

Quarterly Activities Report

31 January 2025

Highlights

- Twelve-month moving average TRIFR was 4.40, down from 5.20 at the end of the previous quarter.
- Group saleable coal production of 2.7Mt for the quarter, in line with the previous quarter.
- Execution of our organic growth plans contributing to 5.4Mt of saleable coal production for the first half of the 2025 financial year, 32.9 per cent higher than the previous half year result.
- Underlying EBITDA¹ of \$212.7 million for the quarter and \$517.3 million for the first half of the 2025 financial year, a 21.8 per cent increase compared to the previous half year result.
- Average realised sales price of \$159.1/t² achieved for the quarter and \$176.4/t² for the first half of the 2025 financial year.
- Bengalla Mine achieved an FOB³ cash cost (excluding state royalties and trade coal) of \$68.3 per sales tonne for the first half of the 2025 financial year, a 15.9 per cent reduction compared to the previous period.
- On 14 January 2025, the Land Court of Queensland formally confirmed the Oakey Coal Action Alliance appeal proceedings are finalised and closed.
- Increased equity interest in Malabar Resources Limited from 19.97 per cent to 22.97 per cent.

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		Quarter ended			Year to date		
		Jan-25	Oct-24	Change	Jan-25	Jan-24	Change
Group metrics⁴							
Prime overburden	('000 bcm)	14,777	15,942	(7%)	30,719	28,403	8%
ROM coal production	('000t)	4,238	4,041	5%	8,278	5,301	56%
ROM strip ratio – prime	bcm/t	3.5x	3.9x	12%	3.7x	5.4x	31%
Saleable coal production	('000t)	2,724	2,715	0%	5,438	4,093	33%
Coal sales	('000t)	2,646	2,765	(4%)	5,411	3,770	44%
Product coal stocks	('000t)	695	591	17%	695	503	38%

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

² Excludes domestic sales as well as commodity price and foreign exchange hedging gains / losses.

³ Free on Board.

⁴ Reflects Bengalla Mine at 80 per cent interest and excludes equity interest in Malabar Resources Limited (22.97 per cent).

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Safety and wellbeing

The All-Injury Frequency Rate (AIFR) for the quarter was 30.62, down from 37.63 at the end of the previous quarter. On a twelve-month moving average basis, the AIFR has decreased to 32.03, compared to 32.80 at the end of the previous quarter.

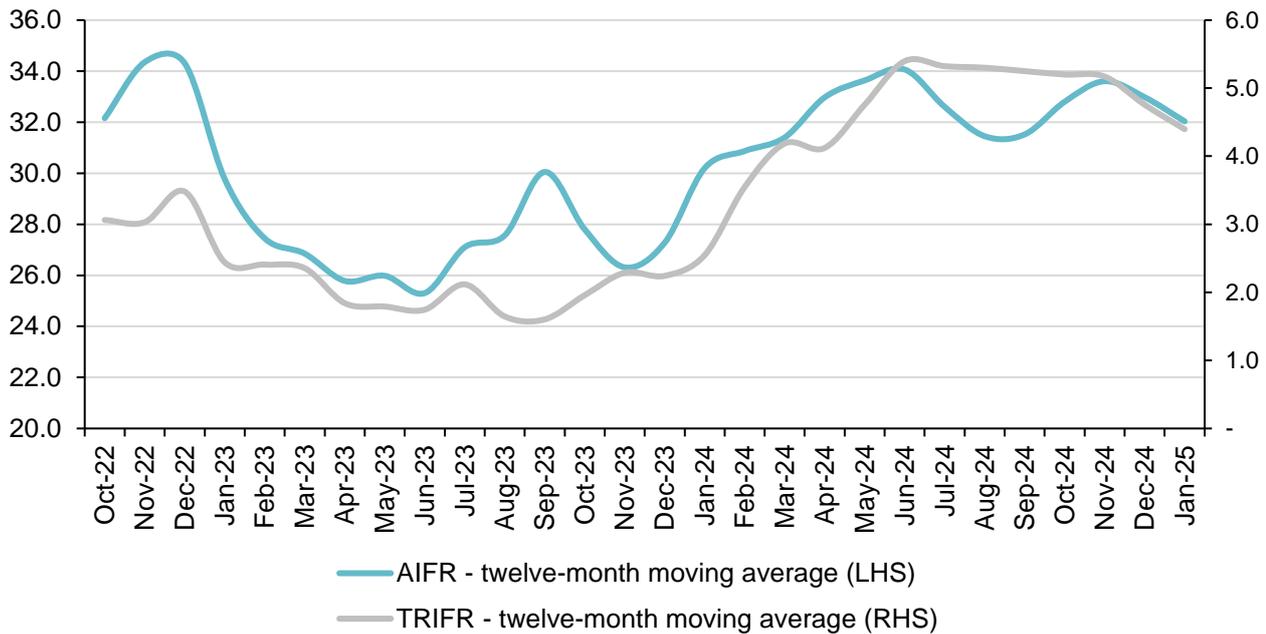
The Company continues to monitor Total Recordable Injury Frequency Rate (TRIFR) as a supplementary indicator of safety performance. The Company’s twelve-month moving average TRIFR was 4.40 at the end of the quarter, down from 5.20 at the end of the previous quarter.

