

Level 36, Grosvenor Place
225 George Street
Sydney NSW 2000
Australia

Blake Dawson

The Board of Directors
Northern Energy Corporation Limited
Level 5, 60 Edward Street
Brisbane QLD 4000
c/- Paul Marshall (Company Secretary)
BY EMAIL TO: pmarshall@northernenergy.com.au

T 61 2 9258 6000
F 61 2 9258 6999
DX 355 Sydney

Locked Bag No 6
Grosvenor Place
Sydney NSW 2000
Australia

www.blakedawson.com

And to:

22 October 2010

Company Announcements Office
ASX Limited
BY ELECTRONIC LODGEMENT

Our reference
BCM DBR DMCM
02-2025-4605

Partners
Bruce Macdonald
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Arkdale Pty Ltd – Takeover bid for Northern Energy Corporation Limited (ASX: NEC)

We act for Arkdale Pty Ltd ABN 99 118 299 522 (**New Hope Bidco**), a wholly owned subsidiary of New Hope Corporation Limited ACN 010 653 844 (ASX: NHC).

In accordance with section 671B(1)(c) of the *Corporations Act 2001* (Cth), we **enclose** an ASIC Form 603 (Notice of initial substantial holder) which is required to be given because New Hope Bidco has made a takeover bid for ordinary shares in Northern Energy Corporation Limited.

Yours faithfully



Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme	Northern Energy Corporation Limited (Northern Energy)
ACN/ARSN	081 244 395
This notice is given by New Hope Corporation Limited ACN 010 653 844 on behalf of itself, its holding company Washington H. Soul Pattinson Company Limited ACN 000 002 728 (WHSP) and each of the controlled bodies corporate of WHSP (WHSP Subsidiaries) named in the list of 1 page annexed to this notice and marked A (see Annexure A)	

1. Details of substantial holder (1)

Name	New Hope Corporation Limited
ACN/ARSN (if applicable)	010 653 844

The holder became a substantial holder on 22/10/2010 when it's wholly owned subsidiary, Arkdale Pty Ltd ACN 118 299 522 gave a bidder's statement to Northern Energy

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Fully paid ordinary shares	6,348,652	6,348,652	4.944%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Arkdale Pty Ltd ACN 118 299 522	Taken under section 608(1)(a) of the Corporations Act to have a relevant interest by reason of being the holder of ordinary shares in Northern Energy. Details of how Arkdale Pty Ltd acquired its relevant interest are included in: - the 1 page annexure marked B (see Annexure B); - the 14 page annexure marked C (see Annexure C); and - the 10 page annexure marked D (see Annexure D).	6,348,652
New Hope Corporation Limited ACN 010 653 844	Taken under section 608(3)(b) of the Corporations Act to have a relevant interest by reason of having control of Arkdale Pty Ltd.	6,348,652
Washington H. Soul Pattinson Company Limited ACN 000 002 728	Taken under section 608(3)(b) of the Corporations Act to have a relevant interest by reason of having control of New Hope and Arkdale Pty Ltd.	6,348,652
Each of the WHSP Subsidiaries	Taken under section 608(3)(a) of the Corporations Act to have a relevant interest by reason of having voting power (through the relevant interests of its associate, WHSP) above 20% in Arkdale Pty Ltd.	6,348,652

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Arkdale Pty Ltd	Arkdale Pty Ltd	N/A	6,348,652

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
See Annexure B				

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

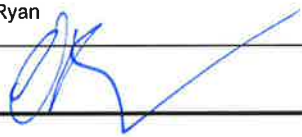
Name and ACN/ARSN (if applicable)	Nature of association
Arkdale Pty Ltd ACN 118 299 522	Body corporate controlled by Washington H. Soul Pattinson Company Limited and New Hope Corporation Limited
Washington H. Soul Pattinson Company Limited ACN 000 002 728	Body corporate which controls New Hope Corporation Limited
Each of the WHSP Subsidiaries	Bodies corporate controlled by Washington H. Soul Pattinson Company Limited

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
New Hope Corporation Limited	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Arkdale Pty Ltd	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Washington H. Soul Pattinson Company Limited	Level 1, 160 Pitt Street Mall, Sydney, New South Wales 2000
WHSP Subsidiaries	See Annexure A

Signature

print name	David Ryan	capacity	Authorised representative
sign here		date	22 October 2010

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

New Hope Corporation Limited ACN 010 653 844
Annexure A
WHSP Subsidiaries

This is the annexure of 1 page marked "A" referred to in the Form 603, Notice of initial substantial holder signed by me and dated 22 October 2010.


