

ASX Release | 24 November 2022
Quarterly Activities Report
October 2022



NEW HOPE CORPORATION LIMITED

ABN 38 010 653 844

Highlights

- Associated Water License granted for New Acland Stage 3, with all primary approvals now received and work underway to recommence operations.
- Underlying EBITDA¹ of A\$648.1m for the quarter, up 167% from \$242.5m against the comparative quarter last year.
- Continued strong cash generation with closing cash and cash equivalents A\$1.8bn and closing trade receivables of A\$139.2m, prior to payment of final FY22 dividend.
- Thermal coal prices reached another record for the quarter of US\$412.72, which is a 215% increase against the comparative quarter last year.
- A\$300m on-market buy back of ordinary shares announced as part of a broader capital management strategy.

	Quarter Ended			FY23 Guidance		
	Oct-22 ('000t)	Jul-22 ('000t)	Change (%)	FY23 ('000t)	FY22 ('000t)	Change (%)
ROM Coal Production						
QLD 100% owned and operated	-	-	-	146	785	(81.4%)
NSW 80% owned operations	2,226	2,484	(10.4%)	9,862	9,327	5.7%
Total ROM Coal Production	2,226	2,484	(10.4%)	10,008	10,112	(1.0%)
Saleable Coal Production						
QLD 100% owned and operated	-	14	(100.0%)	71	416	(83.0%)
NSW 80% owned operations	1,622	1,893	(14.3%)	7,651	7,473	2.4%
Total Saleable Coal Production	1,622	1,907	(14.9%)	7,721	7,889	(2.1%)
Coal Sold*						
QLD 100% owned and operated	-	-	-	-	674	(100.0%)
NSW 80% owned operations	1,882	1,850	1.7%	7,930	8,164	(2.9%)
Total Coal Sold	1,882	1,850	1.7%	7,930	8,838	(10.3%)
QBH Export Throughput	517	556	(7.0%)	2,248	2,637	(14.8%)

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

Health and Safety Performance

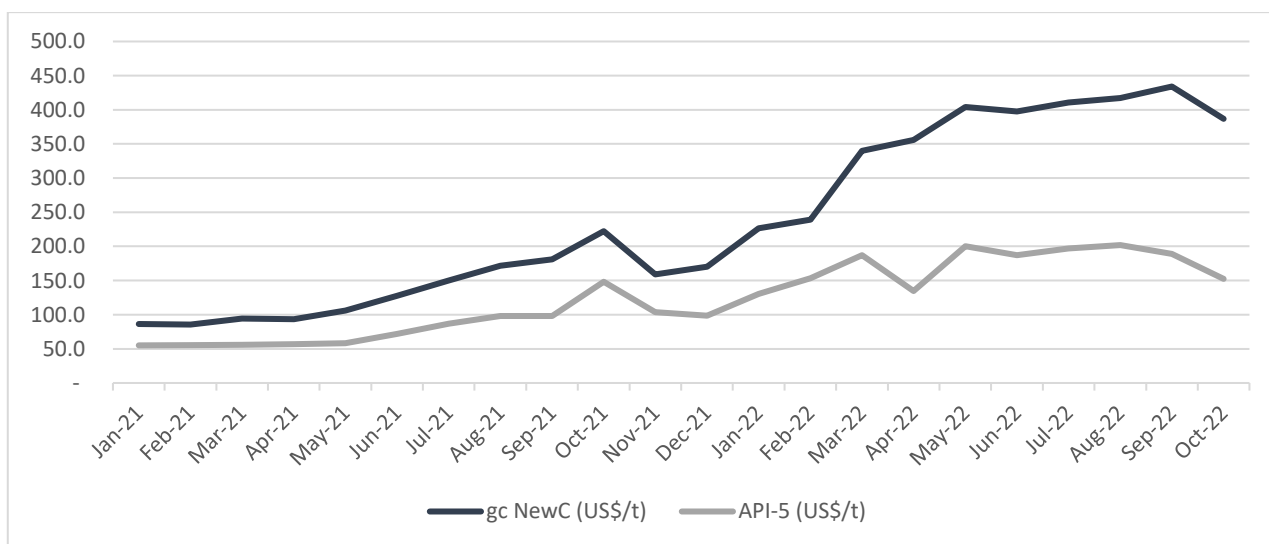
The All-Injury Frequency Rate increased during the quarter to 35.80. This increase was driven by a spike in first aid injuries as well as three recordable injuries occurring. The Company continues to monitor Total Injury Frequency Rate (TRIFR) as a supplementary indicator of safety performance. The Company's twelve month moving average TRIFR is presently 3.06. During the quarter there were two High Potential Events and 10 Recordable Incidents which were reported to the Regulator.

Marketing and Logistics

Security of supply was a key focus for buyers during the quarter, delivering robust demand. The gC NEWC index price was another record of US\$412.72, a 215% increase from the same quarter last year of US\$191.64. Disruptive weather played a key role in limiting any supply side response which highlighted further the demand and supply imbalance within the seaborne coal market. Moving into October the market has been quiet due to customers being well stocked as they move into a currently mild winter. As the temperatures in the northern hemisphere fall and coal burn increases, restocking will occur and it is expected to provide further strength to pricing. Trade flows continue to support high prices for high quality, low emission thermal coal.

