



QUARTERLY ACTIVITIES REPORT

30 APRIL 2016

30 May 2016

	Quarter Ended			9 Months Ended		
	Apr 16 ('000t)	Apr 15 ('000t)	Change (%)	Apr 16 ('000t)	Apr 15 ('000t)	Change (%)
<u>Raw Coal Production</u>						
QLD 100% owned and operated	2,785	2,791	-0.2%	7,884	8,328	-5.6%
NSW 40% owned operations#	756	0	+100.0%	756	0	+100.0%
Total Raw Coal Production	3,541	2,791	+21.2%	8,640	8,328	+3.6%
<u>Saleable Coal Production</u>						
QLD 100% owned and operated	1,244	1,422	-14.3%	3,772	4,293	-13.8%
NSW 40% owned operations#	576	0	+100.0%	576	0	+100.0%
Total Saleable Coal Production	1,820	1,422	+21.9%	4,348	4,293	+1.2%
<u>Coal Sold*</u>						
QLD 100% owned and operated	1,201	1,393	-16.0%	3,895	4,466	-14.7%
NSW 40% owned operations#	630	0	+100.0%	630	0	+100.0%
Total Coal Sold	1,831	1,393	+23.9%	4,525	4,466	+1.3%
QBH Export Throughput	1,595	1,654	-3.7%	5,120	5,255	-2.6%

* Coal sold includes traded coal sales

#Two month period of 40% ownership of the Bengalla Joint Venture

KEY POINTS

- New Hope Corporation Limited's agreement to purchase a 40 percent interest in the Bengalla thermal coal mine completed on 1 March 2016.
- As a result of the acquisition of 40 percent interest in the Bengalla thermal coal mine, production and sales volumes received have increased compared to the prior comparable period.
- Coal production volumes for New Hope's Queensland operations for the year to date were below those achieved in the previous corresponding period as a result of adverse weather and mine sequencing issues.
- Coal sales volumes were lower than the previous corresponding period as a result of delays in shipments.
- Oil production for the current quarter of 48,558 barrels.
- The Land Court phase of the Mining Lease and Environmental Authority process for the New Acland Stage 3 project continues, with the Land Court hearing having commenced on 7 March 2016.

QLD COAL OPERATIONS

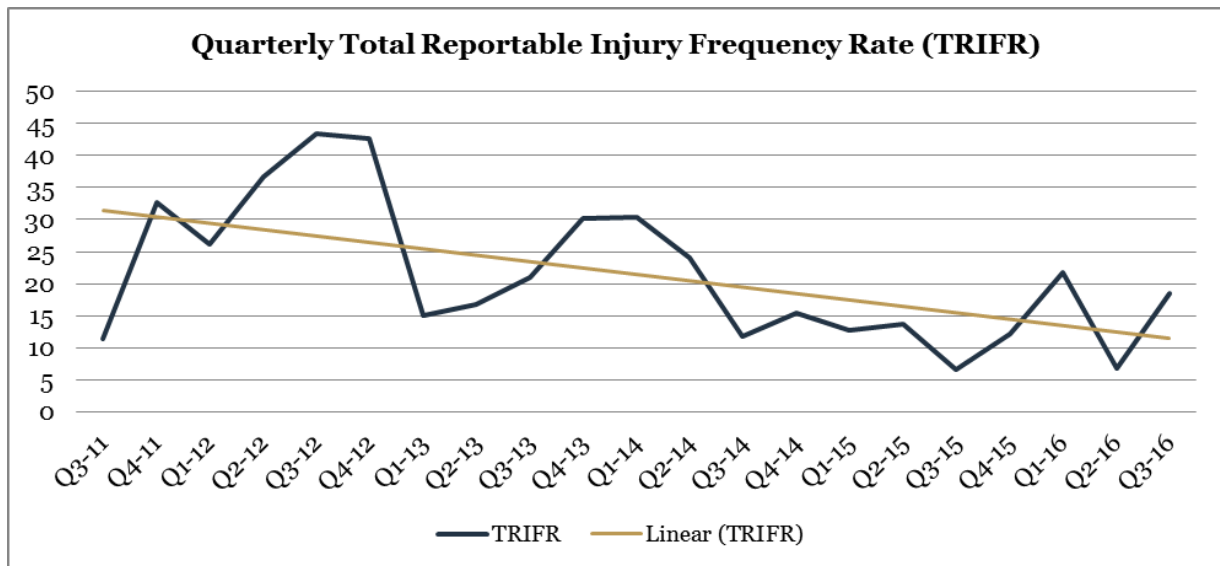
Raw coal production recovered from the previous weather effected quarter and was equivalent to the previous year's corresponding period.

