



QUARTERLY ACTIVITIES REPORT

30 April 2017

29 May 2017

* Coal sold includes traded coal sales

	Quarter Ended			9 Months Ended		
	Apr-17 ('000t)	Apr-16 ('000t)	Change (%)	Apr-17 ('000t)	Apr-16 ('000t)	Change (%)
<u>Raw Coal Production</u>						
QLD 100% owned and operated	2,559	2,785	-8.1%	7,774	7,884	(1.4%)
NSW 40% owned operations	932	756	23.2%	3,106	756	310.8%
Total Raw Coal Production	3,491	3,541	(1.4%)	10,880	8,640	25.9%
<u>Saleable Coal Production</u>						
QLD 100% owned and operated	1,235	1,244	(0.7%)	3,943	3,772	4.5%
NSW 40% owned operations	784	576	36.1%	2,512	576	336.1%
Total Saleable Coal Production	2,019	1,820	10.9%	6,455	4,348	48.5%
<u>Coal Sold*</u>						
QLD 100% owned and operated	1,455	1,201	21.1%	3,650	3,895	(6.3%)
NSW 40% owned operations	717	630	13.8%	2,477	630	293.2%
Total Coal Sold	2,172	1,831	18.6%	6,127	4,525	35.4%
QBH Export Throughput	1,847	1,595	15.8%	4,907	5,120	(4.2%)

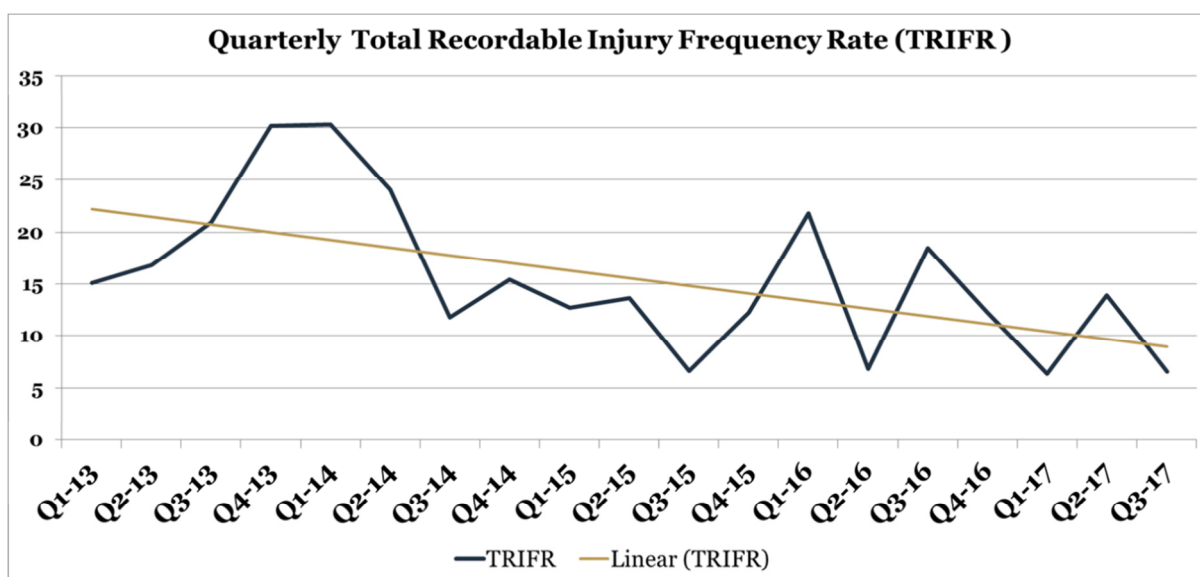
KEY POINTS

- The Queensland State Government granted Mining Lease approval for the Company's Colton Coal Project (ML50273, ML50274, and ML50280) situated 10 kilometres north of Maryborough.
- Formal Queensland Land Court proceedings for the New Acland Stage 3 Project were concluded during May 2017.
- Two of the Company's innovation initiatives were announced as finalists in the 2017 Austmine Awards, in the Miner's Innovation category.
- The Newcastle Index thermal coal price remained above US\$80 for most of the quarter.

