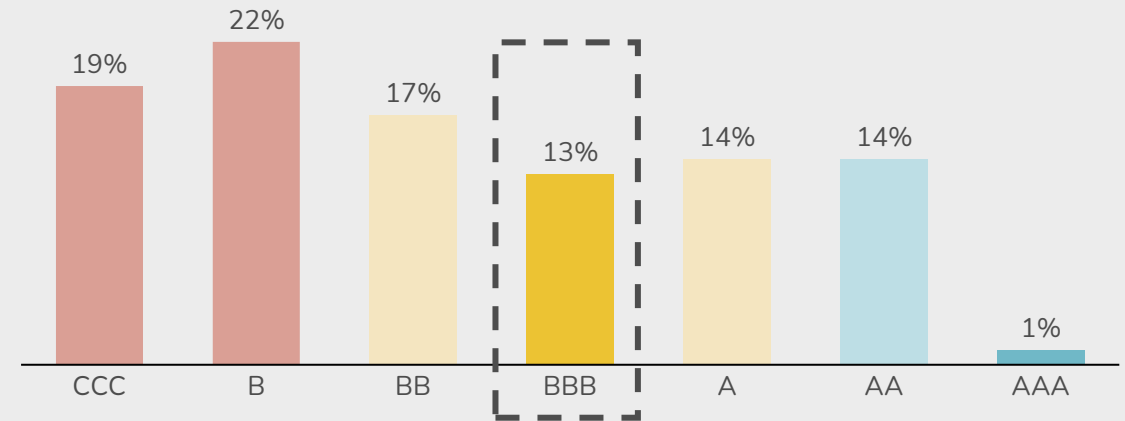
MSCI ESG is the world's largest provider of ESG indexes which use a rules-based methodology to identify industry leaders and their exposure to ESG risks relative to peer group

Ranked BBB for the second year running, with improvements in Governance and Community Relations

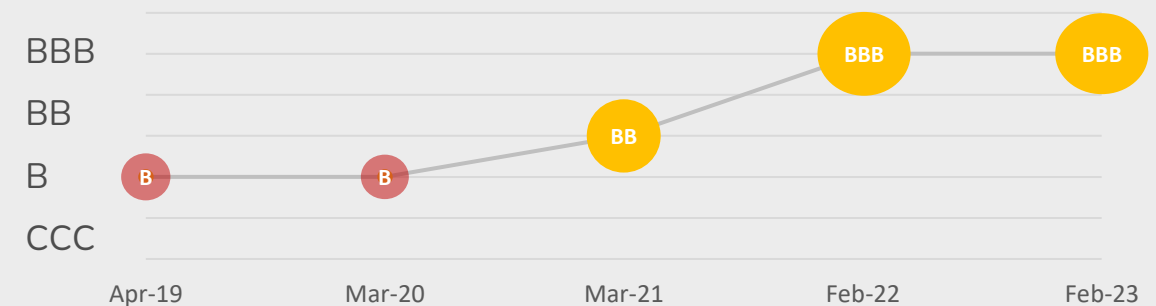
Meaningful and transparent public reporting about our climate-related risks and our place in the global energy transition