There were 26 injuries recorded during the quarter. All injuries recorded during the quarter were first aid injuries with the exception of one injury, which resulted in three lost days. Serious injuries have trended downwards compared to the previous quarter as the Company continues to focus on improving its safety performance.

During the quarter there were nine high potential events, two high potential hazards and 12 notifiable incidents which were reported to the relevant regulators.

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Group safety metrics



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New South Wales operations

		Quarter ended			Year to date		
		Jan-25	Oct-24	Change	Jan-25	Jan-24	Change
NSW operations¹							
Bengalla Mine							
Prime overburden	('000 bcm)	10,689	11,751	(9%)	22,440	25,090	(11%)
ROM coal production	('000t)	2,636	3,010	(12%)	5,646	4,605	23%
ROM strip ratio - prime	bcm/t	4.1x	3.9x	(4%)	4.0x	5.4x	27%
Saleable coal production	('000t)	1,995	2,235	(11%)	4,230	3,802	11%
Coal sales	('000t)	1,970	2,407	(18%)	4,377	3,668	19%
Product coal stocks	('000t)	285	223	28%	285	307	(7%)

¹ Reflects Bengalla Mine at 80 per cent interest and excludes equity interest in Malabar Resources Limited (22.97 per cent).

Bengalla Mine – 80 per cent joint venture interest

Prime waste movement of 10.7Mbcm was 9.0 per cent lower than the previous quarter due to wet weather conditions impacting both dragline and truck / shovel volumes. The dragline remains ahead of schedule as it approaches its 40 day planned shutdown scheduled for April 2025 following solid operating performance for the first half of the 2025 financial year.

Run-of-mine (ROM) coal production was 2.6Mt, a decrease of 12.4 per cent compared to the elevated levels achieved in the previous quarter, which reflected the unwind of in-pit inventories that had been built up as a result of downstream logistics constraints experienced in the last quarter of the 2024 financial year.

During the quarter, the Coal Handling and Preparation Plant (CHPP) undertook its annual planned shutdown for the 2025 financial year. The CHPP was shut for 14 days allowing key maintenance works to be completed. Since maintenance was completed in mid-December, the CHPP has been performing strongly, with saleable coal production in January surpassing 1.0Mt on a 100 per cent basis.

Saleable coal production was 2.0Mt for the quarter, 10.8 per cent lower than the previous quarter primarily due to the CHPP shutdown, offset by higher bypass coal. Coal sales of 2.0Mt were lower than the previous quarter due to lower saleable coal production and normalisation of product coal stocks, after draw downs in the October 2024 quarter.

Bengalla Mine's Free on Board (FOB) cash cost (excluding state royalties and trade coal) was \$76.6 per sales tonne, a 24.4 per cent increase on the previous quarter reflecting lower sales volumes. Bengalla Mine is on track to achieve its 2025 financial year FOB cash cost (excluding state royalties and trade coal) guidance of between \$71 – \$79 per sales tonne, following a half-year result of \$68.3 per sales tonne.

Bengalla Mine Growth Project

With the main milestones of the Growth Project now achieved, the construction phase for supporting infrastructure continued during the quarter, with completion of a new CHPP operations hub. Civil works for a new CHPP access road and adjacent carpark commenced, while warehouse upgrades continued, predominantly on new undercover storage and automated parts carousels.

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Queensland operations

		Quarter ended			Year to date		
		Jan-25	Oct-24	Change	Jan-25	Jan-24	Change
QLD operations							
New Acland Mine							
Prime overburden	('000 bcm)	4,087	4,191	(2%)	8,279	3,313	150%
ROM coal production	('000t)	1,602	1,031	55%	2,632	696	278%
ROM strip ratio - prime	bcm/t	2.6x	4.1x	37%	3.1x	4.8x	34%
Saleable coal production	('000t)	729	479	52%	1,208	291	315%
Coal sales	('000t)	677	358	89%	1,034	103	907%
Product coal stocks	('000t)	410	369	11%	410	196	109%
QBH							
Export throughput	('000t)	1,277	1,079	18%	2,356	1,479	59%

New Acland Mine

The ramp up of New Acland Mine continues with the second quarter delivering another increase in coal production following further intake of employees and a full quarter of 24/7 operation of the CHPP.