A settlement of the Japanese Reference Price (JRP) was also reached during the quarter at a level materially above the previous JRP. The adjustment to the price was recognised in our 31 July 2022 results and in the balance of the trade debtors. During the month of September, the balance of the trade debtors was received in relation to the JRP settlement.

The differential between the gC NEWC index and the API5 has continued to widen, supporting the view that demand for high quality, low emission thermal coal will remain strong.



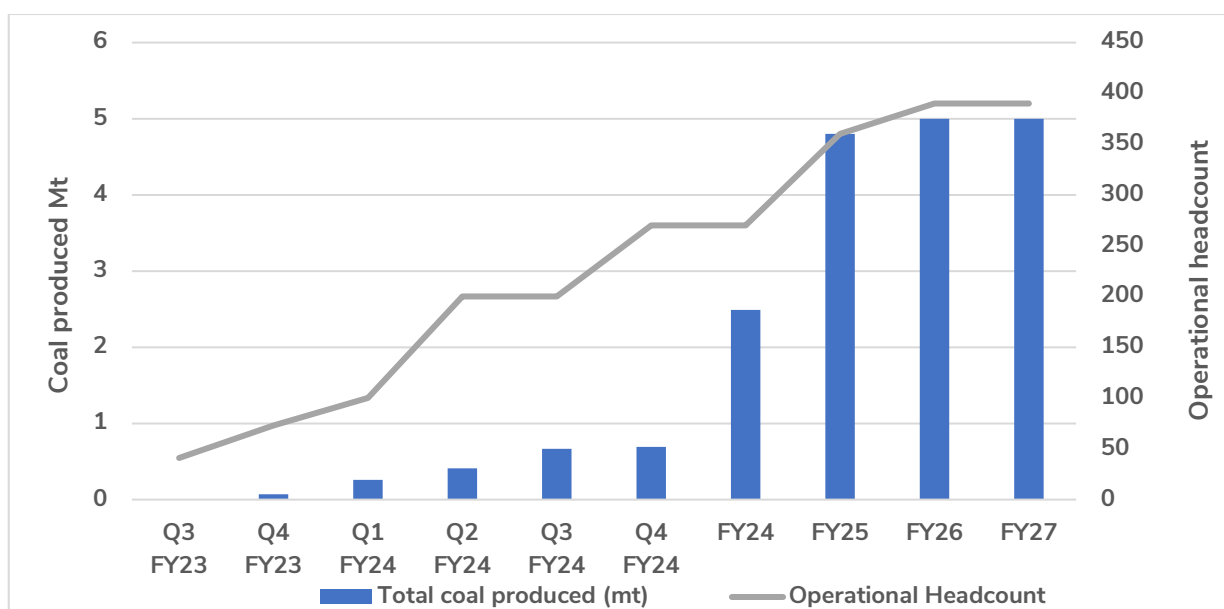
Queensland Operations – 100% Owned

On 20 October 2022, the Company achieved a significant milestone with the grant of the New Acland Stage 3 Associated Water License from the Queensland Department of Regional Development, Manufacturing and Water.

The Company now holds all of the primary approvals required to enable resumption of mining operations at New Acland Mine. We are working to ensure that robust processes are in place to meet the approval conditions imposed by the State Government.

Plans are underway to organise recruiting and onboarding an operating workforce in stages to safely re-start operations.

During the month of August, an expressions of interest register was opened and has now received over 1,000 applications from people interested in working at New Acland. The estimated production and operational employee profile from approval to steady state mining is below.



New South Wales Operations – 80% Owned

Bengalla ROM² production was above plan in August, before further significant wet weather and flooding events impacted production with a total of 11,268 truck hours lost. Unseasonal wet weather and skilled labour shortages represents a 14.3% reduction of saleable coal production to the July 2022 quarter. The water discharge credits secured last quarter have been a valuable flood mitigation strategy against the unseasonal wet weather and are expected to provide further value given the forecasts of continued inclement weather in the Hunter Valley. Bengalla discharged through controlled released in line with site approvals a further 528ML from its discharge dam. This controlled release of water ensures there is sufficient water storage capacity to minimise further impacts of inclement weather during the year with the discharge dam capacity below 20%.

² Run of Mine

The Bengalla 13.4 Mtpa ROM expansion is well progressed with the additional excavator (Liebherr 9800) expected to arrive five months ahead of schedule. Additional truck capacity (7 x EH5000s) are also ahead of schedule with the first truck mobilised and in production in October. The earlier mobilisation of the additional trucks will assist Bengalla in recovering the current waste deficit that has arisen due to inclement weather.

Bridgeport Energy

Oil prices continued to remain high during the quarter, with an average realised price of A\$142/bbl. During the quarter, Bridgeport sold 60,369 bbls of oil, 8% lower than the previous comparative quarter due to natural decline and a build-up of crude stock on hand.

Workovers completed during the quarter assisted to maintain steady production and the Dora 3D seismic survey in ATP 2024 was 75% complete, with completion scheduled for early November 2022.

Capital Management

On 3 November 2022, the Company announced an on market buy-back of ordinary shares for up to \$300 million to commence on or after 17 November this year and to be completed within 12 months. The buy-back represents an opportunity to enhance the value of the remaining shares on issue.

The FY22 final dividend of 31 cents per share and a 25 cents per share special dividend, both fully franked, was paid to shareholders 8 November 2022. The Company still maintains a significant balance in its franking account given the material income tax payments either paid or expected to be paid.