



ASX RELEASE

2017 Financial Year Results

New Hope Group reports NPAT before non-regular items of \$128.7 million up from \$5 million in the previous year and declares final dividend of 6 cents

19 September 2017

New Hope Group's well timed investment in the Bengalla Coal Mine in addition to continuing solid production from Queensland operations has resulted in substantially increased annual sales tonnage of 8.5 million tonnes for the 2017 year, which is up 23% on last year. Total revenue during 2017 was \$844.1 million up \$312.6 million or 59% on the previous financial year.

Net Profit After Tax (NPAT) after non-regular items was \$140.6 million up 362% on the previous year.

Managing Director of New Hope Group, Shane Stephan said, "What is really pleasing about this strong financial result is that we have concurrently been able to make substantial improvements to our safety performance during the same period."

"The company generated strong operating cashflows of \$313 million before interest and tax and net cash inflow from operating activities of \$284.5 million and has finished the year with cash and cash equivalents on the balance sheet of \$236.9 million."

"This result includes a full financial year impact of our 40% ownership in the Bengalla Joint Venture which boosted our production and sales by 3.4 million tonnes. Revenue from our share of Bengalla totalled \$322.6 million and EBITDA of \$146.8 million. Profit after tax from Bengalla totalled \$74.6 million for the year."

"Queensland mining operations contributed \$502.8 million in revenue and EBITDA of \$135.2 million. Profit after tax from Queensland operations after non-regular items totalled \$70.4 million."

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“Bridgeport generated revenues of \$18.7 million for the year up 78% on the previous year and EBITDA of \$1.1 million however contributed a Loss after tax of \$4.4 million to the group result”

“The Queensland Land Court recommendation in respect of the New Acland Stage 3 mining lease applications was a disappointment. The New Acland mine employs 275 full time employees and 507 contractors and supports many additional businesses and suppliers associated with the mine. The livelihoods of these people and their families depend on the continuation of the mine.”

“New Hope remains committed to progressing the approvals required to deliver the New Acland Stage 3 project. We look forward to the Queensland Government’s timely and favourable decision regarding the future of this operation” Mr Stephan said.

New Acland Coal Pty Ltd, a wholly owned subsidiary of New Hope has sought Judicial Review of the Queensland Land Court’s recommendation in respect of the New Acland Mine Stage 3 mining lease applications and related environmental authority amendment.

The mining leases for the proposed Colton Mine were granted during the past financial year and the company is now considering options for development of this project.

“After the close of the past financial year, New Hope announced that the Lenton Joint Venture (90% New Hope) had entered into an agreement to acquire the infrastructure and some mining lease areas of Peabody’s Burton Coal Mine. Once completed, this acquisition will facilitate the development of the New Lenton Project which will produce both coking and thermal coal.” Mr Stephan said.

“Demand for high quality Australian coal remains strong in Asian markets and will continue to grow as our major markets of Japan, Taiwan, Korea and China build new High Efficiency Low Emission (HELE) coal fired power plants as a strategic part of their energy policy and electricity supply infrastructure.”

“As an independent Australian coal producer, New Hope is in an ideal position to be able to service the growing needs of electricity producers in these expanding Asian markets.”

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Reconciliation of net profit after tax before and after non regular items

12 Months Ended 31 July (A\$000)	Coal Mining QLD	Coal Mining NSW	Oil and Gas	Total
2017				
Net profit/(loss) after tax	70,436	74,576	(4,393)	140,619
Non regular items after tax				
Recovery of prior year below rail access charges	13,936	-	-	13,936
Impairment of available for sale assets	(2,030)	-	-	(2,030)
Net profit/(loss) after tax before non regular items	58,530	74,576	(4,393)	128,713
2016				
Net profit/(loss) after tax	5,676	(32,851)	(26,505)	(53,680)
Non regular items after tax	22	(36,304)	(22,427)	(58,709)
Net profit/(loss) after tax before non regular items	5,654	3,453	(4,078)	5,029

The net profit after tax 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 4E and Preliminary Final Report in the Consolidated Statement of Comprehensive Income.

For more information, please contact:

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