

ASX Release | 28 February 2022
Quarterly Activities Report
January 2022



NEW HOPE CORPORATION LIMITED

ABN 38 010 653 844

Highlights

- Underlying EBITDA¹ of A\$310m for the quarter following further strengthening of coal prices, and year-to-date Underlying EBITDA¹ of approximately A\$552m.
- Land Court of Queensland recommended that the New Acland Stage 3 Mining Leases and Environmental Authority amendment application be granted, subject to conditions².
- Thermal coal prices continue to trend higher, closing January at US\$248.64 (gC NEWC (6000 NCV)) reflecting a 12% increase against the previous quarter.
- Limited disruption experienced at Bengalla despite unseasonal wet weather and COVID-19 challenges.
- Strong cash generation off the back of high thermal coal prices and cost control.

	Quarter Ended			Year to Date		
	Jan-22 ('000t)	Oct-21 ('000t)	Change (%)	Jan-22 ('000t)	Jan-21 ('000t)	Change (%)
ROM Coal Production						
QLD 100% owned and operated	200	501	(60.1%)	701	1,929	(63.7%)
NSW 80% owned operations	2,460	2,543	(3.3%)	5,003	4,754	5.2%
Total ROM Coal Production	2,660	3,044	(12.6%)	5,704	6,683	(14.6%)
Saleable Coal Production						
QLD 100% owned and operated	87	283	(69.3%)	370	931	(60.3%)
NSW 80% owned operations	1,959	2,043	(4.1%)	4,002	3,555	12.6%
Total Saleable Coal Production	2,046	2,326	(12.0%)	4,372	4,486	(2.6%)
Coal Sold*						
QLD 100% owned and operated	551	323	70.6%	874	1,057	(17.3%)
NSW 80% owned operations	2,252	2,305	(2.3%)	4,557	3,828	19.0%
Total Coal Sold	2,803	2,628	6.7%	5,431	4,885	11.2%
QBH Export Throughput	686	863	(20.6%)	1,549	2,096	(26.1%)
* Includes Trade Coal Sales.						

¹ Underlying Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) is a non-IFRS measure and has not been audited.

² ASX Release – 17 December 2021 “New Acland Stage 3 Update”

Health and Safety Performance

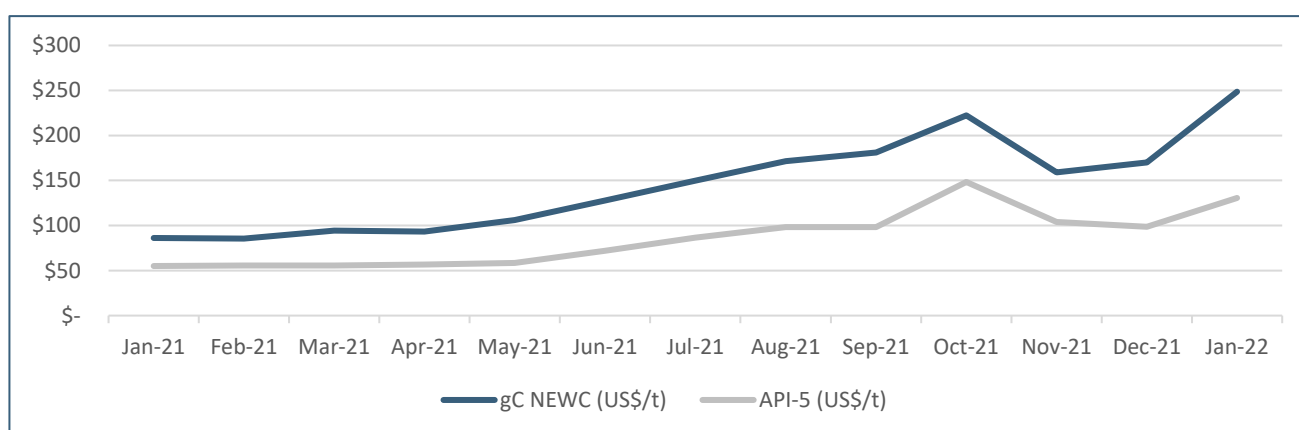
The Company has adopted the All-Injury Frequency (AIF) as its key safety performance metric. The AIF for the quarter was 33.32, which is a slight increase from last quarter. The Company continues to monitor TRIFR as an additional indicator of safety performance. The Company's twelve month moving average TRIFR continues to remain below the industry average³. One High Potential Event was recorded in the past quarter and eight Recordable Incidents were reported to the NSW Resources Regulator.

COVID-19

Despite increasing COVID-19 cases as a result of the Omicron variant, the Company remained vigilant with managing the COVID-19 risks and potential impacts to the business. COVID-19 related disruption to operations has been minimal.

Marketing and Logistics

Demand strength combined with lower-than-normal coal stock levels created stock tightness for the quarter. This has culminated in a very robust forward sales book. Pricing remains well above the long-term average with the January gC NEWC (6000 NCV) index monthly average at a record high of US\$248.64. This is an increase of 12% from the previous quarter. In the short-term, pricing is forecast to remain at elevated levels until supply recovers and inventories normalise.



Queensland Operations

On 17 December 2021, the Land Court of Queensland recommended that the New Acland Stage 3 Mining Leases and Environmental Authority amendment application be granted subject to conditions.

The Company is working with the relevant Queensland Government Departments to secure the grant of the Stage 3 required approvals as soon as possible.

Final sales of remaining stockpiled coal from New Acland were made during the quarter. The operation remains in care and maintenance while the approvals process continues. While the operation is in care and maintenance, the Company remains focused on its progressive rehabilitation plan and rehabilitating areas of the mine back to productive land use.

³ New South Wales Surface Coal Mines average.

New South Wales Operations – 80% Owned

The dragline continued to perform strongly during the quarter and is ahead of the planned mine sequence. The truck and shovel fleet operated below plan due to impacts from wet weather events and periodic, partial labour shortages as a result of COVID-19. Consequently, saleable coal production was down 4.1% against the previous quarter. Sales volumes were 2.3% lower than previous quarter in line with the reduction in saleable coal volumes. To offset the reduction in production, additional truck capacity has been secured and will arrive shortly on site. The Company expects to catch up any lost production prior to the end of the financial year.

Pastoral Operations

Acland Pastoral Company (APC) bred weaners have achieved record sales prices. The winter crop harvest resulted in 950t of grain and 1700t of silage harvested and sold. The Company purchased silos during the quarter to increase onsite grain storage capacity.

Bridgeport Energy

Oil prices continued to remain well supported during the quarter, with an average realised price of A\$113/bbl. During the quarter Bridgeport produced 70.6k bbl of oil and sold 60.5k bbl of oil.

Following on from the announcement by Vintage Energy Limited (ASX: VEN) last quarter, the Company has assessed the results of the Vali gas discovery, in which it holds a 25% interest and supports a change in reserves. Work is now underway to finalise approvals necessary to commence production later in this calendar year.

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This ASX announcement was approved and authorised by the Board.