



QUARTERLY ACTIVITIES REPORT

31 JULY 2017

29 August 2017

* Coal sold includes traded coal sales

	Quarter Ended			12 Months Ended		
	Jul-17 ('000t)	Jul-16 ('000t)	Change (%)	Jul-17 ('000t)	Jul-16 ('000t)	Change (%)
<u>Raw Coal Production</u>						
QLD 100% owned and operated	2,686	2,806	-4.3%	10,460	10,690	-2.2%
NSW 40% owned operations	1,155	983	17.5%	4,261	1,739	145.0%
Total Raw Coal Production	3,841	3,789	1.4%	14,721	12,429	18.4%
<u>Saleable Coal Production</u>						
QLD 100% owned and operated	1,271	1,454	-12.6%	5,214	5,226	-0.2%
NSW 40% owned operations	879	812	8.3%	3,391	1,388	144.3%
Total Saleable Coal Production	2,150	2,266	-5.1%	8,605	6,614	30.1%
<u>Coal Sold*</u>						
QLD 100% owned and operated	1,470	1,565	-6.1%	5,120	5,460	-6.2%
NSW 40% owned operations	933	840	11.1%	3,410	1,470	132.0%
Total Coal Sold	2,403	2,405	0.1%	8,530	6,930	23.1%
QBH Export Throughput	1,946	1,870	4.1%	6,853	6,990	-2.0%

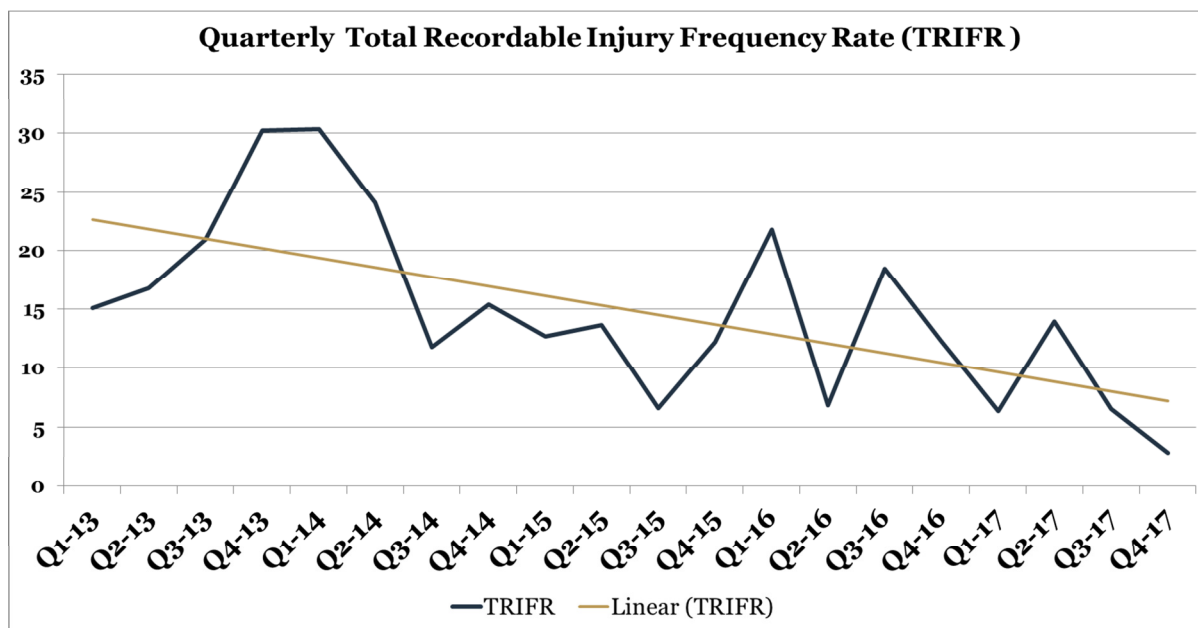
KEY POINTS

- New Hope benefitted in both raw and saleable coal production from a full year of ownership of its 40% interest in the Bengalla Joint Venture with the most recent quarter in line with the prior corresponding period.
- Sales for the year were 23.1% due to the full year contribution of Bengalla. Sales volumes for the quarter were strong with Qld coal operations achieving tonnes which would see annual sales at 5.9 million tonnes although New Hope sales for the quarter in line with the corresponding prior period.
- A 61% increase of barrels of oil sold in 2017 compared to the prior year resulting from acquisitions over the past two years.

