

FINANCIAL RESULTS RELEASE

Half Year Ended 31 January 2015

Presented by Shane Stephan, MD

24 March 2015



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OVERVIEW

Mr Robert Millner, Chairman



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EXECUTIVE SUMMARY

- Ongoing improvement in safety performance
- 70% increase in operating cashflows for the period, equating to \$26.6 million
- Strong sales and production tonnages for the period
- Profit after tax before non-regular items totals \$34.2 million:
 - \$19.1 million from coal mining, marketing and logistics
 - (0.1) million loss from oil and gas
 - \$15.2 million from treasury and investments
- Losses from impairments and other non-regular items of \$57.4 million after tax
- After non-regular items a net loss after tax of \$23.1 million
- Record sales volumes for the first half – 3.1 million tonnes
- New Hope is well positioned to take advantage of growth opportunities
- Management is sustainably reducing operating costs

SAFETY PERFORMANCE

Mr Shane Stephan, Managing Director



EMERGENCY RESPONSE TEAM TRAINING

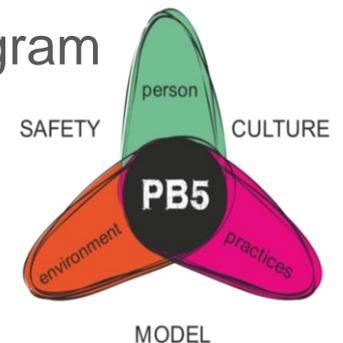


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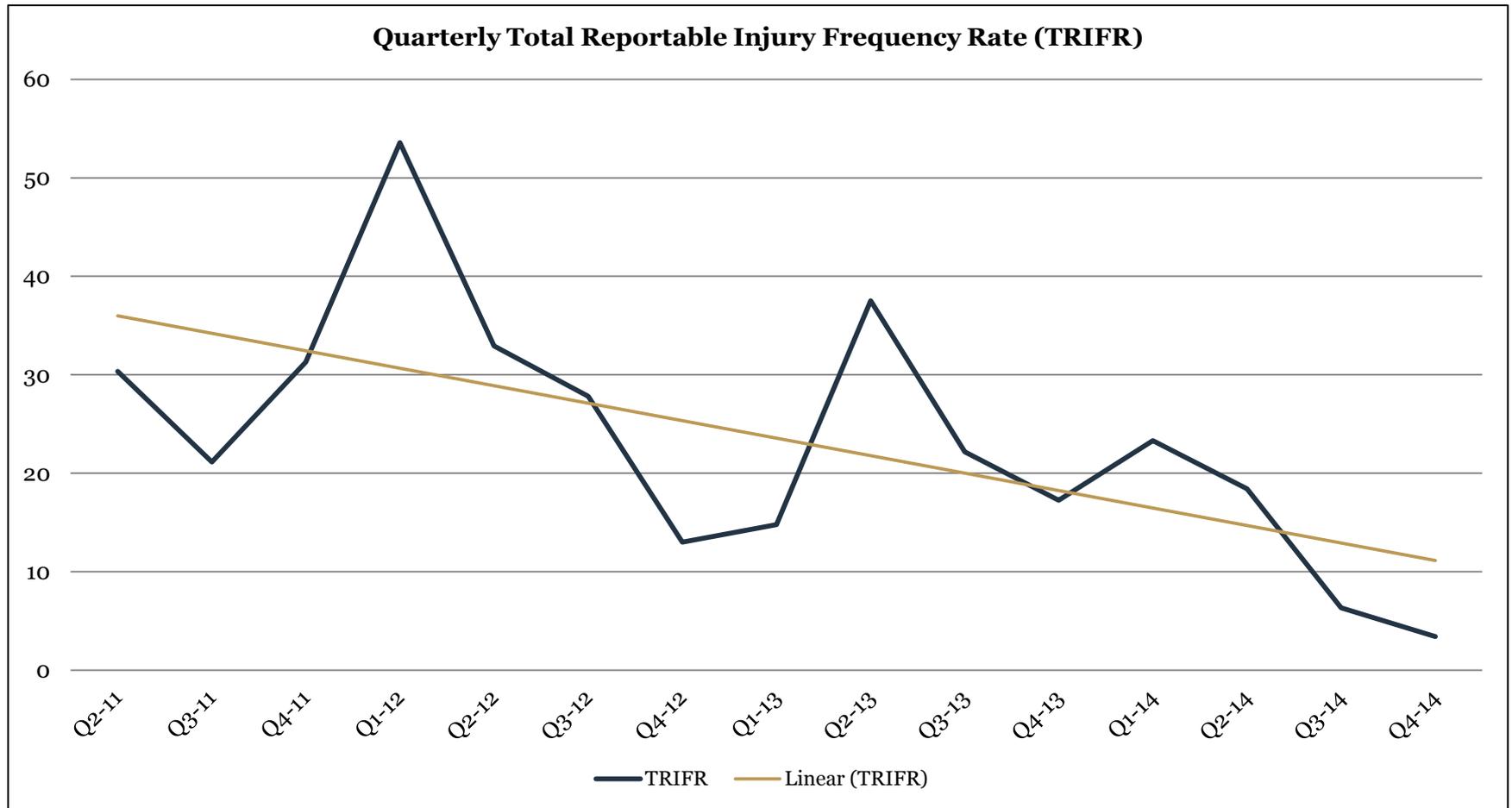
SAFETY PERFORMANCE