MSCI ESG Rating distribution

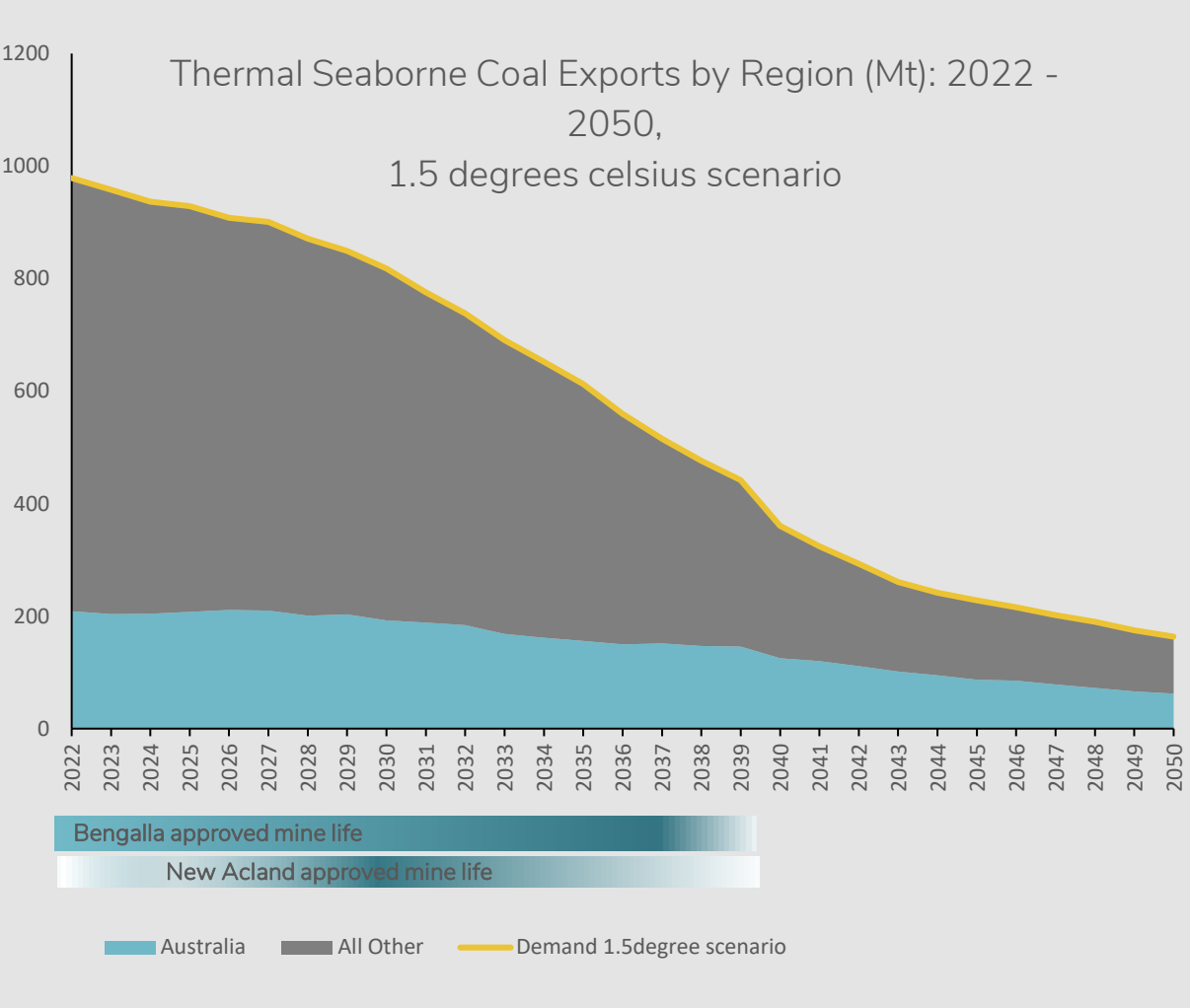
Universe: MSCI ACWI Index constituents, Metals and Mining – Non Precious Metals, n=71



MSCI ESG Rating history



Decarbonisation and Transformation Opportunity...



Source: Wood Mackenzie 2022
1.5 degrees celsius scenario = Wood Mackenzie AET1.5 scenario

“Coal and gas are going to be part of our future for years to come”
Environment Minister - Tanya Plibersek
9 March 2023

We believe Australian thermal coal will be more resilient to demand decline relative to other producing regions

Decarbonisation studies for Bengalla and New Acland and scenario testing impact of safeguard mechanism reform

Examining opportunities to repurpose our assets and transform our business at end of mine life

