

21 September 2021

2021 Full Year Results

NEW HOPE CORPORATION LIMITED

ABN 38 010 653 844

Positioned for Growth following a Strong Recovery

Key Highlights

- Final dividend declared of 7.0 cents fully franked per ordinary share, full year dividend totalling 11.0 cents fully franked per ordinary share;
- Underlying EBITDA result of \$367 million (2020: \$290 million), a 78% increase from 31 January 2021;
- Net profit after tax (NPAT) of \$79 million (2020; loss of \$157 million);
- Production of 9.6Mt of saleable coal (2020: 11.3Mt);
- Net cash from operating activities \$296 million, an increase of 16%;
- Inaugural issue of \$200 million senior unsecured Convertible Notes due 2026 met with high demand and successfully closed on 2 July 2021 oversubscribed; and
- Total Recordable Injury Frequency Rate (TRIFR) 5.39, a decrease of 11%.

New Hope Corporation Limited (the **Company**) has delivered an NPBT of \$111 million for the year ended 31 July 2021 (2020: loss of \$226 million), following a year of strong operational performance and fiscal discipline across the Group.

Chief Executive Officer, Reinhold Schmidt said a number of factors contributed to the result.

“The Newcastle 6000 Index hit 10 year highs by financial year end rapidly recovering from the depressed market conditions experienced at the start of the financial year. The Company achieved an average realised price of \$101.36/t in 2021. At 31 July 2021, the Newcastle 6000 Index had almost doubled from January 2021 levels, to USD\$150 per tonne, and has continued to trend upwards.” Mr Schmidt said.

“The Company also benefited from reduced underlying Free on Board cash costs of \$63.70 as a result of cost savings implemented at both Bengalla and New Acland, and the rationalisation of the Brisbane corporate office.

Production at Bengalla was down slightly on the previous year, due to the midlife shutdown of the dragline for scheduled maintenance, however, the operation is back to full production and well positioned for the future.

The transfer of an EX5500 excavator from New Acland has provided Bengalla with a reliable swing digger and further enhanced the capacity of the site's truck and shovel fleet."

Mr Schmidt said the Company's flagship Bengalla operation remained focused on safe, consistent production and maximising low-ash, high energy product, taking advantage of the current rising index price environment.

"As we move into the new financial year, the focus for Bengalla is continuous improvement initiatives that focus on equipment utilisation and productivity while maintaining a safe operating environment for our team."

Mr Schmidt said the uncertainty of approvals for New Acland Stage 3 and the transition to care and maintenance at New Acland continues to impact the broader business.

"Production has steadily declined at New Acland as existing extraction areas are exhausted and the site moves towards care and maintenance at the end of the 2021 calendar year.

The workforce at New Acland is doing an outstanding job in the meantime, continuing to safely produce quality coal and expertly managing the ongoing rehabilitation process."

Mr Schmidt said the future for the Company remains positive with strong demand for its product to continue and coal prices expected to remain at historically high levels for some time to come.

"The restructure of our corporate office has resulted in a more agile, refocussed and efficient business environment, more suited to the needs of the Company overall.

Sustained cost management across the business will bring a continuation of the improved results we achieved in the second half of this financial year.

The success of our inaugural Convertible Notes issue and strong fiscal management has placed the Company in a good position to react to future growth opportunities.

Our focus for the future remains on safe and efficient production at existing operations and a commitment to maintaining long term relationships with our suppliers and customers."

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This ASX announcement was approved and authorised by the Board.