

# New Hope Corporation Limited

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## Company Announcement

2 February 2011

### UPDATE ON FLOODING IMPACT

On 17 January 2011, New Hope Corporation (ASX:NHC) provided notice that all mines and the coal export terminal were operating normally however there had been significant damage to the Western Rail System infrastructure between the Acland mine site and Ipswich.

New Hope has been actively seeking to refine the estimated duration of rail system recovery, however Queensland Rail have yet to provide an official update on the likely duration of the outage. The latest indicative information suggests that rail capacity on the Western Rail System may start to become available from mid April 2011. QR National has declared force majeure for the provision of rail services to New Acland Coal Pty Ltd.

Additionally, the company has been investigating alternative transport options to optimise the utilisation of the unaffected stockpiles and rail loop at the West Moreton operations. Meetings have been held with Queensland Transport seeking temporary approval to truck coal from Acland to West Moreton at a rate of up to 50,000 tonnes per week. While initial discussions with Queensland Transport have been constructive, the company has yet to receive any formal approval in this regard, although a response is expected imminently.

The company has been working closely with customers in an attempt to reschedule contracted deliveries, however the continued lack of certainty surrounding the recovery of the Western Rail System infrastructure has necessitated New Hope declaring force majeure on a number of its export coal contracts.

New Hope will provide the market with an estimated financial impact of the rail service disruptions upon receipt of reliable information regarding the duration of the infrastructure repairs and the quantum of coal which can be delivered via alternative transport options.

For further information, please contact:

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