REGISTERED OFFICE

SAFETY PERFORMANCE

The Group achieved a Total Recordable Injury Frequency Rate (TRIFR) of 6.55 during the quarter. The Company's focus on behavioural safety, safety leadership and the reinforcement of Life Rules is continuing to result in long term improvements in key leading and lagging safety indicators.



QLD COAL OPERATIONS

Raw coal production for the Queensland operations in the quarter was lower than the previous corresponding period due largely to wet weather including the impacts of tropical cyclone Debbie. Despite this, saleable coal production was consistent with the previous corresponding period due to improved coal processing yields. Due to the ship loader outage at the Queensland Bulk Handling terminal in November 2016 saleable coal stock levels have increased throughout the coal supply chain.

Coal sales for the quarter were 21% higher than the prior corresponding period. The increase in sales is due to sales that were deferred from Q2 to Q3 as a result of the ship loader outage. On a year to date basis current year sales are 6% below the prior corresponding period. The Company expects to recover some of this shortfall by year end however full year sales are expected to be marginally below the prior year.

NSW OPERATIONS – 40% OWNED (BENGALLA)

New Hope's share of coal production for the quarter was 784,000 tonnes, 36% per cent above the prior corresponding period, noting that this only included two months of New Hope ownership. Production in the quarter was impacted by wet weather and a scheduled shutdown of the washplant for major maintenance.

QLD PASTORAL OPERATIONS

A clearing sale of excess plant, equipment and materials was conducted at Acland Pastoral Company (APC) this quarter.

The quarter saw the Company hand over another 100 ha of fenced rehabilitation from the mining lease to APC for production and grazing activities. This combined with the commencement of a long term weed and pest control program will boost grazing capacity for the Company.

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Herd numbers for the quarter were at 2,815 head with the breeding operation delivering 800 calves.

Cropping for the quarter included 780 tonnes of silage corn (sold to local operators), 235 ha of grazing oats and 25 ha of barley were planted under pivot irrigation for haymaking.

EXPLORATION AND DEVELOPMENT

Drilling activity during the quarter continued to focus on New Acland tenements with 75 holes drilled for a total of 7,039 metres.

Geological work on the North Surat Project area continued to focus on reviewing the geological models and planning future exploration programs to complete the Pre-Feasibility Study.

In early May the Queensland State Government approved the Mining Lease for the Company's Colton Coal Project (ML50273, ML50274, and ML50280) situated 10 kilometres north of Maryborough.

Revised New Acland Coal Mine Stage 3 Project

The State Land Court hearing was re-opened in April. Formal proceedings were concluded during May. The Company awaits the Land Court's recommendation, which is expected to be delivered on Wednesday 31st May 2017.

BRIDGEPORT ENERGY

Oil production totalled 81,165 barrels for the quarter with 69,729 barrels sold, a decrease of 3% on the prior quarter and increase of 67% on a year to date basis. There were no safety or environmental incidents during the quarter. The Bridgeport LTI free period is now over 1,360 days.

Operations at Moonie, Utopia, Cuisinier, Kenmore, Bodalla and Naccowlah/Jackson were stable for the quarter at 912 bopd (Bridgeport share) with routine field maintenance and well workovers keeping production steady.

Exploration and production drilling commenced as oil prices improved with one exploration well drilled during the quarter in PEL630 by Beach as part of the farm-in agreement on that permit (BEL net 50%). The well did not intersect commercial hydrocarbons and will be plugged and abandoned.

COMMUNITY SUPPORT

Community Partnerships Continuing

Partnerships with and contributions to various community organisations continued in the last quarter. Activities of note in the last quarter included:

- The first workshop of a two year partnership program with LifeFlight was held. The *Rural Safety Program* is focused on improving safety in rural areas through the provision of aeromedical services, and the safety workshops for landholders.
- A partnership with the Queensland Minerals and Energy Academy (QMEA) focusing on the promotion and development of Science, Technology, Engineering and Maths (STEM) subjects in students. QMEA and New Hope Group are working closely with the local Oakey State High School, and other local industries, to build interest and skills in these areas.

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- New Hope Group has partnered with conservation group, Queensland Trust for Nature (QTFN), to research the genetics, population distribution and health of koalas in the Darling Downs region. QTFN will be working with the Company, landholders and local stakeholders to capture information for the research.

CORPORATE

The Company's Full Year Financial results are scheduled to be released on Tuesday 19th September 2017.

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