 David Ryan - Authorised Representative

Name	ACN/ARSN	Address
SP Laboratories Pty. Limited	ACN 000 023 085	Level 1, 160 Pitt Street Mall, Sydney, NSW 2000
SP Newcastle Pty. Limited	ACN 000 009 745	Level 1, 160 Pitt Street Mall, Sydney, NSW 2000
SP Runaway Bay Pty. Limited	ACN 001 197 075	Level 1, 160 Pitt Street Mall, Sydney, NSW 2000
Souls Financial Solutions Pty. Limited	ACN 124 437 814	Level 1, 160 Pitt Street Mall, Sydney, NSW 2000
Souls Private Equity Limited	ACN 111 196 420	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
PCP Holdings 1 Pty. Limited	ACN 111 500 022	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
PCP Holdings 2 Pty. Limited	ACN 003 596 996	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
Cromford Group Pty. Limited	ACN 001 472 251	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
Australian Film and Pipe Manufacturing Pty Limited	ACN 245 036 727	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
Food and Beverage Company Limited	ACN 116 303 845	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
Pitt Capital Partners Limited	ACN 000 651 427	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
Corporate & Administrative Services Pty. Ltd	ACN 085 361 459	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
Pitt Capital Nominees Pty. Ltd	ACN 098 462 278	Level 2, 160 Pitt Street Mall, Sydney, NSW 2000
New Hope Collieries Pty Ltd	ACN 009 669 747	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Tivoli Collieries Pty Ltd	ACN 068 458 882	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Jeebropilly Collieries Pty Ltd	ACN 010 319 954	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Tivoli Coal (Hawaii) Pty Ltd	ACN 068 458 882	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Acland Pastoral Co. Pty Ltd	ACN 009 888 395	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Seven Mile Coal Pty Ltd	ACN 085 636 602	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Oakleigh Coal Pty Ltd	ACN 055 151 196	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Acland Coal Pty Ltd	ACN 081 022 380	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Saraji Coal Pty Ltd	ACN 127 222 842	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Lenton Coal Pty Ltd	ACN 095 390 079	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Andrew Wright Holdings Pty Ltd	ACN 009 720 914	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Tetard Holdings Pty Ltd	ACN 010 152 262	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Queensland Bulk Handling Pty Ltd	ACN 010 284 509	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Fowlers Engineering Pty Ltd	ACN 009 720 914	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Hope Exploration Pty Ltd	ACN 060 579 624	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Arkdale Pty Ltd	ACN 118 299 522	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Hope Water Pty Ltd	ACN 128 857 134	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Hope Marketing Pty Ltd	ACN 136 073 722	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Uniford Pty Ltd	ACN 142 881 552	3/22 Magnolia Drive, Brookwater, Queensland, 4300
eCOALogical Pty Ltd	ACN 142 881 525	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Hope Services Pty Ltd	ACN 141 243 709	3/22 Magnolia Drive, Brookwater, Queensland, 4300
Hueridge Pty Ltd	ACN 138 128 542	3/22 Magnolia Drive, Brookwater, Queensland, 4300
New Hope Energy Pty Ltd	ACN 127 222 557	3/22 Magnolia Drive, Brookwater, Queensland, 4300

New Hope Corporation Limited ACN 010 653 844
Annexure B
Acquisition of Relevant Interest and Consideration

This is the annexure of 1 page marked "B" referred to in the Form 603, Notice of Initial substantial holder signed by me and dated 22 October 2010.


