



COMPANY ANNOUNCEMENT

Thursday, 26 November 2009

New Hope first quarter unaudited profit up 9 per cent to \$58.9 million

- **First quarter coal production 11 per cent higher than previous year.**
- **First quarter coal sales up 20 per cent.**
- **Strong balance sheet facilitates future growth.**

Diversified carbon-based energy company New Hope Corporation Limited today announced a 9 per cent increase in unaudited profit for the first quarter of the 2009/10 financial year.

Profit after tax grew to \$58.9 million driven by an 11% increase in production and a 20% increase in sales.

New Hope Chairman Robert Millner told New Hope's Annual General Meeting that operations continue to perform strongly due to increased export sales into Japan and China, and despite the effect of higher exchange rates on export sales.

New Hope Managing Director, Mr Robert Neale said the expansion of the New Acland mine to 4.8 million tonnes per annum is essentially complete, and already operating at the forecast rate.

"The Wetalla Water Pipeline has been completed within budget and is now pumping water to the New Acland mining operation.

"During the period, Jeebropilly has met production targets on schedule and with lower than forecast costs, warranting an expansion in production capacity up to the rate of 900,000 tonnes per annum by mid 2010.

"The expansion of the QBH port facility is on schedule for completion in October 2010.



Mr Millner said that New Hope had preferentially focussed their exploration activities on existing mine sites and the New Lenton project area in Central Queensland.

Production and sales for the 2010 financial year are likely to be in the range of 5-6 million tonnes, dependant on the performance of Queensland Rail.

Mr Millner said whatever the coal price outcome, our cost effective expansion projects will provide a good platform for future growth.

“New Hope remains in a very strong position with no debt and substantial cash reserves.

“We continue to assess coal acquisition opportunities which will add shareholder value. However it is fair to say, that projects that are likely to be earnings accretive in the near term are currently fully priced.

For further information, please contact:

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