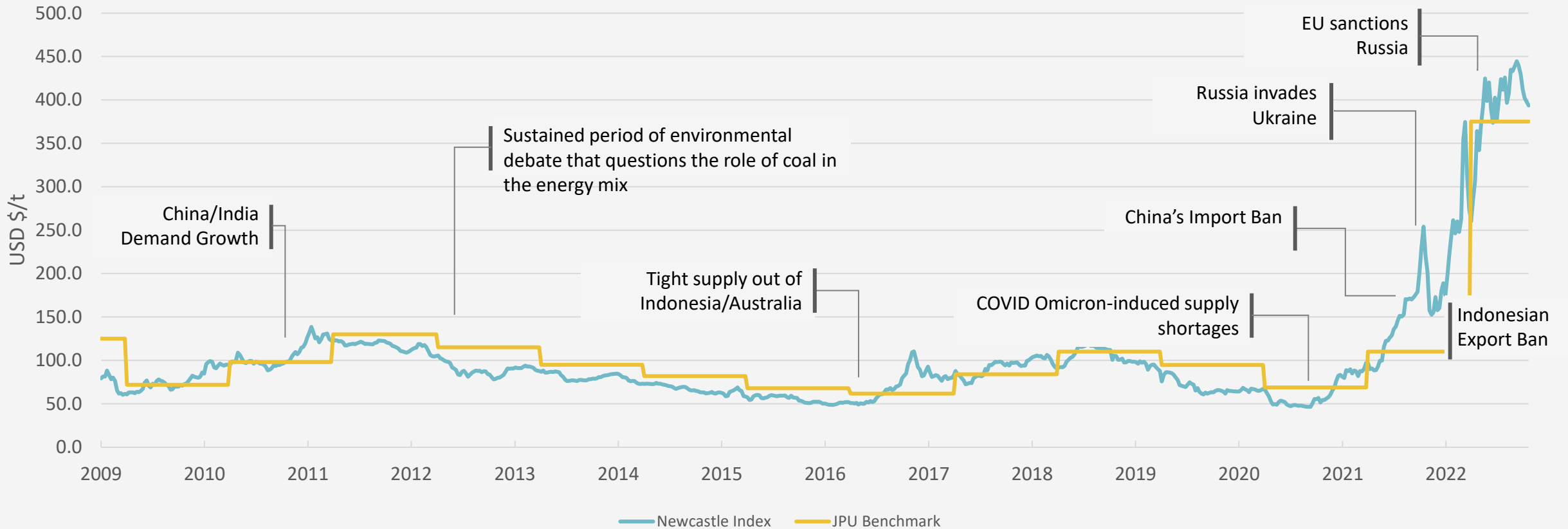
At Malabar, studies continue to investigate strategy for large scale solar generation