SAFETY PERFORMANCE

Continued focus on safety performance this quarter saw New Hope record a Total Recordable Injury Frequency Rate (TRIFR) of 2.8 for the period. This result places the Company well below the industry average of 14.4.

The Company's Jeebropilly Mine won Medium Employer of the Year at the Metropolitan Regional Finals of the Queensland Government's Training Awards for excellence in its behavioural and safety leadership program.



QLD COAL OPERATIONS

Saleable coal production was 9.6% lower than the prior corresponding period with coal processing constrained due to high stock levels and lower than anticipated rail availability. On a full year basis saleable production from Queensland operations was consistent with the prior year.

Coal sales for the quarter were strong at an annualised rate of 5.9 million tonnes with sales for the full year negatively impacted by the shiploader outage at the Port of Brisbane in November 2016.

NSW OPERATIONS – 40% OWNED (BENGALLA)

New Hope's share of coal production from Bengalla for the quarter was 879,000 tonnes, 8% above the prior corresponding period and 12% above the previous quarter. Coal production for the quarter was positively influenced by productivity improvement initiatives and lower than average rainfall.

QLD PASTORAL OPERATIONS

Herd numbers were at 2,932 head at the end of the quarter.

Cropping activity for the quarter resulted in 640 bales of barley hay from pivot irrigation and the planting of 220ha of forage oats for future grazing.

EXPLORATION AND DEVELOPMENT

Drilling activity on New Acland tenements continued during the quarter with 68 holes drilled for a total of 5,471 meters.

Further on-site groundwater monitoring has taken place at Lenton, in preparation for the development of a groundwater model to formulate the Federal EPBC application for the existing ML70337.

Physical rehabilitation work was completed during the quarter at West Moreton's Chuwar and Oakleigh West sites.

With all primary approvals now secured for the Colton Project, options are being investigated for final investment approval.

Revised New Acland Coal Mine Stage 3 Project

On the 31st of May the Queensland Land Court handed down its findings in respect to the Company's Mining Lease Application for the Stage 3 continuation project, recommending it's Environmental Authority and Mining Leases not be granted.

After careful consideration of the recommendation the Company has initiated a Judicial Review of the findings. It is anticipated the Judicial Review will be heard in the Supreme Court during the first quarter 2018.

