

# New Hope Corporation Limited

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## Quarterly Activities Report 31 October 2014

	Quarter Ended		
	Oct 14 ('000t)	Oct 13 ('000t)	Change (%)
Raw Coal Production	2,814	2,940	- 4%
Saleable Coal Production	1,484	1,513	- 2%
Coal Sold	1,566	1,460	7%
QBH Export Throughput	1,903	2,269	- 16%

## KEY POINTS

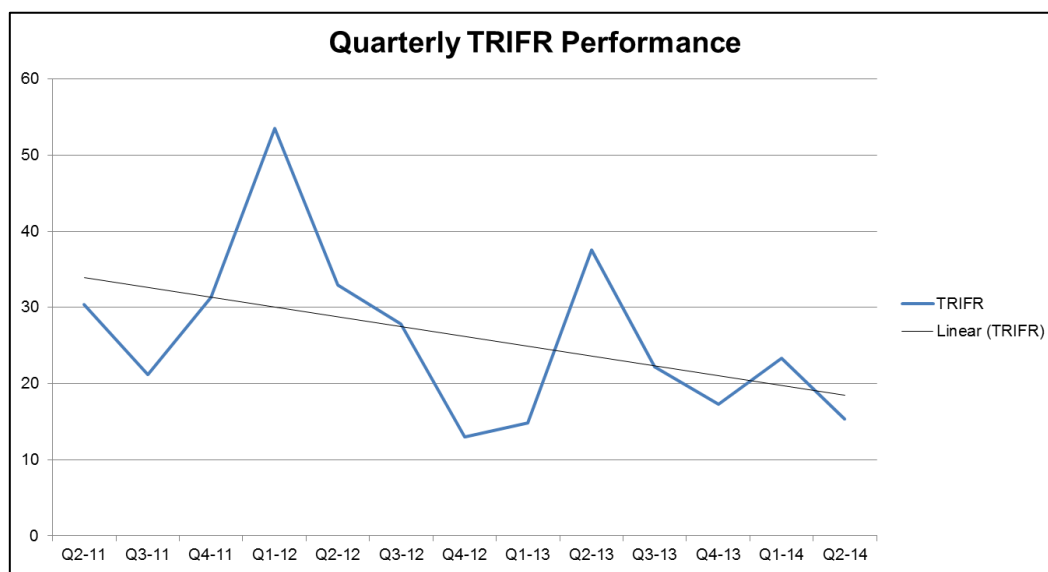
- Safety performance continues to improve across the group with the twelve month moving average total reportable injury frequency rate (TRIFR) declining from 23 as at October 2013 to 16 at the end of this quarter; a 30% improvement.
- Despite Australian dollar revenue per tonne of coal sales being lower this quarter in comparison to the first quarter 2013 financial year, unaudited profit for the quarter is up on the same period last financial year.
- Total administration and operating costs are down significantly this quarter compared to the previous period last year.
- Coal sales for the quarter remain strong, being up 7% on the previous quarter.
- PELA 641 was awarded to Bridgeport in South Australia bringing to two the number of petroleum exploration permits held in the south west Cooper basin in South Australia.
- An increase in net oil production to 450bopd.

## COAL OPERATIONS

The production of raw coal for the quarter of 2.81 million tonnes was down 4% compared to the same period in the prior year. Saleable coal production at 1.48 million tonnes was behind the prior year of 1.51 million tonnes.

Sales for the quarter of 1.57 million tonnes were above the previous comparative quarter of 1.46 million tonnes.

## SAFETY PERFORMANCE



TRIFR – Total Reportable Injury Frequency Rate

The company's commitment to its behavioural safety improvement program "i-safe\we-safe" is making a positive difference to safety outcomes. All members of the company's workforce, including major contractors, have received training in i-safe\we-safe. Safety improvement remains a key focus for the organisation, driven by its vision to operational excellence.

## EXPLORATION

During the quarter drilling activity was conducted over several tenements with 92 holes drilled for a total of 8,241 meters.

### New Acland (ML 50216, ML 50170 and MDL 244)

Seventy two holes were drilled during the quarter focusing on coal quality, seam delineation and confirming geology in future mining areas. Testing of basalt samples obtained from site has identified it as being suitable for use as a construction material.