Prime waste of 4.1Mbcm was moved from the Manning Vale East and Willeroo Pits during the quarter, down 2.5 per cent compared to the previous quarter due to weather impacts and scheduled equipment maintenance. Despite unfavourable weather, ROM coal production was 1.6Mt, a 55.4 per cent increase on the previous quarter due to a lower ROM strip ratio. Saleable coal production was 0.7Mt, a 52.0 per cent improvement on the previous quarter driven by higher volumes of ROM coal available to feed the CHPP. New Acland Mine continues to take advantage of additional spot rail capacity, with the amount of railed product continuing to increase in line with the operation. Coal sales, which continue to include a portion of domestic sales, totalled 0.7Mt for the quarter, up from 0.4Mt in the previous quarter.

Mining across both Manning Vale East and Willeroo Pits is on schedule, with the onboarding of additional employees supporting the execution of the plan. New Acland Mine now has almost 290 employees working at the operation, with further intakes planned to take the number of employees to over 300.

During the quarter, New Acland Coal Pty Ltd (New Acland) and Oakey Coal Action Alliance (OCAA) agreed terms for the discontinuance of OCAA's Land Court of Queensland appeal against the Queensland Government's decision to grant the Associated Water Licence to New Acland Stage 3. The conclusion of OCAA's legal challenge provides certainty for the local community and a clear runway to increase production to ~5 million tonnes per annum by developing the Manning Vale West mining area.

The Company is now focused on accelerating planning and surface infrastructure works in preparation for commencing mining activities in the Manning Vale West Pit, expected in early 2026 following the construction of access roads and other infrastructure during 2025.

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Strategic investments

Malabar Resources Limited (Malabar) – 22.97 per cent equity interest

Malabar continues to progress the Maxwell Underground Mine, including the ramp up of the bord and pillar operation and the development of the longwall.

During the December 2024 quarter, Malabar achieved a significant milestone at the longwall operation. After 2,670m of total tunnelling, the Woodlands Hill seam was intersected, marking completion of the two parallel drifts. Additionally, the drift conveyer was installed and commissioned, whilst the mine ventilation shaft was drilled and subsequently steel lined. Machinery capability testing of longwall components has commenced and the first set of development equipment, including a continuous miner, shuttle car and feeder breaker, have been delivered and commissioned. In the days following the December 2024 quarter, Maxwell Underground Mine cut its first coal at the longwall operation and commenced panel development to establish the life-of-mine pit bottom infrastructure.

The bord and pillar operation continues to increase output and improve productivity with 117,000 tonnes of ROM coal produced during the December 2024 quarter. Development driveage increased by 30 per cent compared to the previous quarter. Focus remains on improving productivity and preparing for pillar extraction, which is expected in the June 2025 quarter.

Maxwell Underground Mine continues to receive a premium for its high-quality product, with 85,000 tonnes of coal sold into the Japanese market at an average price of US\$149/t, representing a 10 per cent premium to the gC NEWC 6000.

During the quarter, the Company acquired an additional 3.00 per cent stake in Malabar, increasing its total equity interest to 22.97 per cent. The Company purchased 18,066,048 ordinary Malabar shares for \$2.00 each, or approximately \$31.6 million. The 3.00 per cent stake was purchased following an approach from a large shareholder in Malabar. The acquisition aligns with the Company's strategy of investing in low-cost coal assets with long-life approvals and provides exposure to high-quality metallurgical coal.

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Marketing, sales & logistics

Marketing and sales

The gC NEWC 6000 index average price for the quarter was US\$127.8/t, an 11.1 per cent decrease from the previous quarter of US\$143.7/t, and a 3.2 per cent decrease compared to the same quarter last year.

The thermal coal market is currently experiencing a phase of oversupply and weakened demand, creating downward pressure on pricing. We expect the market to find a balance through calendar year 2025. Gas prices remain high and continue to provide an opportunity for upside to thermal coal pricing on the back of any supply disruptions, either locally or globally.

The Company's realised pricing for the quarter was impacted by a decrease in index pricing and a lower proportion of low-ash sales, combined with adjustments to certain provisionally priced sales linked to the Japanese Reference Price (JRP). In future, the JRP will have limited relevance to the Company, with minor volumes linked to this price.