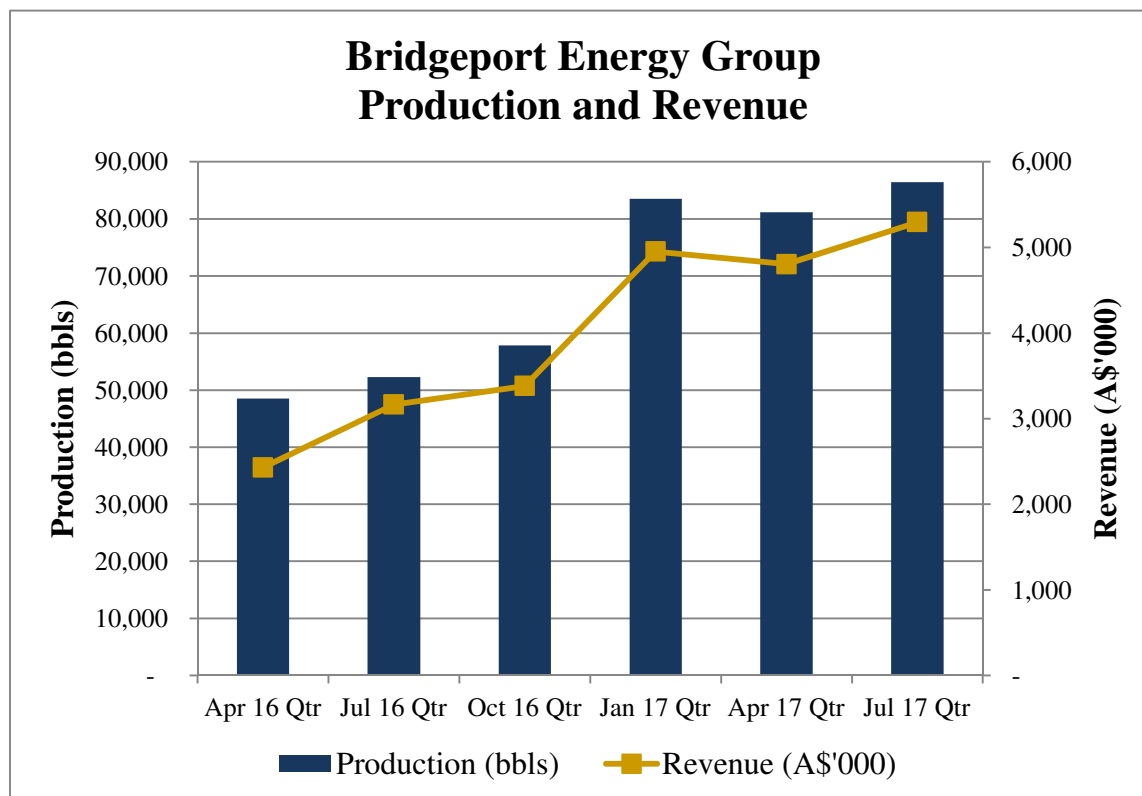
The Queensland Minister for Natural Resources and Mines and the Chief Executive of the Queensland Department of Environment and Heritage Protection are the final decision makers. They will consider all relevant matters in making their decisions regarding the grant of the Mining Leases and Environmental Authority amendment. These approvals and an Associated Water Licence will be required for the project to proceed.

The updated ground water model is nearing completion in preparation for the Associated Water License Application.

New Hope remains committed to delivering the New Acland Stage 3 Project and will actively progress this project through the final stages of approval. We look forward to the Queensland Government's timely and favourable decision regarding the future of this operation.

BRIDGEPORT ENERGY

Oil production totalled 86,438 barrels for the quarter with 84,780 barrels of oil sold, an increase of 22% on the previous quarter's sales. There were no safety or environmental incidents during the quarter. The Bridgeport LTI free period is now over 1,454 days.



Development wells drilled and connected resulted in a 165% increase in production at Utopia and Inland and 10% increase at Cuisinier.

Exploration drilling continued in the quarter with one well in ATP 794 on behalf of the Barcoo Junction Joint Venture showing intersection of three distinct oil show zones and a non-conventional wet gas zone.

COMMUNITY SUPPORT

New Hope Group has continued to develop a range of partnerships with various stakeholders aimed at delivering positive long term outcomes in the local community. Of particular note this quarter was:

- Development of the second Rural Safety Workshop for the LifeFlight partnership which aims to reduce the number and severity of farming incidents in the local area.
- Development of a secondary school program in conjunction with the Queensland Minerals and Energy Academy to generate interest and encourage greater participation in science, technology, engineering and maths subjects.
- Ongoing involvement in the Toowoomba Chamber of Commerce Future Leaders Partnership which aims to develop the leadership skills of young business people in the region.

CORPORATE

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

For more information, please contact:

INVESTORS & ANALYSTS

Robert Millner	Chairman	P: +61 2 9232 7166
Shane Stephan	Managing Director	P: + 61 7 3418 0500

MEDIA

Cathy Uechtritz	Snr Communication Advisor	P: +61 7 3418 0588
		M: +61 400 188 127
		E: media@newhopegroup.com.au

REGISTERED OFFICE

P: PO Box 47, Ipswich, QLD Australia 4305

A: 3/22 Magnolia Drive, Brookwater, QLD Australia 4300

T: +61 7 3418 0500 **F:** +61 7 3418 0355 **W:** newhopegroup.com.au