



# QUARTERLY ACTIVITIES REPORT

## 30 APRIL 2019

28 May 2019

	Quarter Ended			Nine Months Ended		
	Apr-19 ('000t)	Apr-18 ('000t)	Change	Apr-19 ('000t)	Apr-18 ('000t)	Change
<b>Saleable Coal Production</b>						
QLD 100% owned and operated	1,227	1,216	1%	3,527	3,750	(6%)
NSW 80% owned operations*	1,686	886	90%	4,035	2,804	44%
<b>Total Saleable Coal Production</b>	<b>2,913</b>	<b>2,102</b>	<b>39%</b>	<b>7,562</b>	<b>6,554</b>	<b>15%</b>
<b>Coal Sold</b>						
QLD 100% owned and operated^	1,343	1,009	33%	3,510	3,537	(1%)
NSW 80% owned operations*	1,722	892	93%	4,076	2,783	47%
<b>Total Coal Sold</b>	<b>3,065</b>	<b>1,901</b>	<b>61%</b>	<b>7,586</b>	<b>6,320</b>	<b>20%</b>
QBH Export Throughput	1,653	1,496	11%	4,874	5,077	(4%)

\* New Hope Corporation Limited increased its interest in the NSW operations from 70% to 80% from 25 March 2019 following the previous increase from 40% to 70% on 1 December 2018.

^ Includes trade coal sales.

### KEY POINTS

- On 12 March 2019, New Hope Corporation Limited (**New Hope**) was advised by the Queensland Department of Environment and Science that it had granted the application to amend the Environmental Authority for the New Acland Coal Mine Stage 3 Project.
- New Hope completed the acquisition of a further 10% of the Bengalla Joint Venture to a final interest of 80% in late March 2019. The economic effective date for the transaction was 1 December 2018.
- During the quarter ended 30 April 2019, Bengalla (100%) mined 2.8 million tonnes of ROM coal, produced 2.3 million tonnes of saleable coal and sold 2.3 million tonnes.

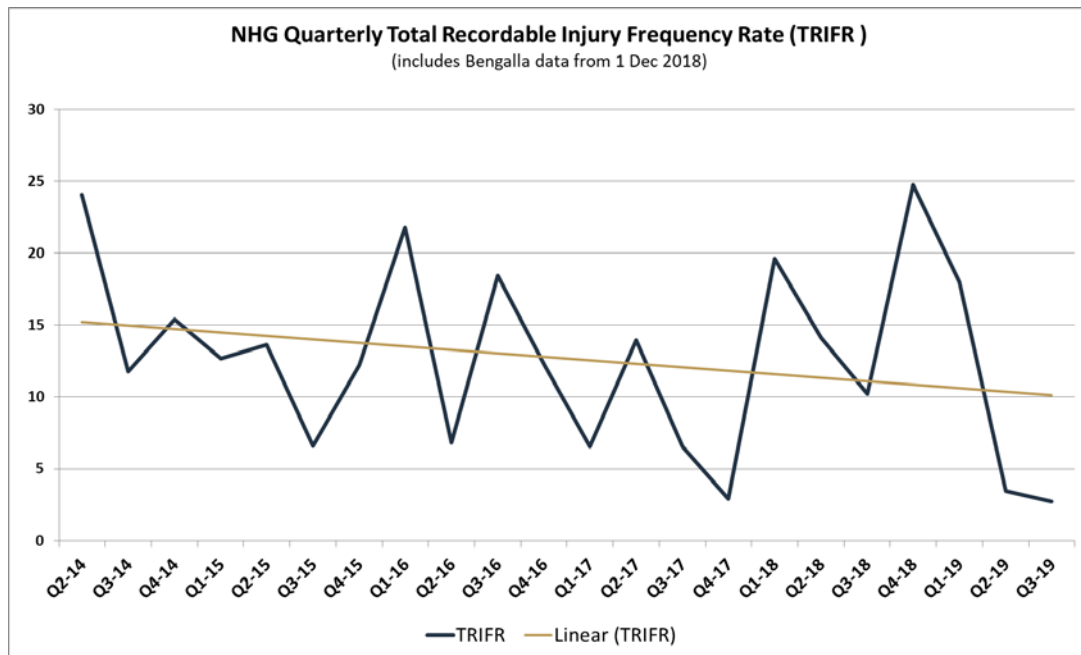
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- Index prices for export thermal coal softened during the quarter with the Newcastle average price for the quarter to the end of April ending at US\$91.30 down approximately US\$9 on the prior quarter.

## SAFETY PERFORMANCE

All New Hope personnel have continued to focus on hazard awareness and risk management across the business. It was pleasing to acknowledge that during March, New Hope achieved a full month without a recordable injury or a high potential incident. Our trends for injuries and high potential incidents have both been improving over the quarter with no recordable injuries also reported in April. New Hope personnel will maintain their efforts to continue these improving trends.