OUTLOOK AND STRATEGY

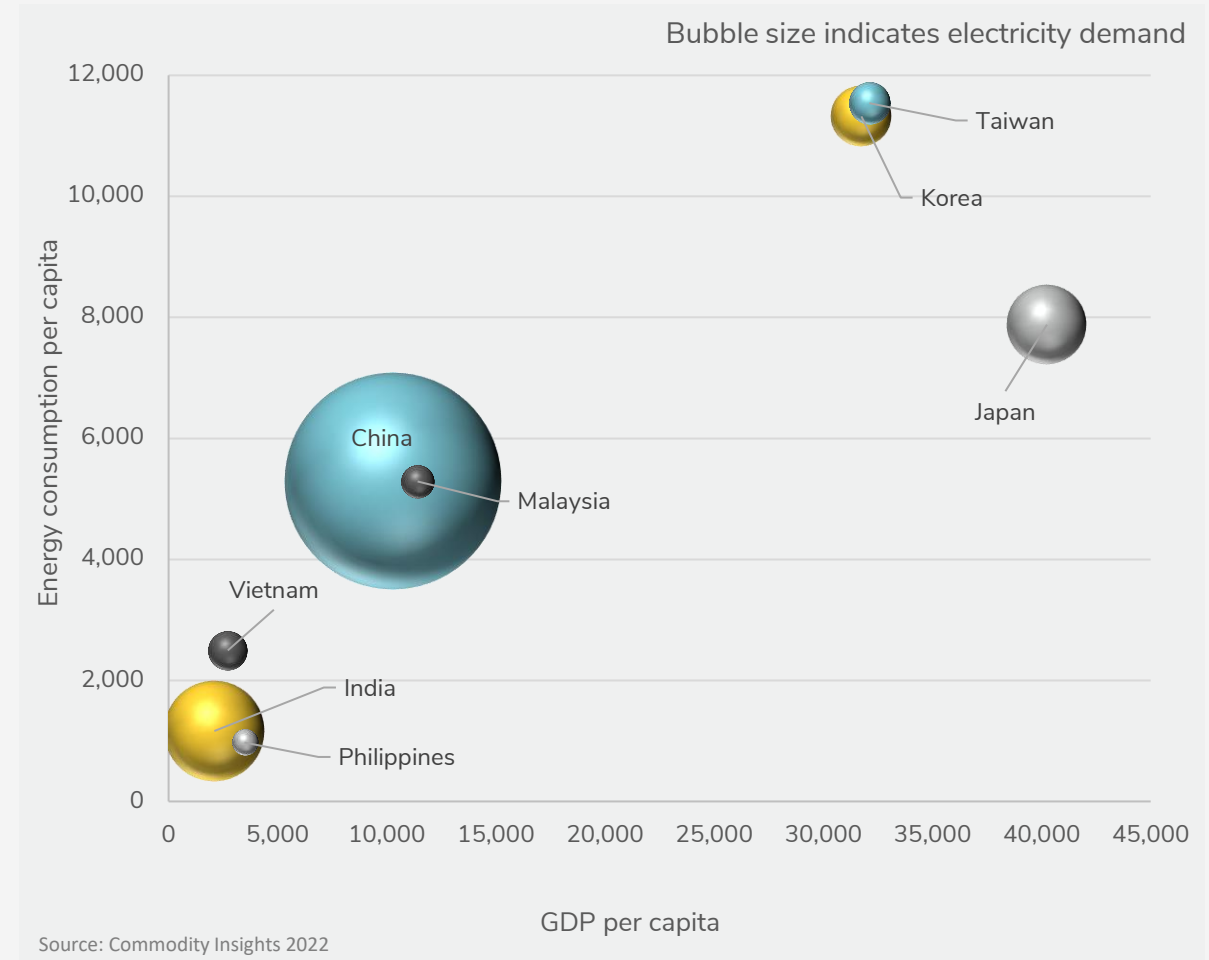
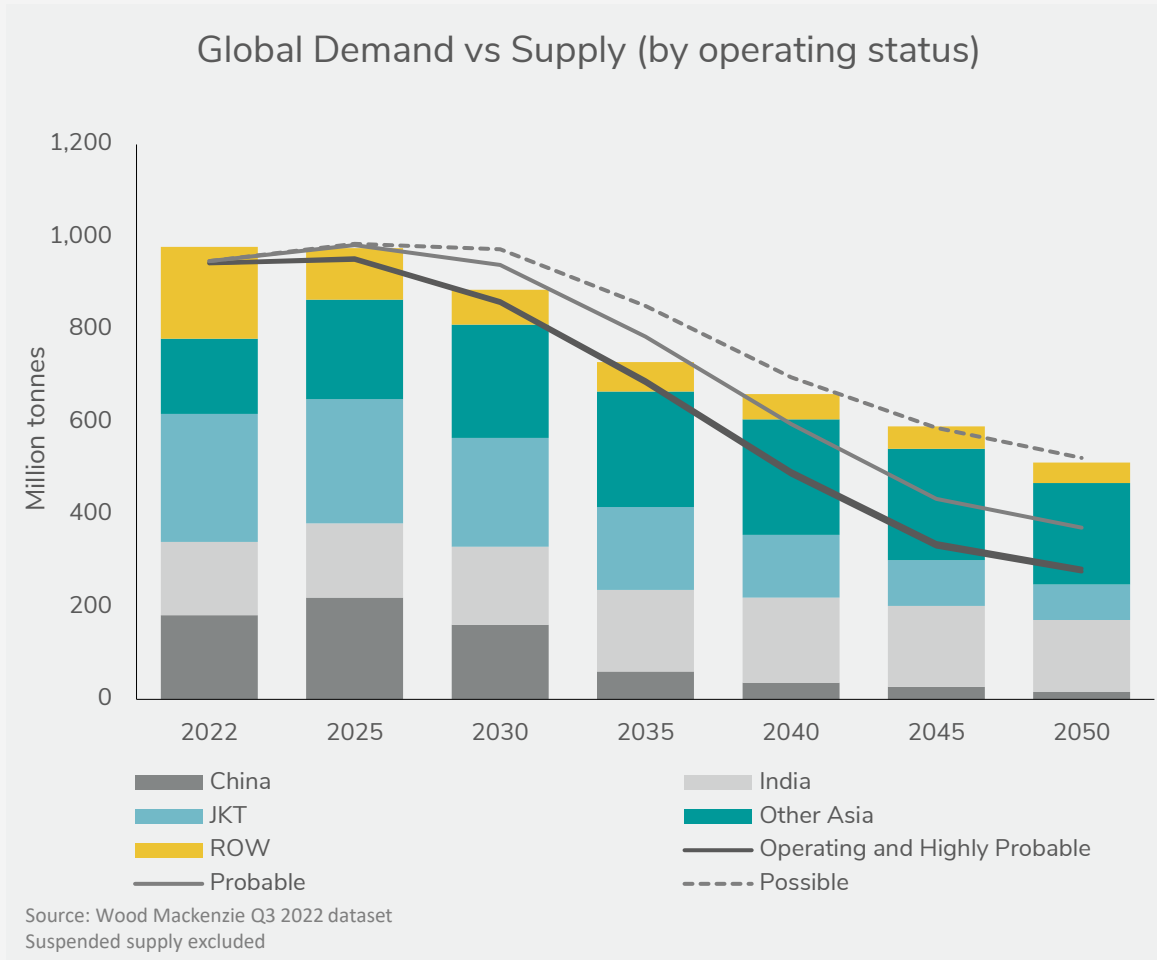
Robert Bishop
Chief Executive Officer