HY 2015

- Significantly improved performance with fewer people being injured
- All lag indicators improved for HFY 2015 compared to same period in 2014
 - TRI's down 58%
 - LTI's down 43%
 - HPI's down 70%
- Concentration through i-Safe/We-Safe behavioural program



SAFETY PERFORMANCE



FINANCIAL OVERVIEW



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FINANCIAL OVERVIEW

HY 2015

	6 Months Ended 31 January (A\$m)		
	2015	2014	Change %
Revenue from ordinary activities	269.1	284.9	- 5.5%
Earnings before interest, tax, depreciation, amortisation and non regular items [^]	75.7	64.0	+ 18.3%
Earnings before interest, tax and non regular items [^]	45.6	34.7	+ 31.4%
Profit/(loss) before income tax (before non regulars items) [^]	45.6	34.7	+ 31.4%
Profit/(loss) before income tax	(26.4)	34.7	- 171.5%
Net profit/(loss) after tax (before non regular items) [^]	34.2	22.7	+ 51.0%
Net profit/(loss) after tax	(23.1)	22.7	- 191.2%

[^] Refer to Appendix for reconciliation of non-IFRS financial information

FINANCIAL OVERVIEW

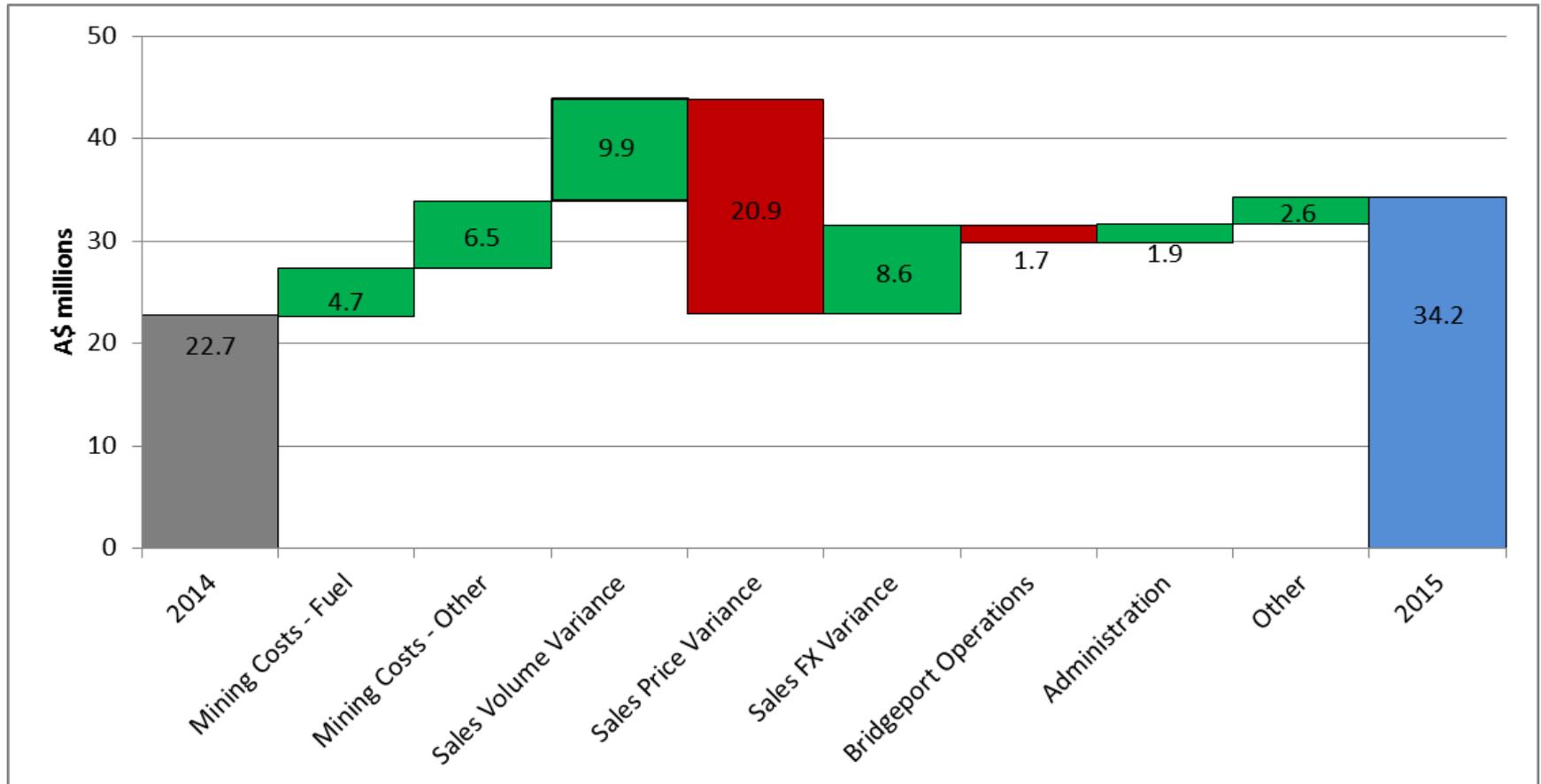
HY 2015

	6 Months Ended 31 January (cents per share)	
	2015	2014
Earnings per share before non regular items [^]	4.1	2.7
Earnings per share	(2.8)	2.7
Interim Dividend	4.0	6.0

[^] Refer to Appendix for reconciliation of non-IFRS financial information

GROUP NPAT COMPARISON

Before non regular items



COST MANAGEMENT



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COST CONTROL

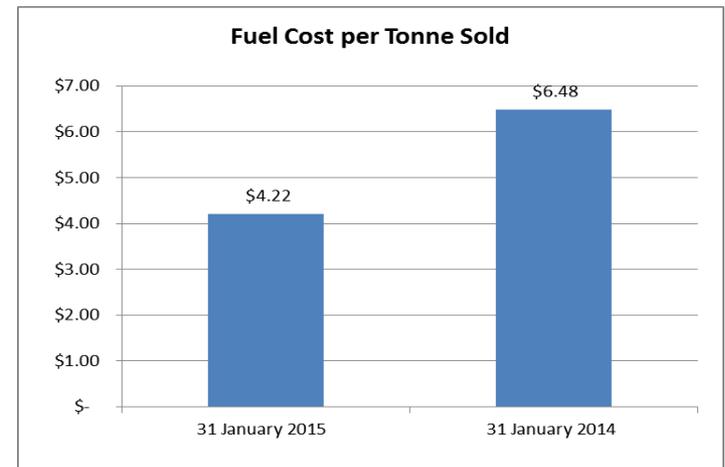
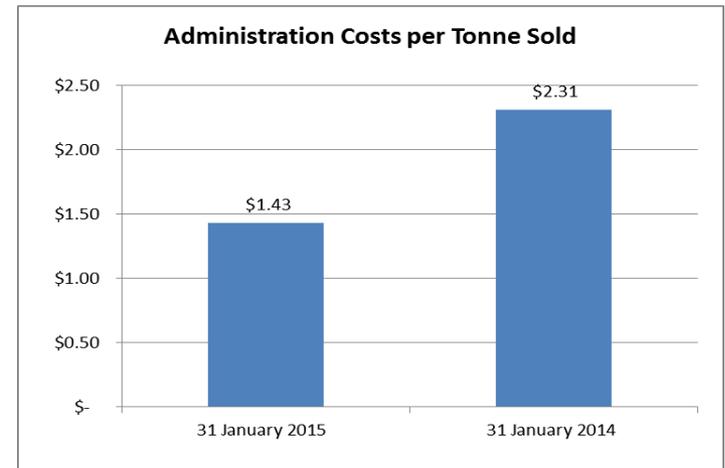
- Focus on sustainable cost management and productivity initiatives across the total business
- Innovate to reduce operating costs e.g. trial of Wirtgen Surface miner at Acland. The trial indicates that this machine will reduce mining costs at improved productivity levels
- First half 2015 FOR operating costs reduced by 15% compared by the same period in 2014



COST CONTROL

- Costs of sales reduced by \$30.8 million or 22.9% per tonne sold.
- Administration costs reduced by \$2.2 million or 38.1% per tonne sold