 David Ryan - Authorised Representative

Holder of Relevant Interest	Date	Transaction	Consideration		Class and number of securities
			Cash	Non-cash	
Arkdale Pty Ltd	14/07/2008	Acquisition on ASX	3,448,591.90	-	2,652,763 ordinary shares
Arkdale Pty Ltd	22/08/2008	Acquisition of shares off-market via participation in a Share Purchase Plan	5,000.00	-	4,000 ordinary shares
Arkdale Pty Ltd	16/06/2009	Acquisition of shares pursuant to a Placement Agreement dated 10 June 2009, a copy of which is attached as Annexure C	154,543.20	-	441,552 ordinary shares
Arkdale Pty Ltd	21/07/2009	Acquisition of shares off-market via participation in a Share Purchase Plan	10,000.00	-	28,571 ordinary shares
Arkdale Pty Ltd	22/07/2009	Acquisition of shares pursuant to a Placement Agreement dated 10 June 2009, a copy of which is attached as Annexure C	366,956.80	-	1,048,448 ordinary shares
Arkdale Pty Ltd	31/07/2009	Acquisition of shares off-market pursuant to a Sub-underwriting Agreement dated 11 June 2009 (to sub-underwrite a Share Purchase Plan), a copy of which is attached as Annexure D	235,661.30	-	673,318 ordinary shares
Arkdale Pty Ltd	30/09/2010	Acquisition on ASX	508,250.00	-	535,000 ordinary shares
Arkdale Pty Ltd	01/10/2010	Acquisition on ASX	680,000.96	-	695,101 ordinary shares
Arkdale Pty Ltd	04/10/2010	Acquisition on ASX	269,300.00	-	269,899 ordinary shares

New Hope Corporation Limited ACN 010 653 844
Annexure C
Placement Agreement

This is the annexure of 14 pages marked "C" referred to in the Form 603, Notice of Initial substantial holder signed by me and dated 22 October 2010.



David Ryan - Authorised Representative



Austock Corporate Finance Pty Ltd
ABN 26 101 074 015

Melbourne Office
Level 1, 350 Collins Street Melbourne VIC 3000
Phone: 61 3 8601 2000 Fax: 61 3 9200 2279

Sydney Office
Level 9, 56 Pitt Street Sydney NSW 2000
Phone: 61 2 9233 9600 Fax: 61 2 9251 4648

Brisbane Office
Level 3, 100 Eagle Street Brisbane QLD 4000
Phone: 61 7 3361 3300 Fax: 61 7 3229 4305

Toll Free: 1800 806 362
Email: corporate@austock.com

www.austock.com

An authorised representative of Austock Securities Limited
(AFSL No. 244410)

10 June 2009

Matthew Busch
Arkdale Pty Ltd

E-mail: mbusch@newhopecoal.com.au
cc: Peter Hollick

Dear Matthew

PLACEMENT CONFIRMATION LETTER

NORTHERN ENERGY CORPORATION LIMITED (ABN 90 081 244 395)

**PLACEMENT OF 22,857,143 FULLY PAID ORDINARY SHARES AT
\$0.35 PER SHARE (Shares or Securities) TO RAISE A\$8,000,000
OFFER OF SECURITIES WITHOUT DISCLOSURE DOCUMENT**

Introduction

Austock Corporate Finance Pty Limited (**Austock** or **us**) has been appointed by Northern Energy Corporation Limited (**Company** or **NEC**) to place (**Placement**) 22,857,143 newly issued fully paid ordinary shares in the Company (Placement Shares) at an issue price of A\$0.35 per Placement Share (**Placement Price**) to raise gross proceeds of A\$8,000,000. The Placement is not underwritten.

Net funds raised under the placement will be applied to provide funding for the development of the Company's Elimatta and Maryborough Projects, guaranteeing the Wiggins Island Coal Terminal and QR upgrade studies and working capital.

NEC also intends to undertake a Share Purchase Plan (**SPP**) following completion of the Placement. The SPP will be offered at the same price as the Placement and its size will be capped at \$4 million. It is intended that the SPP will be underwritten, subject to shareholder approval. Further details will be provided to shareholders in due course.

