

NEW HOPE CORPORATION LIMITED

QUARTERLY ACTIVITIES REPORT

31 January 2009

	3 Months to 31/01/09 Tonnes 000's	3 Months to 31/01/08 Tonnes 000's	Change	6 months ended 31/01/09 Tonnes 000's	6 months ended 31/01/08 Tonnes 000's	Change
Raw Coal Production	2,266	1,983	+ 14%	4,580	4,033	+ 14%
Saleable Coal Production	1,180	1,048	+ 13%	2,443	2,166	+ 13%
Coal Sold	1,028	1,222	- 16%	2,264	2,301	- 2%
QBH Export Throughput	1,287	1,432	- 10%	2,822	2,835	- 0.5%

COAL OPERATIONS

Further Record Production Tonnages for the 6 months to January 2009

Coal produced from New Hope Corporation's Queensland operations for the 6 months to January 2009 was at record levels, due to increased production from the New Acland mine and recommissioning of the Jeebropilly mine during the period. Saleable coal production for the 6 months of 2.443 million tonnes was 13% higher than the 6 months to January 2008, while sales of 2.264 million tonnes for the current half year were 2% lower than the previous corresponding period – primarily due to rail locomotive availability and wet weather causing track works.

Group quarterly saleable production was also significantly higher in the 3 months to January 2009 compared with the 3 months to 31 January 2008. New Acland's quarterly saleable production was 9% up on the previous corresponding period last year, with saleable production for the half year also increasing by 8% compared with the corresponding half last year. Total saleable production from the West Moreton operations was 42% higher than the corresponding quarter last year, due to the recommencement of mining at the Jeebropilly mine in mid 2008.

Total coal sold in the 3 months to January 2009 of 1.028 million tonnes was 16% lower than the previous corresponding period due primarily to rail constraints, exacerbated by the rail system being adversely affected by flooding during the period. During this time New Hope took the opportunity to build stock in anticipation of additional rail capacity coming on line during the next half year and firm sales commitments. This expected additional rail capacity, commencing in the next financial quarter, will facilitate New Hope achieving its expected full year of export coal sales to 31 July 2009.

The Queensland Bulk Handling (QBH) facility at the Port of Brisbane handled coal exports of 1.287 million tonnes during the quarter, a 10% decrease over the previous corresponding quarter, primarily due to reduced deliveries from Colliers caused by rail constraints. Half year export throughput to January 2009 was in line with the previous half year. QBH continued to operate as a predominately despatch port during the period.

The expansion of QBH stockyard and coal handling systems is well underway with the completion of the landfill for the new stockpile base and the completion of foundation piling for the new stacker and reclaimers.

EXPLORATION

New Hope's exploration strategy continues to be directed toward evaluating open cut and underground coking coal resources in Central Queensland; open cut thermal coal in South East Queensland and evaluating coals as potential sources of gasification and liquefaction.

Our Central Queensland focus has now transferred to the Lenton Project with preparation of target areas and the deployment of drilling and geological assets to the project area. Establishment of a site base and communication links are in progress to facilitate drilling activities. Cultural heritage surveys and 2D seismic surveys are planned to commence during the next quarter. Wet weather and local area flooding affected site based activities at Lenton during the quarter.

The remaining efforts during the quarter have been directed at our mine operational areas in South East Queensland. Additional drilling at New Acland has improved the geological model interpretations ahead of mine planning for proposed future mine expansions.

Further resource definition drilling at Jeebropilly has supported the renewed mining operations at West Moreton. Similarly we have continued drill evaluations of the potential remaining resources at New Oakleigh held under existing mining tenures. It is likely the New Oakleigh mine will continue operations beyond the previously proposed closure date. The duration of any extension period will be reviewed periodically given the current volatile economic environment.

Land title searches have been initiated in Tasmania where New Hope has been granted tenure of two exploration licence application areas.

Since the sale of the New Saraji deposit to BMA in September 2008, New Hope has taken the opportunity to refurbish its drilling rigs, improve its safety and health management systems, provide additional training to its exploration team and review its exploration priorities in response to the current economic environment.