		Quarter ended			Year to date		
		Jan-25	Oct-24	Change	Jan-25	Jan-24	Change
Coal sales							
Bengalla Mine¹							
Total coal sales	('000t)	1,970	2,407	(18%)	4,377	3,668	19%
Low ash	%	46%	66%	(30%)	57%	47%	21%
High ash	%	54%	34%	60%	43%	53%	(19%)
New Acland Mine							
Total coal sales	('000t)	677	358	89%	1,034	103	907%
Low ash	%	14%	59%	(77%)	30%	-	n/a
High ash	%	86%	41%	112%	70%	100%	(30%)
Coal pricing²							
gC NEWC	US\$/t	127.8	143.7	(11%)	135.7	140.2	(3%)
API-5	US\$/t	84.2	88.3	(5%)	86.2	93.3	(8%)
US\$ realised pricing^{3,4}							
Group	US\$/t	103.1	128.8	(20%)	116.5	126.9	(8%)
Bengalla Mine	US\$/t	107.1	129.9	(18%)	119.9	128.0	(6%)
New Acland Mine	US\$/t	91.8	122.1	(25%)	102.6	92.1	11%
A\$ realised pricing^{3,5}							
Group	A\$/t	157.4	188.4	(16%)	173.2	197.1	(12%)
Bengalla Mine	A\$/t	162.1	189.3	(14%)	177.1	198.7	(11%)
New Acland Mine	A\$/t	143.5	182.8	(22%)	157.1	139.9	12%

¹ Reflects Bengalla Mine at 80 per cent interest.

² Source – globalCOAL and Argus/McCloskey.

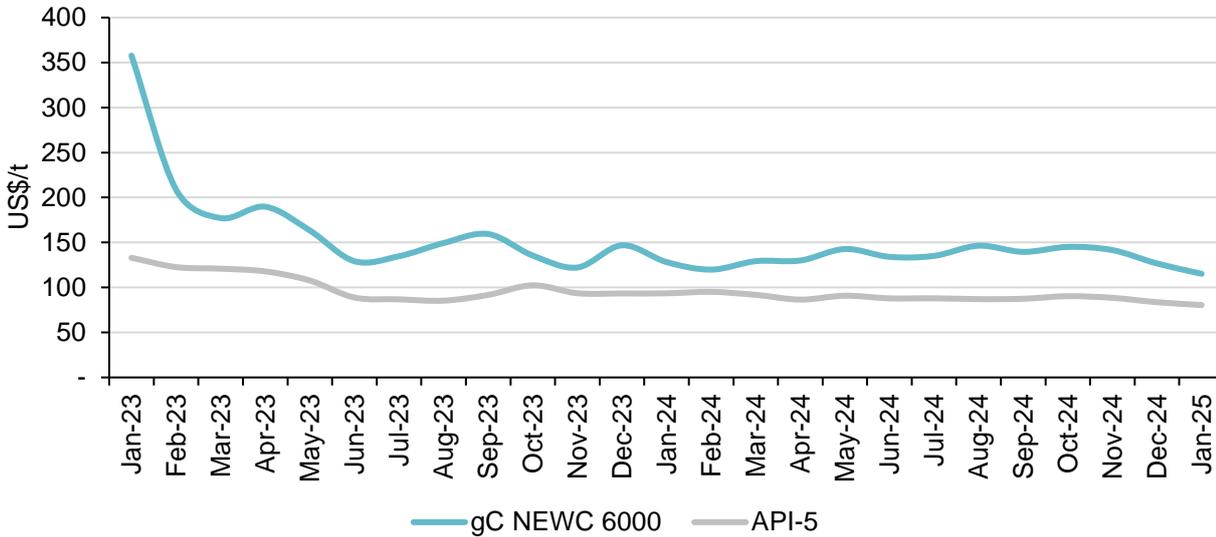
³ Excludes commodity price and foreign exchange hedging gains / losses.

⁴ Excludes domestic coal sales.

⁵ Includes domestic sales.

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gC NEWC 6000 and API-5 historical pricing



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Logistics

Bengalla Mine has continued to experience challenges with overall supply chain performance in the first half of the 2025 financial year driven by higher-than-expected losses from rail haulage and infrastructure providers. Additionally, train loading performance has been affected by control system upgrades with initiatives underway to address these concerns. The Company has also now secured additional port terminal capacity for Bengalla Mine to assist with managing monthly variation and disruption events.