Placement Offer

You are hereby offered the following participation in the Placement (your **Placement Allocation**), subject to the terms set out below in this letter (**Placement Confirmation Letter**).

The Placement will take place in two tranches as follows:

- (a) 6,600,000 Placement Shares (**Tranche 1 Shares**) will be allotted and issued by the Company as soon as practicable pursuant to the Company's 15% capacity under ASX Listing Rule 7.1; and
- (b) 16,257,143 Placement Shares (**Tranche 2 Shares**) will be allotted and issued by the Company subject to the shareholders of the Company approving the issue of the Tranche 2 Shares in accordance with ASX Listing Rule 7.1.



Austock would like to confirm the terms on which Arkdale Pty Ltd (you) (on behalf of your clients) have agreed to accept a placement of Shares the subject of the Placement (**Firm Commitment**).

Tranche 1 – allocation confirmation

Austock is pleased to confirm the following irrevocable and firm allocation of Tranche 1 Shares to you.

	No. of shares	Total Amount	Settlement Date
Tranche 1 Shares at \$0.35 per share	441,552	A\$154,543.20	16 June 2009

Tranche 2 – Allocation Confirmation

Austock is pleased to confirm the following irrevocable and firm allocation of Tranche 2 Shares to you.

	No. of shares	Total Amount	Settlement Date
Tranche 2 Shares at \$0.35 per share	1,048,448	A\$366,956.80	22 July 2009

The issue of Tranche 2 Shares is subject to the Company obtaining approval from its shareholders in general meeting for the allotment and issue of the Tranche 2 Shares in accordance with ASX Listing Rule 7.1.

If the condition is not satisfied or waived by the Company, you will not be issued any Tranche 2 Shares and you agree that you will not have any claim of any kind against Austock or the Company in respect of the Tranche 2 Shares.

The Company and Austock have entered into a mandate letter in relation to the Placement (**Placement Agreement**) pursuant to which Austock has agreed to use its best endeavours to procure subscribers on the Company's behalf on a private placement basis for the Placement Shares. The Placement Agreement contains various conditions precedent and rights of termination substantially as summarised in Schedule A hereto.

The rights of termination may be exercised by Austock at its absolute discretion. If Austock terminates (or is taken to have terminated) its obligations in accordance with the Placement Agreement, or if the conditions precedent are not satisfied or waived by Austock and/or the Company (as the case may be), before completion of the subscription of Placement Shares, you will have no further obligations to the Company to subscribe for your Placement Shares and no right to receive your Placement Shares (if they have not already been issued to you). Equally, if Austock and/or the Company (as the case may be) waive those rights, you will be bound by their decision and will be obliged to subscribe for your Placement Shares and have no right to terminate your obligations to subscribe for your Placement Shares.

In making an investment decision, investors must rely on their own examination of the Company and the terms of the Placement, including the merits and risks involved.

AUSTRALIA

Investors in or resident in Australia may only submit bids to participate in the Placement if they are persons to whom offers and issues of the Placement Shares can be made by the Company without the need for a disclosure document to be lodged with ASIC, pursuant to section 708(8), 708(10) or 708(11) of the Corporations Act 2001 (Cth) (**Exempt Investors**). The offer is not made in Australia to, and is not capable of acceptance in Australia by, any other person. No disclosure document will be issued by the Company in connection with the Placement.

OTHER JURISDICTIONS

France

The Placement Shares will not be offered under a disclosure document approved by the Autorité des marchés financiers. French investors may only participate insofar as they act on their own behalf. The on-sale or diffusion of



the acquired Placement Shares may only be performed in compliance with public offer requirements, as stated in articles L. 412-1 and L.621-8 of the Code Monétaire et Financier.

Germany

The Placement Shares may not be offered or sold in Germany by means of any document sent to persons who are qualified investors and the issuer confirms that it will not seek to have the securities admitted to quotation on a regulated German market. Qualified Investors are those investors qualifying under § 2 No. 6 of the German Securities Prospectus Act (Wertpapierprospektgesetz). The Placement Shares may only be disposed of to persons outside Germany or only to other qualified investors within the meaning of § 2 No. 6 of the German Securities Prospectus Act.