- Fuel costs savings of \$5.6m, equating to 34.9% per tonne sold



PRODUCTION AND SALES

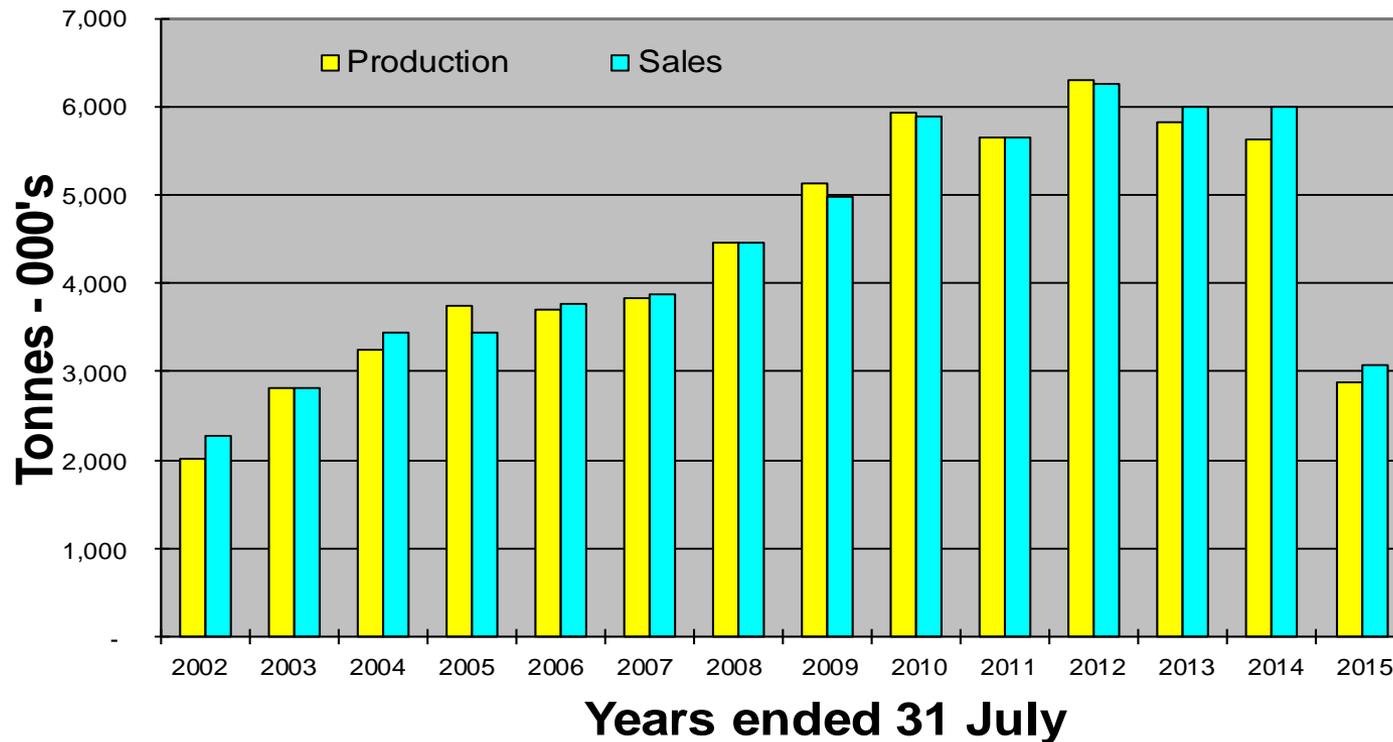


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PRODUCTION & SALES PERFORMANCE

HY 2015

Australian Operating Results



PRODUCTION & SALES TONNAGES

HY 2015

	6 Months Ended 31 January (million tonnes)		
	2015	2014	Change
ROM Coal Processed	5.537	5.350	+ 3.5%
Saleable Coal Production	2.871	2.696	+ 6.5%
Coal Sold *	3.073	3.010	+ 2.1%

* Includes trade coal

COAL PRODUCTION VOLUMES

HY 2015

	6 Months Ended 31 January (million tonnes)		
	2015	2014	Change
New Acland	2.544	2.330	+ 9.2%
Jeebropilly	0.327	0.366	- 10.6%
TOTAL	2.871	2.696	+ 6.5%

COAL SALES VOLUMES

HY 2015

	6 Months Ended 31 January (million tonnes)		
	2015	2014	Change
Export *	3.007	2.930	+ 2.6%
Domestic	0.066	0.080	- 17.5%
TOTAL *	3.073	3.010	+ 2.1%