Saleable coal production was negatively impacted by mine sequencing issues reducing product coal yields during the quarter. At the New Acland mine coal seams at the top of the mining sequence are typically lower yielding in comparison with coal seams at the bottom of the sequence. Most raw coal processed during the quarter was from seams at the top of the mining sequence. Product yields are anticipated to recover in the next quarter as a greater proportion of raw coal to be processed will come from coal seams lower in the mining sequence.

Sales volumes for the quarter were down on the corresponding period last year as a result of delayed vessels.

SAFETY PERFORMANCE

Although the total reportable injury rate continues a long run improvement trend management is focused on a reduction in incidents particularly those with a high potential. Refresher sessions have been held throughout the organisation to reinforce our "i-Safe/We-Safe" behavioural safety program. The company's Peer Support Program is to be presented to the annual Queensland Mining Industry Health and Safety Conference. The company is also presenting on its Living Well program at the Australian Mines and Metals Association National Conference.



NSW OPERATIONS – 40% OWNED (BENGALLA)

New Hope Corporation Limited’s agreement to purchase a 40 percent interest in the Bengalla thermal coal mine in New South Wales from a subsidiary of Rio Tinto completed 1 March 2016.

Transition of joint venture management from a Rio Tinto subsidiary to the Bengalla Mining Company Pty Ltd, which is owned proportionately by the Bengalla joint venture participants, occurred efficiently and effectively.

During March Bengalla achieved record levels of waste material movement and production tonnes. Total production tonnes for March were a record 755,931 tonne (100% basis).

Mr Cameron Halfpenny commenced in the second week of May 2016 as the Chief Executive Officer for the Bengalla Mining Company. Cam has a long and successful career in the mining industry, predominantly with Rio Tinto, including holding senior management positions across a range of commodities and countries.