Hong Kong

The offer of Placement Shares in this letter is being made only to 'professional investors' as defined in the Securities and Futures Ordinance (Cap 571) of the Laws of Hong Kong and subsidiary legislation made thereunder. This letter is not intended to be distributed to any person who is not a 'professional investor' and does not constitute or contain any offer, invitation, advertisement or similar communication to the public in Hong Kong.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer of Placement Shares. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

Italy

The offer of Placement Shares in Italy or to a resident of Italy is limited to institutional investors as defined by Article 31(2) of CONSOB Regulation No 11522 of 1 July 1998 as amended, and in compliance with the forms and procedures provided therein and the offer will be conducted only by banks, investment firms (as defined in Legislative Decree No. 58 of 24 February 1998, as amended) or financial companies enrolled in the special register provided for by Article 107 of the Legislative Decree No. 385 of 1 September 1993, as amended, to the extent duly authorised to engage in the placement and/or underwriting of financial instruments in Italy in accordance with the relevant provisions of Legislative Decree No. 58 of 24 February 1998, as amended;

New Zealand

The offer of Placement Shares is made in New Zealand only to "habitual investors" whose principal business is the investment of money or who in the course of and for the purposes of his or her business, habitually invests money.

Singapore

No document has been or will be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Placement Shares may not be offered or sold, or be made the subject of an invitation for subscription or purchase, nor may any document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Placement Shares be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than to institutional investors, relevant persons and persons acquiring the Placement Shares as principal as defined and in accordance with the Securities and Futures Act (Cap 289) of Singapore. It may not otherwise be made to any member of the public in Singapore. Statutory liability under the Securities and Futures Act (Cap 289) of Singapore in relation to the form and content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you and where in doubt, you should consult your own professional advisers. The Placement Shares may only be disposed of to persons outside Singapore for a period of six months or only to exempt investors within the meaning of the Securities and Futures Act (Cap 289) of Singapore.

Switzerland

The Placement Shares are offered in Switzerland only to a limited group of persons within the meaning of Art. 652a (2) of the Swiss Code of Obligations of 30 March 1911. This letter does not constitute a prospectus within the meaning of Art. 652a (2) of the Swiss Code of Obligations and neither this letter nor the Placement Shares has been or will be approved by any Swiss authority.



United Kingdom

The offer of Placement Shares is made only to potential investors who are qualified investors in the United Kingdom (which includes Scotland but not Jersey) for the purposes of the Financial Services and Markets Act 2000 and the FSA Prospectus Rules. In addition, the offer of the Placement Shares and its distribution in the United Kingdom are each made only to persons in circumstances where that will not constitute the communication of an invitation or inducement to engage in investment activity for the purposes of section 21 of the Financial Services and Markets Act 2000 (FSMA) as a result of the exemptions contained in the FSMA (Financial Promotion) Order 2001 ("UK Exempted Person").

Ireland

The offer of Placement Shares is made only to potential investors who are qualified investors in Ireland as defined by Regulation 9(1)(a) of the Prospectus (Directive 2003/71/EC) Regulations 2005 ("Irish Regulations") as amended, and in compliance with the forms and procedures provided therein or in compliance with Regulation 9(1)(c) of the Irish Regulations in which case the offer to each investor in Ireland will be at least €50,000.

Bermuda

The offer of Placement Shares is made in Bermuda only in circumstances where the Bermuda Investment Business Act 2004 does not apply and in circumstances in which no securities under the Placement need be offered under a prospectus because:

- (a) The Placement Shares are listed on an appointed stock exchange and the rules of the appointed stock exchange do not require the Company to lodge a prospectus in respect of the Offer to Exempt Investors; and
- (b) The company is subject to the rules and regulations of a competent regulatory authority and such rules or regulations do not require the Company to publish or lodge a prospectus in respect of the Offer to Exempt Investors in Australia.