* Includes trade coal

NORTH SURAT PROJECTS



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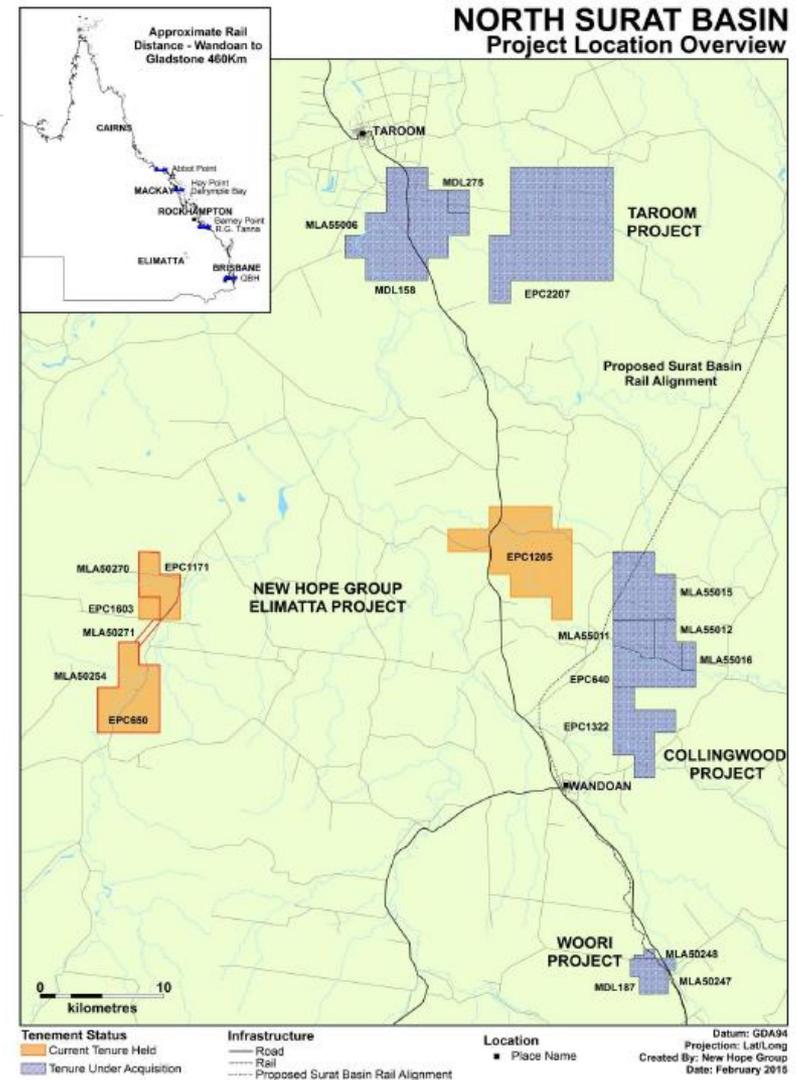
NORTH SURAT PROJECTS



- In Dec 2014 acquired Cockatoo Coal's 51% of North Surat Joint Venture for \$25m
- In Feb 2015 acquired Mitsui's 49% of North Surat Joint Venture on similar terms
- Long term strategic investment of a large tonnage of low ash open cut thermal coal

NORTH SURAT PROJECTS

- The three projects acquired from Cockatoo/Mitsui are Taroom, Collingwood and Woori
- In combination with New Hope's existing Elimatta project, the projects contain total resources of over 1 billion tonnes
- In the short term, New Hope will focus on project development studies including evaluating a range of coal transport alternatives



NORTH SURAT PROJECTS

Project	Resources (Mt)				Reserves (Mt)			
	Inferred	Indicated	Measured	Total	Marketable	Probable	Proved	Total
Taroom ⁽¹⁾	126	149.3	158.1	433	161.7			161.7
Collingwood ⁽¹⁾	69	80.3	79.7	229	98.6			98.6
Woori ⁽¹⁾	-	-	84.3	84.4	40.6			40.6
Elimatta ⁽²⁾	50	101	108	259		40	100	139
Total				1,005				441

(1) Resources and Reserves relate to 100% of the project. Cockatoo's quarterly activities report containing the estimates in respect of the Taroom, Collingwood and Woori projects was released to ASX on 31 October 2013 and is available on the ASX announcements platform. The competent person responsible for the original report in respect of the Taroom, Collingwood and Woori projects was Dr Oliver Holm.

(2) The resource and reserve estimates for the Elimatta project were previously set out in the company's annual report for the year ended 31 July 2014 released to ASX on 23 September 2014 and is available on the ASX announcements platform. The competent person responsible for the report in respect of the resources in the Elimatta project was Mr Patrick Tyrrell, who is a member of AusIMM. The competent person responsible for the report in respect of the coal reserves at the Elimatta project was Mr Brett Domrow, who is a member of AusIMM. Mr Domrow is a full-time employee of New Hope Corporation Limited. New Hope is not currently aware of any new information or data that materially affects the estimates in respect of the Elimatta project. All material assumptions and technical parameters underpinning those estimates continue to apply and have not materially changed.

