



Convertible Note Offering

24 June 2021

New Hope Corporation Limited ABN 38 010 653 844 (ASX: NHC) (**New Hope** or the **Company**) today announces that it has launched an offering of A\$150 million of senior unsecured convertible notes due 2026¹ (**Notes**), with the ability to upsize the offering by up to A\$50 million. The Notes are convertible into fully paid ordinary shares in New Hope (**Ordinary Shares**) (**Convertible Notes Offering**).

New Hope CEO, Reinhold Schmidt commented:

"We look forward to welcoming a new group of global investors to New Hope as we build upon the strong foundation afforded by our recent corporate restructure. The note issuance capitalises on our recent momentum and gives New Hope further balance sheet flexibility to fund opportunities, including opportunistic M&A."

Convertible Notes Offering

The Convertible Notes Offering is being marketed to eligible investors, with the final terms of the Notes to be determined via a book-build process expected to be completed prior to market open tomorrow.

New Hope intends to use the net proceeds from the Convertible Notes Offering for general corporate purposes, which may include further growth expansion and opportunistic M&A activity.

New Hope will apply for the Notes to be listed on the Official List of the Singapore Exchange Securities Trading Limited (**SGX-ST**). Conversion of the Notes will be physically settled by the issue of new Ordinary Shares. A summary of the key terms of the Notes is set out in the Appendix of this announcement.

Jefferies (Australia) Pty Ltd is acting as Sole Lead Manager to the Convertible Notes Offering (**Lead Manager**).

In connection with the Convertible Notes Offering and in order to facilitate some of the hedging activity that may be executed by eligible investors in the Notes, the Lead Manager intends to sell Ordinary Shares (**Delta Placement**). The manner of conducting the Delta Placement will be determined by the Lead Manager, in consultation with New Hope. The Delta Placement clearing price will be used as the Reference Share Price to determine the Initial Conversion Price of the Notes. The Lead Manager and/or its affiliates may acquire Ordinary Shares in the Delta Placement.

New Hope understands that, whilst any Notes remain outstanding, Washington H. Soul Pattinson and Company Ltd ("**WHSP**") has committed to make at least 50 million Ordinary Shares available for an A\$150 million

¹ Notes investors have a put option in July 2024

transaction and at least 75 million Ordinary Shares available for an A\$200 million transaction to the market for stock borrowing purposes.

Disclaimer

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Neither this announcement nor any copy hereof may be taken into or distributed in the United States.

The information contained in this announcement is not for distribution, directly or indirectly, in or into the United States. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Ordinary Shares and the Notes mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**Securities Act**), and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Ordinary Shares or the Notes will be made in the United States.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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This ASX announcement was approved and authorised by the Board.

Appendix:

Key Terms of the Note	
Issuer	New Hope Corporation Limited
Issue Size	AUD 150m
Same Day Upsize Option	AUD 50m
Status / Rank	Direct, unsubordinated, unconditional and unsecured
Maturity Date	2 July 2026 (5 years)
Investor Put Date	2 July 2024 (3 years)
Coupon	1.25% – 2.75% p.a. payable on a semi-annual basis
Conversion Price / Premium	25% - 35% above the Reference Price (as determined under the Delta Placement)
Reference Share Price	The clearing price of the Delta Placement
Settlement	<p>Where a holder is entitled to convert their Notes into Ordinary Shares, the conversion of the Notes will be physically settled by the issuance of new Ordinary Shares.</p> <p>The number of Ordinary Shares issued on exercise of the conversion right will be determined by dividing the principal amount of the Notes to be converted by the applicable Conversion Price.</p>
Conversion Price Adjustment	<p>Standard anti-dilutive adjustments including Conversion Price adjustments for all dividends paid by New Hope.</p> <p>The extent to which the Conversion Price is reduced following a change of control is variable, dependent on the time period between the change of the control and the final Maturity Date of the Notes</p>
Delta Placement	<p>The Lead Manager will facilitate some or all of the hedging activity that may be executed by investors in the Notes offering.</p> <p>The clearing price of the Delta Placement will be used as the Reference Share Price to determine the Initial Conversion Price of the Notes.</p>
Listing	SGX-ST
Selling Restrictions	Reg S (Cat 1) only
MiFID II professionals/ECPs-only/No PRIIPs KID	Manufacturer target market (MiFID II product governance) is expected to be eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in the European Economic Area
UK MiFIR professionals/ECPs-only/No PRIIPs KID	Manufacturer target market (UK MiFIR product governance) is expected to be eligible counterparties and professional clients only (all distribution channels). No PRIIPs key information document (KID) has been prepared as not available to retail in the United Kingdom