United States of America

The Placement Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (**Securities Act**), or under the securities laws of any state of the United States. Accordingly, the Placement Shares may not be offered or sold, directly or indirectly, within the United States or to U.S. persons (each as defined in Regulation S under the Securities Act).

General

The Placement Shares may not be offered or sold in any other jurisdiction by means of this Placement Confirmation Letter or otherwise, except in accordance with the laws of such jurisdictions as may apply to the offer and sale of the Placement Shares.

CORPORATIONS ACT – ON SALES

No formal offering memorandum, prospectus or other disclosure document has been prepared in connection with the offering of the Placement Shares.



The Placement will be made to a limited number of institutions and other exempt investors in accordance with Chapter 6D of the Corporations Act 2001 (Cth) (**Corporations Act**). For the purposes of this letter, an exempt investor is a person to whom an offer of securities can be made without disclosure in accordance with sub-sections 708(8) (sophisticated investors), 708(10) (offers through a financial services licensee), 708(11) (professional investors) of the Corporations Act or possibly to certain investors outside Australia to whom the Placement Shares could lawfully be offered under the laws of the relevant jurisdictions.

Investors should be aware of the on sale prohibition in section 707(3) of the Corporations Act which has the effect of restricting investors from on-selling the Placement Shares within 12 months of their respective issues (**Relevant Period**) unless the on-sale is to another Exempt Investor or a prospectus is utilised to offer the relevant securities or the Company has complied with section 708A of the Corporations Act.

The Company has authorised us to inform you that the Placement Shares will not be issued unless the Company is able to issue a notice in compliance with section 708A of the Corporations Act (**Cleansing Statement**) in respect of Tranche 1 and Tranche 2 which will have the effect of allowing an on-sale of the Placement Shares to non-exempt investors immediately following the filing of the Cleansing Statement.

The Company has also confirmed to us that it is issuing the Placement Shares for the purpose referred to in paragraph 2 headed "Use of Proceeds" above, and is not issuing the Placement Shares for the purpose of the persons to whom they are issued selling or transferring them, or granting, issuing or transferring interests in, or options or warrants over, them to other persons.

Austock is not responsible for the accuracy or completeness of, and accepts no obligation to enforce, the representations and warranties given by the Company. Austock and the Company take no responsibility for any loss, direct or indirect, or damage suffered by any person in the event that any of the Placement Shares are, or become, subject to transfer restrictions in any jurisdiction.

Timetable

The Placement timetable is as follows:

Indicative Timetable 2009	
Placement letters sent	Wed 10 June
Acceptances/CARD Forms due (both tranches)	By 5PM Wed 10 June
Announce Placement & recommence trading	(pre mkt) Thurs 11 June
Tranche 1	
DvP settlement	Tues 16 June
New shares issued under Placement commence trading	Tues 16 June
Shareholder meeting	Around Mon 20 July
Tranche 2	
DvP settlement	Weds 22 July
New shares issued under Placement	Weds 22 July
Commence trading	

All dates and times are in Australian Eastern Standard Time (AEST)

Please note that the above timetable may change without consultation with you and, subject to the terms of this Placement Confirmation Letter, if you decide to participate in the offering of the Placement Shares you will be bound by the agreement arising from your acceptance of the offer notwithstanding any such changes to the timetable.

Rights Attaching to the Placement Shares

The Placement Shares will rank pari passu with the Company's existing ordinary shares from the date of issue. The Company has agreed to apply to ASX for official quotation of the Placement Shares on ASX. Please note that



Trading Participants (as defined in the ASX Market Rules) cannot deal in the Placement Shares either as principal or agent until quotation is granted by ASX.

Insider trading

You are and will be in compliance with all relevant laws and regulations in relation to your Placement Allocation and acceptance of the Placement Allocation (including, without limitation, the prohibitions on insider trading in section 1043A of the Corporations Act) and the constitution of the Company and will not cease to be in compliance with any of them if you take up your Placement Allocation.