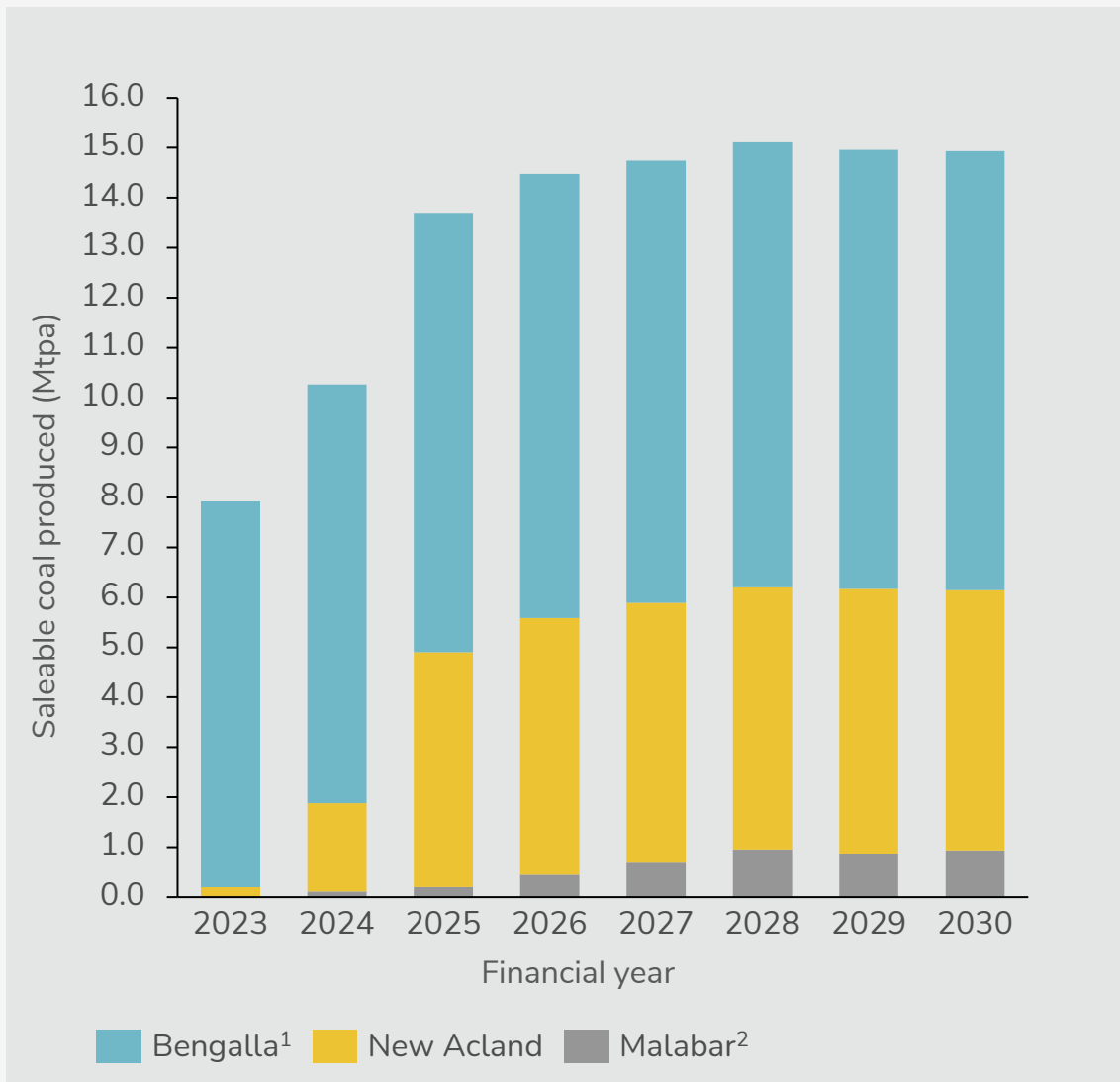
Increased Demand and Supply Disruptions have Impacted Price, while Under Investment in Thermal Coal will Support Prices Moving Forward...