EXPLORATION AND DEVELOPMENT

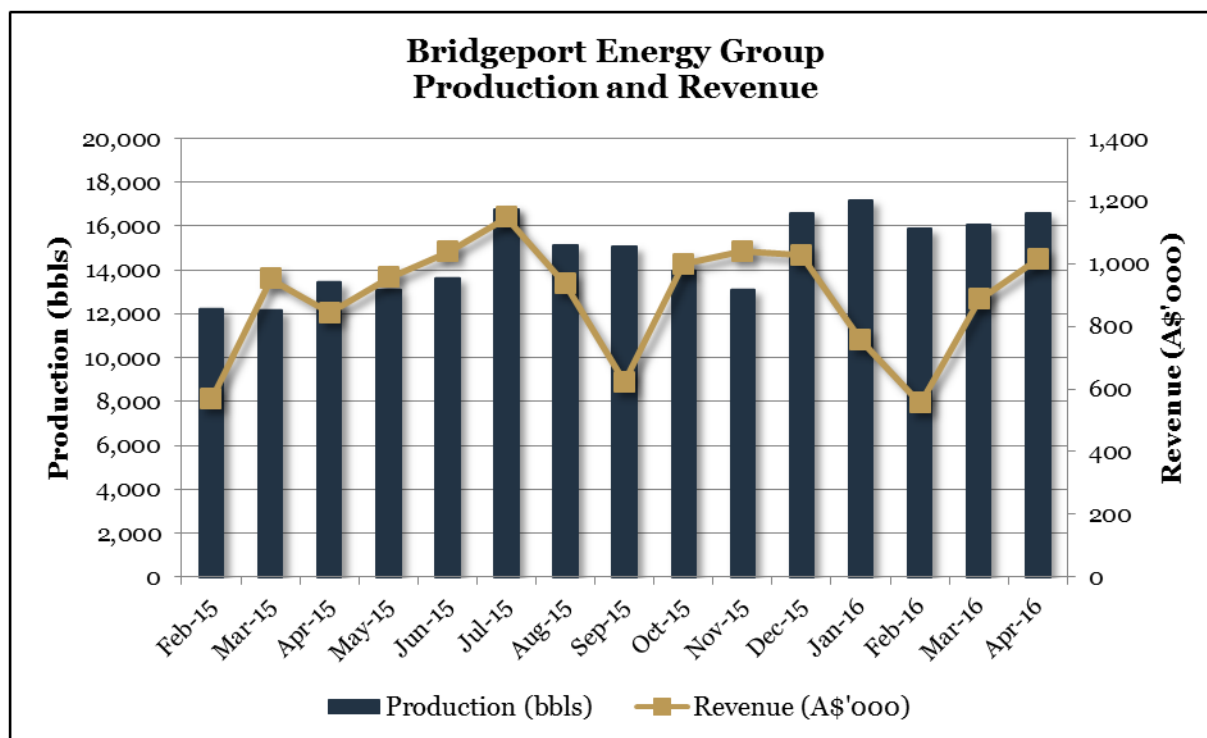
During the quarter drilling activity continued to be focussed on New Acland tenements with 113 holes drilled for a total of 6,780 metres.

New Acland (ML 50216, ML 50170 and MDL 244)

Work continued on refining the Acland geological model during the quarter.

BRIDGEPORT ENERGY

Oil production totalled 48,558 barrels for the quarter.



During the period, oil production was stable at approximately 16,000 bbls per month.

Operated fields – Inland (PL98), Utopia (PL214) and Moonie (PL1) [Bridgeport 100%, 60 % and 100% interest]

An electric submersible pump was replaced at Inland and work was undertaken to debottleneck operations through modification of the skimmer tank configuration.

At Utopia three wells were serviced and downhole equipment replaced. Equipment was mobilised and documentation changes undertaken for not normally manned (NNM) operations to be implemented at the Utopia field.

The Bridgeport service rig retrieved failed downhole pumps from two wells at Moonie during the quarter. All replacement equipment is on order and scheduled for delivery next quarter to allow reinstatement of production at three wells. Subsurface mapping and earth modelling commenced during the quarter.

Cuisinier (PL303)

[Bridgeport 15 % interest]

No major capital expenditures undertaken during the quarter and production remained stable. The operator (Santos) of the permit is progressing plans for up to four new development wells in the next financial year.

Exploration permits

Interpretation of acquired and processed 3D seismic data within permits ATP 794P and PEL 630 is progressing.

Applications are progressing across two of our Surat Basin permits by way of retention or production licences at ATP 608P and ATP 805P.

Health and Safety

There were no incidents or near misses during the quarter and the Bridgeport LTI free period is now over 1000 days. Bridgeport's LTIFR remains below the industry average of 2.0 per million man hours.

DEVELOPMENT PROJECTS

Revised New Acland Coal Mine Stage 3 Project

The Land Court hearing commenced on 7 March 2016 and apart from a three week recess has been ongoing. Thus far the Court has heard evidence from a number of experts covering specific subject areas including groundwater, economics, coal markets, agricultural economics, visual amenity, surface water, livestock and rehab, traffic, fauna, community. There remains a large number of experts still to give evidence in particular subject areas, including noise, flora, and air quality.

COMMUNITY SUPPORT

Steers for Oakey State High

New Hope Group has continued to support Oakey State High School's agriculture program by donating three steers for its led steer program.

The Oakey State High agriculture program provides students an insight into the agriculture industry and equips them with the right skills and knowledge to begin a career in farming.

For further information, please contact:

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