Offer Personal

The offer of Placement Shares and the agreement arising from acceptance of the offer is personal to you and does not constitute an offer to any other person or to the public generally, in Australia or anywhere else. You may not assign, transfer, or in any other manner, deal with your rights or obligations under the agreement arising from the acceptance of this offer, without the prior written agreement of Austock and in accordance with all relevant legal requirements.

Where you are accepting this offer on behalf of your clients you must ensure that any such client performs its obligations under this offer and that if the client is in Australia, that it is a Sophisticated Investor within the meaning of section 708(8) or a Professional Investor within the meaning of section 708(11) of the Corporations Act or the offer is made in accordance with section 708(10) (offers through a financial services licensee), or if such client is outside Australia, that it is a person to whom an offer under this letter can lawfully be made under all applicable laws, and to whom the Placement Shares can lawfully be issued under all applicable laws, without the need for any registration, lodgement or other formality.

Representations, Warranties and Agreements by Investors

By accepting this offer of Placement Shares, you represent, warrant and agree for the benefit of the Company, Austock and their respective related bodies the representations, warranties and agreed matters as set out in Schedule B attached to this letter. You also agree that at the time you return your Placement Acceptance Advice, and at the date of allotment of the Placement Shares, you will be deemed to have further represented, warranted and agreed as set forth in Schedule B attached to this letter.

Indemnity

You must indemnify and keep indemnified the Company, Austock and their respective related bodies corporate, and any directors, officers, employees and advisers of any of the Company, Austock and their respective related bodies corporate (each an **Indemnified Party**) against all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, costs, fees, expenses or disbursements of any kind whatsoever (plus all goods and services tax for them) which may be imposed on, incurred by or assessed against an Indemnified Party in any way relating to or arising, directly or indirectly, out of any breach by you of your acknowledgements, representations, warranties and agreements under this Placement Confirmation Letter. The Company and Austock, respectively, hold the benefit of your indemnity for each other Indemnified Party.

Governing Law and Jurisdiction

The agreement between us arising out of acceptance of the terms of this offer and the subscription for and issue of the Placement Shares shall be governed by the laws of Victoria, Australia and if you accept this offer you agree to submit to the jurisdiction of the courts of that State.

Entire Agreement

The terms contained in this Placement Confirmation Letter including, without limitation, your executed Placement Acceptance Advice, constitute the entire agreement among the Company, Austock and you as to the Placement and your participation in the Placement to the exclusion of all prior representations, understandings and agreements among the Company, Austock and you. Any variation of the terms of this agreement (including, without limitation, your executed Placement Acceptance Advice) must be in writing signed by each of the Company, Austock and you.



Notices

Any notice to be given relating to the offer of Placement Shares or your acceptance of the offer may be sent by facsimile to the facsimile number of the party to whom the notice is sent and will be deemed to have been given on the successful transmission to that facsimile number.

Acceptance of Offer

Each investor who accepts an offer of Placement Shares will be required to execute and deliver a Placement Acceptance Advice (attached) which incorporates by reference and confirms the representations, warranties and agreements set out in Schedule B to this Placement Confirmation Letter.

The Company has instructed Austock not to direct the Company to allot and issue Placement Shares to any investor who has failed to execute and deliver to Austock a Placement Acceptance Advice.

To confirm your irrevocable acceptance of the terms set out in this Placement Confirmation Letter, the Placement Acceptance Advice must be signed and returned to Austock Corporate Finance Pty Limited by fax or email, Attention: Karen Merigan on or before 5PM, Wednesday, 10 June 2009 (Melbourne, Australia time).

Settlement

On receipt of your Placement Acceptance Advice, completed Application Form and subject to the matters set out in Schedule A, Austock will instruct the Company to issue the Placement Shares in respect of your allocation as advised to you (subject to receipt of subscription moneys in cleared funds, as set forth below) for each tranche.

You are required to remit or procure the remittance of the amounts set out below (in cleared funds) and deliver completed application form(s) (including the allocation sheet) to Austock's Melbourne office by no later than the times set out in the table below:

	<u>No. Placement Shares</u>	<u>Total Amount</u>	<u>Settlement Date</u>
Placement Shares			
- Tranche 1	441,552	A\$154,543.20	16 June
- Tranche 2	1,048,448	A\$366,956.80	22 July

NOTE – PARTIES WHO DO NOT SETTLE VIA DVP WILL NEED TO REMIT FUNDS PRIOR TO THE DVP DATES SET OUT IN THE TABLE ABOVE.