Note: New Hope safety statistics include Bengalla from 1 December 2018 (however excludes oil activities)

## QLD COAL OPERATIONS

Total coal production was slightly above the prior comparative quarter.

New Acland operations concentrated on the West Pit and Centre Pit during the quarter, with West Pit now moving away from Acland. Noise constraints continue to impact the operation. New Acland continued its work during the quarter to screen and process the coal recovered from the old underground workings which has extended the recoverable coal but with resulting impacts on yield and feed rates in the coal handling plant during processing.

Rehabilitation continued across the site with focus on the two inactive in-pit tailings facilities with good progress made on capping the dams with prime waste from Centre Pit. Reshaping and top soiling of the eastern batter on one of the in-pit tailings dams commenced during the quarter.

The Jeebropilly operations continue to focus on safe production and 'finishing well', with the completion of mining operations due to occur at the end of calendar year 2019. Closure planning and post-mining land use optimisation work has continued during the quarter. Jeebropilly has shaped and seeded a further 11 hectares of rehabilitation during the quarter.

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Oakleigh East rehabilitation activities have continued during the quarter with the capping of remnant tailing dams nearing completion.



Oakleigh East showing ongoing rehabilitation and capping of a tailings dam area.  
Images taken from the north-east by Taylor Mining Services Pty Ltd

### **Revised New Acland Coal Mine Stage 3 Project**

On 12 February 2019, the Coordinator-General of Queensland issued a change report approving amendments to noise limit conditions as recommended by the Land Court. On 12 March 2019 the Queensland Department of Environment and Science granted the application to amend the Environmental Authority.

On 20 March 2019 the Queensland Department of Natural Resources, Mines and Energy commenced the advertisement of the Associated Water Licence application, with the public submission period ending 7 May 2019.

The project needs to secure Mining Leases, an Associated Water Licence and a number of secondary approvals before mining activity can commence. New Hope remains committed to delivering the New Acland Stage 3 project and will actively work with the relevant government departments to progress through these steps.

Obtaining final approval in a timely manner is critical to ensuring the continuity of operations and therefore employment for approximately 300 employees and 500 contractors currently engaged at the New Acland mine.

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## NSW OPERATIONS – 80% OWNED (FROM 25 MARCH 2019) (BENGALLA)

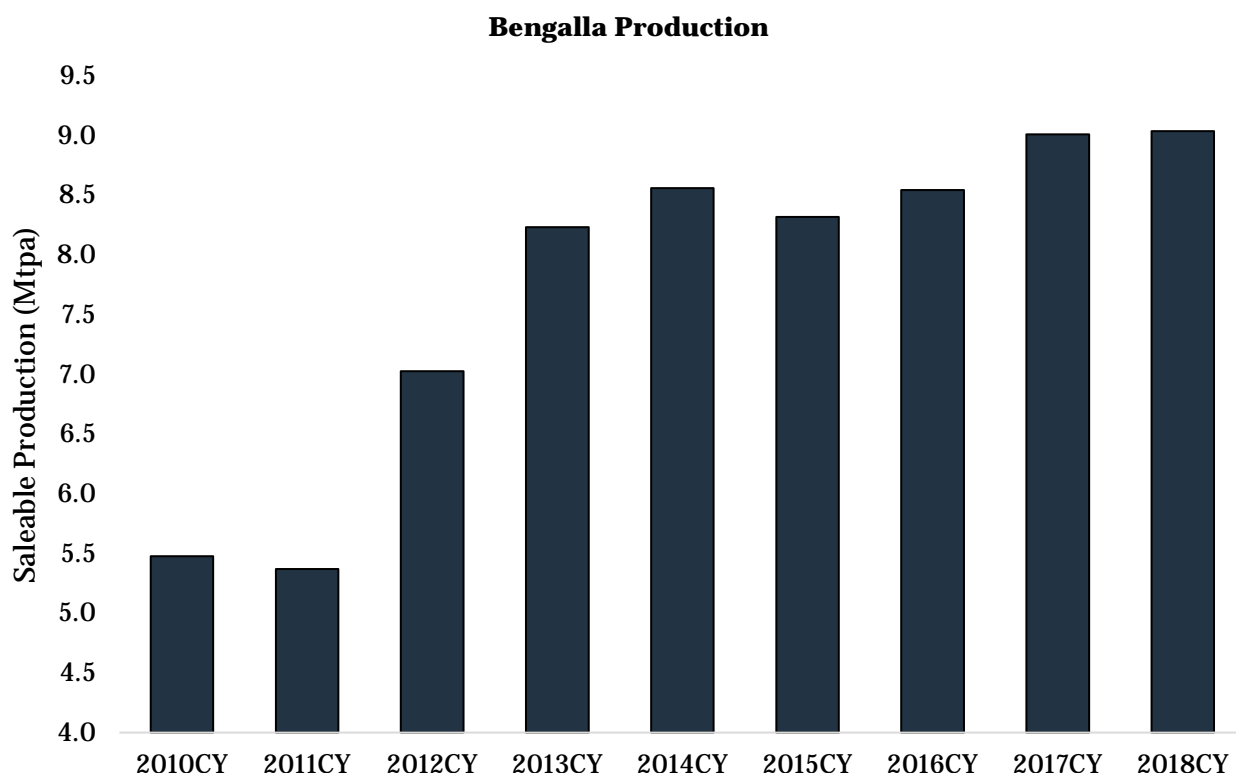
New Hope completed its acquisition of an additional 10% interest in the Bengalla Joint Venture from Mitsui on 25 March 2019 for \$215 million. The economic effective date of the transaction was 1 December 2018.

