

# NEW HOPE CORPORATION LIMITED

## QUARTERLY ACTIVITIES REPORT

31 July 2009

	3 Months to 31/07/09 Tonnes 000's	3 Months to 31/07/08 Tonnes 000's	Change	Year ended 31/07/09 Tonnes 000's	Year ended 31/07/08 Tonnes 000's	Change
Raw Coal Production	2,578	2,352	+ 10%	9,673	8,412	+ 15%
Saleable Coal Production	1,357	1,224	+ 11%	5,139	4,451	+ 15%
Coal Sold	1,231	1,155	+ 7%	4,971	4,452	+ 12%
QBH Export Throughput	1,580	1,437	+ 10%	6,144	5,472	+ 12%

### COAL OPERATIONS

Group saleable coal production for the 3 months to 31 July 2009 was 1.357 million tonnes, 11% higher than the previous corresponding period in 2008. The increase was due to slightly higher production from the Company's New Acland mine on the Darling Downs, which produced 1.093 million tonnes during the quarter, coupled with higher production from the Jeebropilly Mine near Ipswich, which produced 0.203 million tonnes during the quarter. Production at the New Oakleigh mine near Rosewood was 0.061 million tonnes, which was lower than the previous corresponding period due to higher stripping ratios. Group saleable production for the 2009 year was a record 5.139 million tonnes, up 15% on the previous corresponding period.

New Hope's group sales for the quarter of 1.231 million tonnes were 7% higher than the previous corresponding period due to higher contracted rail capacity. Total coal sold for the 2009 year achieved a record of 4.971 million tonnes, up 12% on the previous corresponding period, due to steadily increasing demand from export customers.

Despite depressed market conditions and extreme volatility in the export sector, New Hope has been able to achieve the increase in saleable production and sales during the quarter due to the ongoing ramp up in production capacity of the Jeebropilly Mine to the annualised rate of 0.9 million tonnes per annum. Some unseasonal rainfall had a moderate effect on mining operations during the quarter, however the delivery of new mining equipment, available rail capacity, judicious use of trucking and an essentially demurrage free port at Queensland Bulk Handling contributed to the improved results.

### EXPLORATION

New Hope's exploration activities continued to focus on the resource definition program for its Central Queensland (CQ) and South East Queensland (SEQ) tenements – primarily the New Acland, Lenton and Ownaview West EPC's. A significant amount of drilling was also

undertaken at the New Acland and Jeebropilly Mines to provide better resource definition as the mines advance into new mining areas within existing mining leases.

The refurbishment program for New Hope's two existing drilling rigs was completed during the quarter, with both rigs deployed into SEQ. New Hope took delivery of a third multipurpose drill rig during the quarter and commenced its commissioning program.

### **New Lenton**

A comprehensive 2-D seismic survey has been completed at New Lenton (EPC766 and EPC865) with a total length of 32.775 kilometres recorded. Processing and analysis of the results are expected to be completed early in the next period. Confirmation drilling commenced along the survey lines in late July.

### **Ownaview West**

On the Ownaview West project (EPC760), a total of 1,419 metres of structural definition drilling was completed. This activity will continue throughout the next quarter.

### **New Acland**

Further drilling and geophysical logging was conducted in the South Pit and "in pit" to provide data for preparation of a new short term geological and mining model. The model was completed during the quarter and provides more accurate data for mine planning, scheduling and coal processing. Resource definition drilling totalled 2,765.0 metres on the New Acland mine lease.

### **Jeebropilly**

Resource definition drilling totalled 201.7 metres on the Jeebropilly mine lease.

**Table 1: Quarterly Drilling Metres**

**Quarter Ended July 2009**

<b>Area</b>	<b>Tenure/s</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Subtotals</b>
Ownaview West	EPC760	711.2	597.4	110.4	1,419.0
New Lenton	EPC766, EPC865	-	-	390.0	390.0
Jeebropilly	ML50132	-	156.7	45.0	201.7
New Acland	ML50170	-	-	2,765.0	2,765.0
				<b>Total</b>	<b>4,775.7</b>

Laboratory testing of samples is proceeding efficiently with analysis on schedule. The ensuing data is being collated and entered into existing models.

### **Coal-to-Liquids**

Previous coal samples have been sent to both South Africa and the USA for continued evaluation of coal conversion parameters for transportation fuels.

Additional samples are in preparation for further testing over the October – November period with results expected by end of December 2009.