The ramp up of rail capacity to support New Acland Mine’s increased production rates continues. While the volume of railed tonnes has steadily increased, it has become apparent there are potential supply chain constraints. Rail system outages required to deliver the Cross River Rail project have the potential to impact train movements through the Brisbane metropolitan network and into the Port of Brisbane, and present the most significant issue in the short to medium term. The completion of the Cross River Rail project has been extended to 2029, and the Company continues to actively monitor the impact of the project’s forward work plan and proposed closures on rail capacity.

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Exploration

During the quarter, \$2.0 million of expenditure was incurred for the group's exploration activities.

Bengalla Exploration License (EL 9431) – 80 per cent joint venture interest

The Bengalla Mine has approval from the NSW Resources Regulator to carry out assessable prospecting operations over EL 9431, an area of 556 hectares contiguous to the western boundary of Bengalla Mine.

The exploration program continued during the quarter, with two drill rigs completing 11 holes for a total of 3,521m. There were two fully cored holes and one partially cored hole completed during the period; all three were drilled for fugitive greenhouse gas emissions assessment. A further eight holes were subject to chipped rotary mud drilling, primarily for structural characterisation. All holes were geophysically logged and a total of 119 fugitive gas emission samples were taken.

The drilling in EL9431 will continue in the next quarter, with the priority being on drilling holes for groundwater investigation and structural definition drilling. Completion of the program with final coal quality holes and groundwater monitoring installation is planned for the third quarter of the 2025 financial year.

West Muswellbrook (AL19) tenement

The Company has completed a concept study for AL19 based on exploration data currently available. The outcomes of this study continue to be reviewed to inform a forward work plan. More information about the AL19 tenement is available at <https://newhopegroup.com.au/other-assets>.

Capital Management

Cash generated from operating activities was \$102.2 million for the quarter, down from \$214.7 million in the previous quarter due to the settlement of certain provisionally priced sales linked to the Japanese Reference Price (JRP). Cash flow from operating activities for the first half of the 2025 financial year was \$316.9 million, up from \$130.6 million in the first half of the 2024 financial year.

The Company's available cash balance as at 31 January 2025 was \$805.1 million, consisting of \$414.0 million in cash and cash equivalents and \$391.1 million in fixed income investments.

The investments in our fixed income portfolio are spread across four fund managers: PIMCO, Flag, Revolution and Neuberger Berman. There are eleven underlying funds that are designed to maximise diversification across manager, asset class, liquidity source and geography. Around 80 per cent of the portfolio can be redeemed daily, with the majority of the balance within 12 months. The asset class is varied, but includes leveraged loans, various bonds (investment grade, hybrids, senior high yield, T2, AT1), RMBS, Commercial MBS and other specialty finance investments. The investment mix is regularly reviewed and subject to change.

Given the liquidity profile, the portfolio is viewed as available cash and provides better performance compared to our standard transaction bank account.

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FY25 Guidance

There has been no change to the Company's 2025 financial year guidance since it was released on 18 November 2024. The 2025 financial year guidance targets increased production and lower unit costs compared to the 2024 financial year, reflecting the continued execution of our organic growth plans.

		FY25	FY24	Change ¹
New Hope Group				
ROM coal production	('000t)	15,480 - 17,000	12,337	32%
Saleable coal production	('000t)	10,830 - 11,870	9,063	25%
Coal sales	('000t)	10,660 - 11,750	8,686	29%
NSW operations²				
Bengalla Mine				
ROM coal production	('000t)	10,080 - 10,800	9,985	5%
Saleable coal production	('000t)	8,080 - 8,720	8,046	4%
Coal sales	('000t)	8,160 - 8,800	7,843	8%
FOB cash cost (ex. royalty)	(A\$/sales t)	71 - 79	77.8	4%
Sustaining capital	(A\$m)	200 - 245	Not reported	n/a
QLD operations				
New Acland Mine				
ROM coal production	('000t)	5,400 - 6,200	2,351	147%
Saleable coal production	('000t)	2,750 - 3,150	1,017	190%
Coal sales	('000t)	2,500 - 2,950	843	223%

¹ Percentage change is based on the midpoint of the FY25 guidance range.

² Reflects Bengalla Mine at 80 per cent interest and excludes equity interest in Malabar Resources Limited (22.97 per cent).

ENDS

Investor and analyst teleconference

Chief Executive Officer Rob Bishop will host a teleconference to provide an overview of the Quarterly Activities Report, followed by a sell-side analyst Q&A session.

Date: Monday, 17 February 2025

Time: 11.00am (AEDT)

Dial-in details: <https://ccmediaframe.com/?id=90ywLjNB>

For more information, please contact:

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Consolidated production metrics

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