



ASX and MEDIA RELEASE

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New Hope first quarter unaudited operational profit up 160 per cent

- **First quarter coal production 13 per cent higher than previous year.**
- **First quarter coal sales up 15 per cent.**
- **Total profit after tax – including interest revenue - up 260 per cent**

Diversified carbon-based energy company New Hope Corporation Limited today announced a 160 per cent increase in unaudited operational profit for the first quarter of the 2008/09 financial year.

Operational profit grew to \$32.5 million, driven by a 13 per cent increase in both raw and saleable coal production and a 15 per cent increase in coal sales.

New Hope Chairman Robert Millner told New Hope's Annual General Meeting that most of the increase in coal sales were due to a strong export market.

"Robust export prices and the decline in the USD exchange rate have provided this strong first quarter financial result," he said.

Total profit for the quarter, including interest revenue earned on the \$2.45 billion sale of the New Saraji project to the BHP Billiton-Mitsubishi Alliance, grew by 263 per cent to \$53.8 million. Interest revenue grew from \$2.5 million to \$21.5 million.

Mr Millner said New Hope still anticipated operational profit after tax for the full year will still be in the range of \$125 million to \$150 million dollars.

"In addition to our operational profit, we will continue to earn interest on our funds invested during the remainder of the year," he said.

"A special dividend of \$600 million will be paid to shareholders as part of a final 2009 dividend in November 2009 from these New Saraji sale funds.

"After paying tax on the sale of some \$725 million and the proposed special dividend in late 2009, the company will have cash reserves of about \$1.1 billion.



“New Hope is in a very strong position with no debt at a time when the world credit crunch is making it difficult for businesses to fund new projects. This excellent financial position will allow us to pursue new investment opportunities with certainty.”

Mr Millner said with the sale of the New Saraji Project, New Hope was now concentrating its exploration activities on Lenton in Central Queensland.

“We have conducted additional drilling at New Acland, west of Toowoomba, which has improved the geological model interpretations for our planning for future mine expansions,” he said.

“Further drilling at Jeebropilly has supported the redevelopment of mining operations at West Moreton and we have commenced drill evaluations of the potential remaining resources at New Oakleigh which are held under existing mining tenures.

“New Hope has also been granted tenure of the two exploration licence application areas in Tasmania which will be evaluated next year.”

For further information contact:

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