

ASX Release | 26 May 2022  
*Quarterly Activities Report*  
*April 2022*



NEW HOPE CORPORATION LIMITED

ABN 38 010 653 844

## Highlights

- Underlying EBITDA<sup>1</sup> of A\$358.6m for the quarter following further strengthening of coal prices, and year-to-date Underlying EBITDA<sup>1</sup> of approximately A\$913m.
- Thermal coal prices reaching record highs following the Russian invasion of Ukraine and concerns around global energy security. April monthly average gC NewC US\$326.22/t.
- Challenging quarter for Bengalla with unseasonal rainfall and COVID-19 affected workforce availability constraints consistent with the rest of the upper Hunter Valley region.
- Cash generation for the quarter, excluding interim dividend payment A\$281.8m.

	Quarter Ended			Year to Date			Previous guidance	Updated guidance	
	Apr-22 ('000t)	Jan-22 ('000t)	Change (%)	Apr-22 ('000t)	Apr-21 ('000t)	Change (%)	FY22 ('000t)	FY22 ('000t)	Change (%)
QLD 100% owned and operated	84	200	(58.0%)	785	2,915	(73.1%)	374	767	51.3%
NSW 80% owned operations	1,840	2,460	(25.2%)	6,843	7,115	(3.8%)	10,444	9,756	(7.1%)
<b>Total ROM Coal Production</b>	<b>1,924</b>	<b>2,660</b>	<b>(27.7%)</b>	<b>7,628</b>	<b>10,030</b>	<b>(23.9%)</b>	<b>10,818</b>	<b>10,523</b>	<b>(2.8%)</b>
QLD 100% owned and operated	32	87	(63.2%)	402	1,353	(70.3%)	220	396	44.4%
NSW 80% owned operations	1,578	1,959	(19.4%)	5,580	5,411	3.1%	8,512	7,720	(10.3%)
<b>Total Saleable Coal Production</b>	<b>1,610</b>	<b>2,046</b>	<b>(21.3%)</b>	<b>5,982</b>	<b>6,764</b>	<b>(11.6%)</b>	<b>8,732</b>	<b>8,116</b>	<b>(7.6%)</b>
QLD 100% owned and operated	87	264	(67.0%)	668	1,483	(54.9%)	535	680	21.3%
NSW 80% owned operations	1,758	2,252	(21.9%)	6,315	5,899	7.0%	8,550	8,781	2.6%
<b>Total Coal Sold*</b>	<b>1,845</b>	<b>2,516</b>	<b>(26.7%)</b>	<b>6,983</b>	<b>7,382</b>	<b>(5.4%)</b>	<b>9,085</b>	<b>9,461</b>	<b>4.0%</b>
QBH Export Throughput	532	686	(22.4%)	2,081	2,096	(0.7%)	2,626	2,514	(4.5%)

\* Includes Trade Coal Sales.

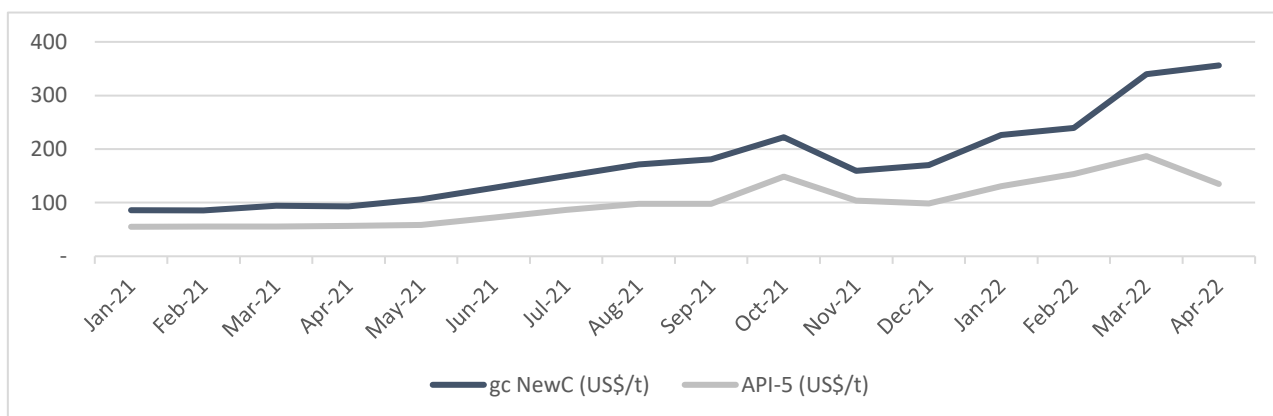
<sup>1</sup> Underlying Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) is a non-IFRS measure and has not been audited.