Demand Outstripping Supply, with Future Growth Expected from South-East Asia



Positioned for Long-Term Organic Growth...



All major coal suppliers face considerable constraints, placing increased value on already permitted, low cost operations

Despite massive investment in renewables, coal generation as a share of the world energy mix continues to grow

Ability to almost double current production levels over the next three years through organic growth

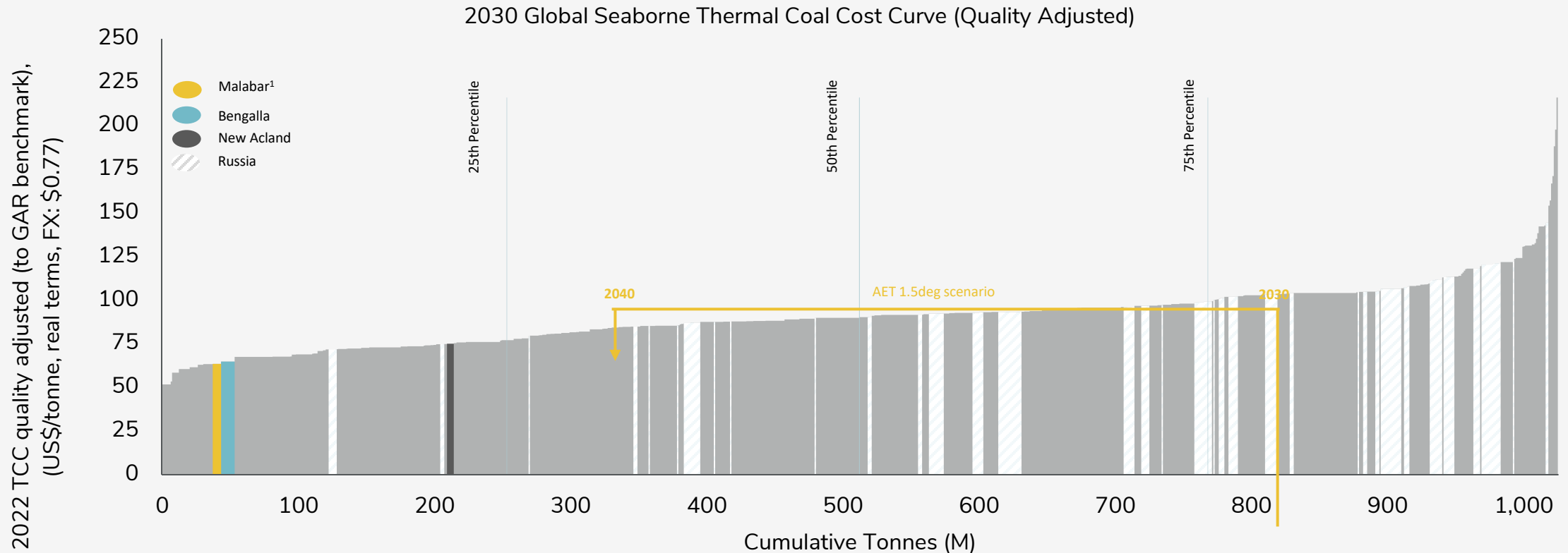
New South Wales Government granted Bengalla Exploration Licence (EL 9431) which should provide further long-term growth opportunity

¹ 80% New Hope including Growth Project

² 15% New Hope investment

Global Cost Curve 2030

- Portfolio of assets are in the lowest cost quartile providing business resilience to demand decline from decarbonisation, to achieve maximum 1.5°C increase by 2050



Source: Wood Mackenzie Q1 2023 dataset. New Hope estimates for own assets.
 TCC refers to total cash cost.
 GAR refers to 'Gross as Received'.
 AET1.5 Scenario based on Aug 22 WM Data

¹ Malabar operations will produce metallurgical and high energy thermal coal

Thank you



Contact us

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