### Bee Creek (EPC777)

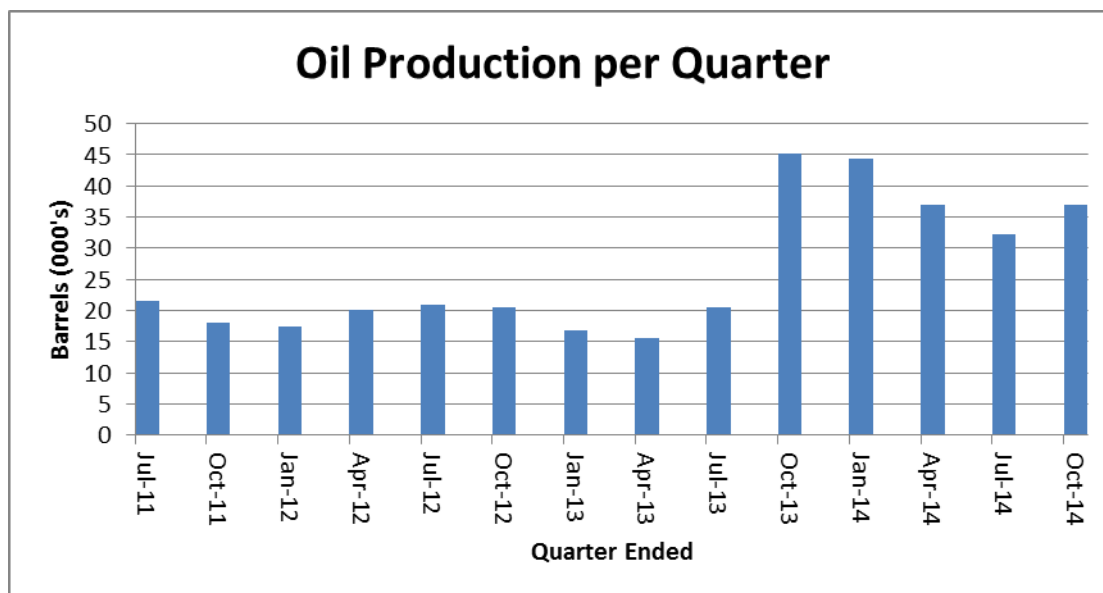
Drilling during the quarter was designed to target the Rangal and Fort Cooper Coal Measures, with 20 holes drilled and completed on schedule. The presence of a relatively thick (6.5m) Rangal coal seam was identified at a depth of 76 metres in the eastern limb.

## Moonamarra (EPM18589) and Courtenay (EPM18581)

Results from the analysis of the samples obtained during previous quarters indicate a number of small copper, gold and silver intersections.

## BRIDGEPORT ENERGY

Oil production totalled 36,995 barrels for the quarter.



During the quarter, four new production wells were connected at the Cuisinier field (PL303), and brought on line. Routine workovers were carried out at Utopia (PL214) and Inland (PL98) wells using the Bridgeport owned service rig. The result was an increase in net production to 450bopd. There was no recordable safety or environmental incidents in the company operations during the period.

PELA 641 was awarded to the company in South Australia bringing to two the number of permits held in the south west Cooper basin in South Australia. This new block will go through the standard native title process and the company expects to commence geophysical operations in the next year.

Bridgeport now hold a strong exploration and production land position in the Cooper Eromanga basin with the fifth largest land holding of companies in the basin. A strategic process has commenced to segment shallow conventional plays from deeper basin centred opportunities across our permits and determine appropriate equity levels for the company in the two play types.

## DEVELOPMENT PROJECTS

### Revised New Acland Coal Mine Stage 3 Project

The Additional Environmental Impact Statement Report (AEIS) submitted to the Office of the Queensland Coordinator-General (COG) was open for public submissions during the quarter, with submissions closing in September 2014. The Coordinator General's Report is expected in December 2014.

### ACLAND PASTORAL

Regionally dry conditions have led to a lowering of grazing herd size to 1,848 head of cattle. The first wheat crop to be grown under a new pivot irrigator has been harvested (pictured below).



## CORPORATE

### Acquisition of Cockatoo Coal Limited Surat Basin Assets

During November 2014 New Hope reached agreement with Cockatoo Coal Limited (Cockatoo) to acquire their 51% stake in the North Surat Joint Venture (NSJV) for A\$25M. The key assets of the NSJV are three thermal coal development projects, Taroom, Collingwood and Woori, all located in the Northern Surat Basin<sup>1</sup>.

There are a number of conditions that need to be satisfied before this acquisition can settle and we expect these conditions to be met within the next 3 months.

<sup>1</sup> For further details please refer to Cockatoo Coal Limited's website, [www.cockatoocoal.com.au](http://www.cockatoocoal.com.au)

## Dart Energy Limited

Dart Energy Limited's (Dart) shares were acquired by IGas Energy plc (IGas) during the quarter via a Scheme of Arrangement. Under that scheme shareholders in Dart received 0.08117 shares in IGas for each Dart share. This has resulted in New Hope receiving 14,709,385 IGas shares, representing a 5% ownership stake in IGas.

IGas is an Alternate Investment Market (AIM) listed oil and gas company with onshore production and exploration assets predominantly within the United Kingdom.

For further information, please contact:

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