## Health and Safety Performance

The All-Injury Frequency Rate (AIFR) for the quarter was 35.61, which is an increase from last quarter. There were two additional injuries compared with the previous quarter which increased the frequency rate. The Company has implemented enhanced supervisor development training to improve capability across the workforce to assist identify and better manage and control risk of injury in work activities. The Company is also assessing injuries by potential severity during investigation to determine improvements to risk management practices and controls. The Company continues to monitor Total Injury Frequency Rate (TRIFR) as a supplementary indicator of safety performance. The Company's 12 month moving average TRIFR continues to remain below the industry average<sup>1</sup>. Seven High Potential Events were recorded in the past quarter and 10 Recordable Incidents were reported to the NSW Resources Regulator.

## Marketing and Logistics

Supply tightness in the market continues, providing support for record gC NEWC pricing during the quarter. Russia's actions in Ukraine have further accentuated supply uncertainty in the high CV market. Security of supply has become paramount for customers, culminating in a very robust forward sales book. Pricing is expected to remain elevated for the foreseeable future, with the potential for the market to structurally shift to materially higher long term levels than those realised in the past. Both March and April gC NEWC (6000 NCV) index monthly average exceeded US\$326/t, with the quarter average up 61% from the comparative quarter.



## Queensland Operations

New Acland processed and railed remaining coal on site and at Jondaryn stockpiles to add to remaining stockpile at QBH for sale given market dynamics. With only 20 employees at the site while it is operating, its cost base is immaterial to the group.

The Company is working with the relevant Queensland Government Departments to secure the grant of the New Acland Stage 3 required approvals as soon as possible. While the Company awaits this approval, it is working on a restart plan to ensure the time to first coal is minimised, to assist in filling unprecedented coal demand.

## New South Wales Operations – 80% Owned

Consistent with other operations in the area, Bengalla was impacted by weather and COVID related labour shortages during the quarter. The operation lost a total of 20,354 hours (24.9%) due to weather and labour. Outside of these uncontrollable events, the dragline continued to perform reliably during the quarter and is still ahead of the planned mine sequence. Consequently, saleable coal production was down 19.4% against the previous quarter.

Sales volumes were 21.9% lower than previous quarter in line with the reduction in saleable coal volumes. Whist volumes are down for the quarter and YTD, maintaining unit cost control has continued to be a focus for the operation. The site is experiencing inflationary pressures; however, these are being managed well through the procurement process and certainty of supply, which is of key importance.

During the quarter, one of the additional trucks secured in the prior quarter was delivered and commissioned, with the second truck arriving late May. The operation also submitted to the Government regulator a modification to construct an additional haul road, at the southern end of the mine pit. Approval for the modification is expected in the coming six-months.

## Bridgeport Energy

Oil prices continued to remain high during the quarter, with an average realised price of A\$148/bbl. During the quarter, Bridgeport produced 69.4k bbl of oil and sold 61.3k bbl of oil. Underlying EBITDA<sup>2</sup> for the quarter was \$4.2m, and YTD \$8.5m.

On 19 April 2022, Vintage Energy (**ASX: VEN**) announced that the gas sales agreement between AGL and the ATP2021 Joint Venture (Bridgeport (Cooper Basin) Pty Ltd has 25%) was unconditional. The agreement is to supply between 9 PJ and 16 PJ to AGL over a period of approximately 4 and a half years starting in the second half of CY22. This agreement represents the first gas sale for Bridgeport and provides exposure to the gas market which is also being impacted by the current energy crisis.

On 26 April 2022, the Prime Minister announced that the government is committing \$15m investment to deliver the Moonie Carbon Capture, Utilisation and Storage (**CCUS**) project for Bridgeport. This grant is an important step forward in contributing to a lower carbon economy whilst still providing secure, sustainable energy.

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*This ASX announcement was approved and authorised by the Board.*

<sup>2</sup> Underlying Earnings before Interest, Taxes, Depreciation and Amortisation (EBITDA) is a non-IFRS measure and has not been audited.