COMMUNITY AND SUSTAINABILITY



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OUR PEOPLE

The New Hope Advantage



- We recruit and retain the best people for the job
- Experienced Team from Equipment Operators to Senior Management
- Ensure a safe and healthy workplace, incorporating well-being initiatives
- Provide development and training opportunities
- Program underway to align and strengthen organisational culture
- More than 80% of workforce are locals to operational areas – no FIFO
- Workforce turnover low at 3.5%pa

COMMUNITY & SOCIAL RESPONSIBILITY

Working together to maintain our Social Licence to Operate

- We contribute around \$600,000 pa to local community projects and not-for-profit groups through our Sponsorship and Donation Program and Community Investment Fund
- New Hope actively partners with, and supports, its local communities
- Our Community Reference Group at Acland provides insight on local topics which informs company decision making
- New Hope remains a major partner of the CareFlight rescue helicopter service's Darling Downs operations



COMMUNITY ENGAGEMENT

New Acland Mine Family Support Walk

- Over eight hundred New Acland employees and supporters turned out in force in Oakey on 15 March to show their support for the coal mine with a Family Support Walk through the town
- Employees at the mine came up with the idea for the event to show their pride in working and living in the region
- Employees were joined by their families, community members, contractors and local business owners



REVISED NEW ACLAND COAL MINE STAGE 3 PROJECT

Highlights

- Continue the mine until approximately 2029, supporting approximately 435 operational jobs at peak, construction jobs of up to 260, plus thousands of indirect jobs
- Potential expansion of the mine to 7.5 Mtpa product
- Contribute almost \$12 billion to the local, regional, state and federal economies over the life of Project
- Relocate Jondaryan Rail Loading Facility to a remote site on lease
- Maintain Acland town area through the Acland Management Plan
- Strong community support for the project



REVISED NEW ACLAND COAL MINE STAGE 3 PROJECT

Progress

Forecast Timetable:

- EIS submitted January 2014
- EIS public comment period ended 3 March 2014
- Additional Information on EIS submitted Q3 2014
- Coordinator-General Report provided Q4 2014
- Environmental Authority Conditions finalised 2015
- Granting of Mining Lease Q2 2016
- Construction planned to commence in 2016



REHABILITATION

Land Management

- New Hope is committed to the progressive rehabilitation of land across its operations
- Rehabilitation is progressive and occurs right behind the mining activities
- To date 402 Ha of land has been fully rehabilitated at Acland
- Clear demonstration of the compatibility of mining and agriculture



THERMAL COAL MARKETS



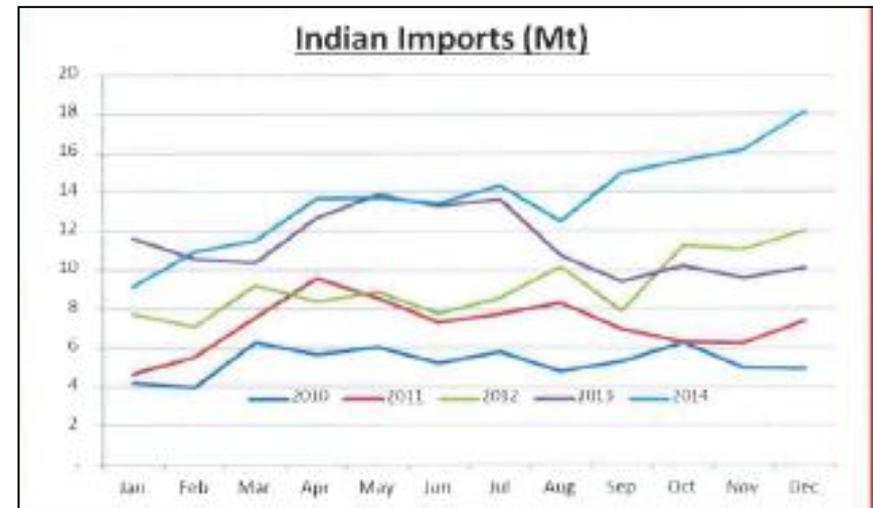
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COAL DEMAND

Market Context

Demand

- ❖ China import demand moderating, however high quality Australian Coal is still in demand
- ❖ Indian import demand accelerating – imports rose 28Mt (21%) surpassing Japan as the world's second largest importer in 2014
- ❖ India is expected to increase coal fired power generation by > 80% over the next 6 years
- ❖ Coal is the preferred fuel for electricity in Asia due to both availability and economics – gas fuelled electricity generation is still more than twice the cost of coal fuelled electricity generation in Asia