The completion of the transaction provides New Hope with an 80% interest in a high quality asset which it believes will continue to deliver significant benefits moving forward.

New Hope's share of coal produced at Bengalla during the quarter was 1.7 million tonnes, 90% above the prior corresponding period.

The site increased its truck fleet numbers during the quarter which will assist in its plans to increase throughput capacity in the short term.

Through debottlenecking and incremental expansion the Bengalla operation is now producing at an annualised rate of approximately 10 million tonnes of saleable coal.



## PASTORAL OPERATIONS

Acland Pastoral operations received below average rainfall for the quarter, negatively impacting grazing pastures and summer crops. Sorghum crops were bailed and placed in inventory with the sorghum stubble and regrowth being used to value add weaners.

After recent sales cattle numbers are 1,756 breeder cattle, 85 bulls with 2,019 branded calves / weaners.

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Figure 1: Mustering cows and calves, (Acland Pastoral)

The pasture management strategy, which includes use of rehabilitation areas for grazing, is ongoing.

Noxious weed removal, primarily boxthorn has been completed in Acland Pastoral paddocks for 2019. Acland Pastoral has now commenced management of weed removal work on rehabilitated areas of the New Acland Mine.

Following the acquisition of a controlling interest in Bengalla, New Hope's land management experience is being applied to the active management of agricultural land surrounding the Bengalla operation.

## COAL EXPLORATION AND DEVELOPMENT

During the quarter, drilling activity saw 38 holes drilled for a total of 3,708 metres across New Acland and the North Surat.

The pre-feasibility study for the North Surat project is continuing with work focusing on capital cost estimates and financial analysis.

Drilling activities continued at New Acland, on the Cherry's road campaign in the north of the existing mining area. Drilling on the Woori leases (part of the larger North Surat project) commenced in April, with focus on collecting additional borecore for coal quality testing purposes.

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Resource estimation and project planning for the Burton/ Lenton project continued in the quarter.

## BRIDGEPORT ENERGY

There were no safety incidents during the quarter and the Bridgeport Lost Time Injury-free period now stands at 1,697 days.

The average realised oil price for the quarter was US\$69/bbl (A\$98/bbl).

Oil production totaled 93,137 barrels for the quarter, with 80,544 barrels of oil being sold in line with the prior corresponding period. The company's drill rig, after completing its annual workover activities at the Kenmore and Bodalla South fields, moved to the Inland field and as at end of the quarter had completed two of three workovers scheduled for that field. Production from non-operated fields has supported production levels as a result of successful development wells drilled in those tenements which were progressively brought on line during the quarter.

Bridgeport closed a transaction on three exploration tenements in the north east Cooper Eromanga area near Jundah, Qld, thus acquiring the Senex interests in ATPs 736, 737 and 738. Bridgeport now holds a large area (8,434 km<sup>2</sup>) encompassing the Toolebuc shale play in the Jundah area with planning work progressing for appraisal activities.

## COMMUNITY SUPPORT

Providing assistance and support to organisations and events that have a prolonged impact on building strong communities has continued to be a focus for New Hope. Most recently this has involved:

- sponsored local events including the Upper Hunter Show and Scone Charity Rodeo in NSW and the Ipswich, Toowoomba and Oakey shows in Queensland;
- renewed our partnership with Queensland Minerals and Energy Academy to provide further STEM programs at three Queensland high schools and providing school mine tours and work experience opportunities at Bengalla for local year 10 students;
- employees assisted with numerous community events within the communities surrounding Bengalla, New Acland, Jeebropilly and the North Surat exploration area; and
- continued the New Acland Mine public tours with April's tour at capacity.

## CORPORATE

As announced on 1 February 2019 and also referred to in note 11 of the Company's Half Year Financial Report released on 19 March 2019, the Company and relevant subsidiaries commenced proceedings in the Supreme Court of New South Wales seeking orders confirming that the Company is not bound by a Deed of Cross Guarantee, in respect of certain subsidiaries, including Northern Energy Corporation Limited and Colton Coal Pty Ltd. The hearing date for these proceedings is currently scheduled for 17 to 19 June 2019. The Company will provide a further update regarding the proceedings in due course.

For more information, please contact:

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