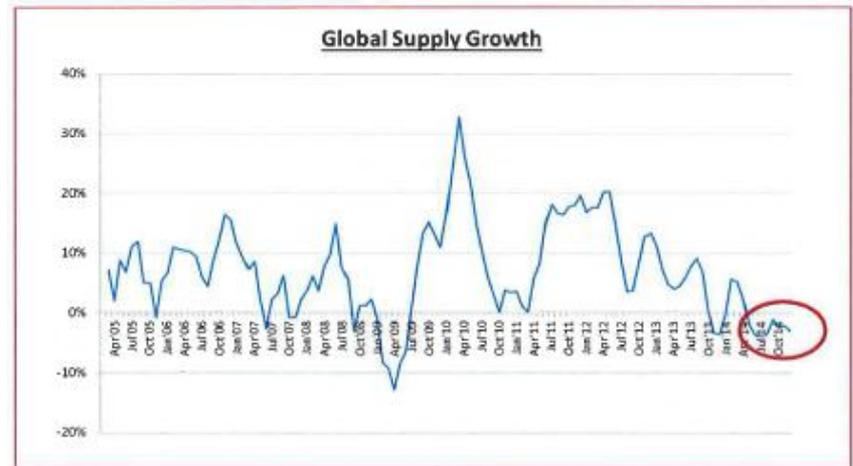
SOURCE: HDR

COAL SUPPLY

Market Context

Supply

- ❖ Global thermal coal supply growth is moderating
- ❖ Seaborne traded coal however has a strong position in the global coal supply mix due largely to quality and supply certainty
- ❖ Exports of thermal coal will continue to grow from Australia due to new projects previously committed coming online
- ❖ Lower freight rates will help imports compete against domestic production – Newcastle freight to China has fallen from US\$15.20 to US\$7.00 per tonne over the past 12 months



SOURCE: HDR

MARKET OUTLOOK

- Seaborne thermal coal market supply growth has halted
- China is taking action to reduce domestic supply and concurrently reduce imports of other than premium coals
- Indonesian exports have plateaued in tonnage and reduced in energy equivalent terms
- The future direction of the Australian dollar will have an immediate material affect on revenues
- The long term future for the Australian export thermal coal market remains solid for efficient operators with good resources and stable balance sheets



OIL AND GAS



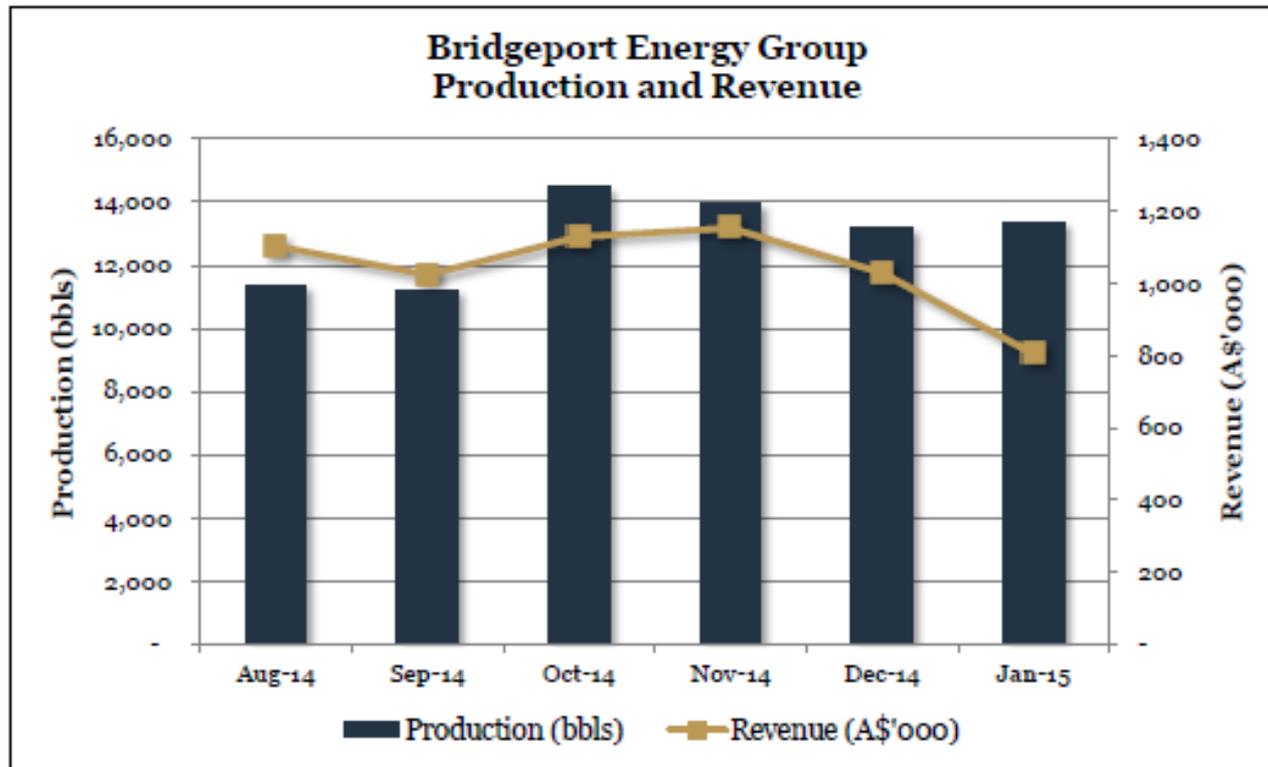
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OIL AND GAS

Bridgeport Energy

	6 Months Ended 31 January (\$000)	
	2015	2014
Total Revenue	6,867	6,999
Earnings Before Interest Tax Depreciation Amortisation and non regular items	(561)	2,479
Profit Before Tax (after non regular items)	(57,741)	1,514
Less Income Tax Benefit (expense)	15,846	(153)
Less Petroleum Resources Rent Tax Benefit	816	(1,020)
Profit After Tax (after non regular items)	(41,079)	341

OIL AND GAS



PORT OPERATIONS



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QBH - PORT OPERATIONS

- QBH exported 3.6Mt for the half year
- QBH remains essentially a demurrage free port
- QBH management and staff maintained the strong safety performance, this year delivering over 2 years Lost Time Injury (LTI) free
- Strong focus on cost control through productivity improvement, management of maintenance and reduction of raw material inputs



OUTLOOK



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STRATEGIC VISION

Our points of focus

- ❖ A commitment to meet or exceed our legal, financial, safety and environmental obligations; and the expectations of our shareholders
- ❖ Retain a high calibre team with the right culture
- ❖ Deliver safe, efficient and cost effective production outcomes
- ❖ Achieve an excellent reputation in our local communities and be respected by all stakeholders
- ❖ Secure the future of New Acland and realise full value from our existing assets
- ❖ Apply our balance sheet to facilitate growth

APPENDIX



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RECONCILIATION OF NON-IFRS FINANCIAL INFORMATION

	6 Months Ended 31 January (A\$m)	
	2015	2014
Net profit / (loss) after tax	(23.139)	22.663
Income Tax expense / (benefit)	2.449	10.967
Petroleum Resource Rent Tax expense / (benefit)	(0.816)	1.020
Profit before income tax	(26.404)	34.650
Non regular items before tax	70.020	0.000
Profit before income tax and non regular items	45.616	34.650
Interest Expense	0.000	0.002
Earnings before interest tax and non regular items	45.616	34.652
Depreciation and Amortisation	30.046	29.353
Earnings before interest tax depreciation amortisation and non regular items	75.662	64.005

Earnings before interest tax and non regular items (EBIT) and earnings before interest tax depreciation amortisation and non regular items (EBITDA) figures referenced in this presentation are unaudited and unreviewed. The figures have been extracted from the reviewed financial statements and reconcile to the results presented in the Appendix 4D and Interim Report in the Consolidated Statement of Comprehensive Income.

The presentation of the EBIT and EBITDA is to provide a measure of New Hope's performance prior to the impact of financing and non-cash depreciation and amortisation.

RECONCILIATION OF NET PROFIT AFTER TAX BEFORE AND AFTER NON REGULAR ITEMS

6 Months Ended 31 January (A\$m)	Coal Mining	Oil and Gas	Marketing and Logistics	Treasury and Investment	Total
2015					
Net profit/(loss) after tax	3.524	(41.079)	15.569	(1.153)	(23.139)
Non regular items after tax					
Gain on disposal of Dart Energy Limited Shares				(1.151)	(1.151)
Impairment of oil producing and exploration assets		36.795			36.795
Impairment of goodwill		4.157			4.157
Impairment of available for sale investments				17.558	17.558
Total non regular items after tax	0	40.952	0	16.407	57.359
Net profit/(loss) after tax before non regular items	3.524	(0.127)	15.569	15.254	34.220
2014					
Net profit/(loss) after tax	(9.453)	0.341	16.394	15.381	22.663
Non regular items after tax	0	0	0	0	0
Net profit/(loss) after tax before non regular items	(9.453)	0.341	16.394	15.381	22.663

RECONCILIATION OF NON-IFRS FINANCIAL INFORMATION

	6 Months Ended 31 January	
	2015	2014
Basic earnings per share (cents) (before non regular items)	4.1	2.7
Disposal of Dart Energy Limited shares	0.1	-
Impairment of oil producing and exploration assets	(4.4)	-
Impairment of goodwill	(0.5)	-
Impairment of available for sale investments	(2.1)	-
Basic earnings per share (cents) (after non regular items)	(2.8)	2.7

Basic earnings per share before non regular items referenced in this presentation are unaudited and unreviewed. The figures have been extracted from the reviewed financial statements and reconcile to the results presented in the Appendix 4D and Interim Report in the Consolidated Statement of Comprehensive Income.



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