Application monies can either be way of cheque made payable to Austock Securities Limited or direct deposit, bank details below;

National Australia Bank Limited
Austock Securities Trust Account
271 Collins Street, Melbourne
BSB: 083-004
A/C: 516 419 099

(Please insert reference no. NECI03 when direct depositing for easy recognition).

Settlement by DvP

You may indicate in your Acceptance Advice that you intend to settle your application for Shares via the CHESS DvP settlement service scheduled to occur on the dates noted in the table above.



As at the settlement date Austock requires you to remit or to procure the remittance (in same day funds) of an amount equal to the number of Shares which you have accepted multiplied by the issue price of A\$0.35 per Share for each tranche (**Application Monies**).

In order for Austock to allocate Shares to your clients via CHESS on a delivery versus payment basis (**DvP**), we will need account details and quantities for allocation to you at least 2 business days prior to the settlement date. Actual DvP settlement will need to be effected by you.

You are required to submit completed CARD forms for both Tranches 1 and 2 by **5PM, Wednesday 10 June 2009 (Melbourne, Australia time)**.

For and on behalf of
Austock Corporate Finance Pty Limited

James Andronis
Director - Corporate



Schedule A

Termination Events and Conditions Precedent

- (A) The Placement Agreement may be terminated by Austock prior to the First Closing Date in relation to Tranche 1 Shares or the Second Closing Date in relation to the Tranche 2 Shares where:
- (a) the Australian equity capital market conditions and/or ASX trading conditions are such that they are not, in the bona fide judgement of Austock, conducive to the successful completion of this mandate or other events beyond the control of Austock are so material and adverse as to make it impracticable or inadvisable to proceed with the Placement on the terms and in the manner contemplated herein;
 - (a) there is an adverse change in the business, operations, assets, liabilities, ownership or capital or prospects of the Company (except for the Placement) that would reasonably be expected to have a material effect on the market price of the Company's ordinary shares;
 - (b) there is a false or misleading statement in the material or information supplied to Austock or a material omission in the material supplied to Austock;
 - (c) any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or the international financial markets or any material adverse change occurs in national or international political, financial or economic conditions, in each case the effect of which is that, it is impracticable to market the Placement or to enforce any contract to issue and allot the Placement Shares or that the success of the Placement is likely to be adversely affected;
 - (d) there are proceedings commenced or threatened by any securities regulatory authority in relation to the Company or any one of the officers or directors of the Company;
 - (e) any order to cease trading the securities of the Company is made by a securities regulatory authority, other than a trading halt or suspension of less than 5 Business Days voluntarily requested by the Company with the consent of Austock (such consent not to be unreasonably withheld or delayed);
 - (f) the Company is in breach of a material term, condition or covenant of the mandate letter and such breach is not remedied within 5 Business Days of Austock's written request for the breach to be remedied, or any material representation or warranty given by the Company herein becomes or is false in a material respect;
 - (g) during the Placement, there occurs or commences, or is publicly announced or threatened, any inquiry, action, suit, investigation or other proceeding (whether formal or informal), or any order is issued by any Governmental Authority, or any law or regulation is promulgated, changed or announced, which in any such case, is expected to prevent or materially restrict the trading in or the distribution of the Ordinary Shares or would be expected to have a material adverse effect on the market price of the securities of the Company;
 - (h) the Company commits a material breach of, or materially fails to comply with, the Corporations Act, the Listing Rules or its constitution;



- (i) approval is refused or not granted, other than subject to customary conditions, to the official quotation of all of the Placement Shares on the ASX (provided the spread requirements are met), or if granted, the approval is subsequently withdrawn, qualified (other than by customary conditions) or withheld;
 - (j) the office of a director of the Company is vacated by force of section 206C of the Corporations Act; or
 - (k) any director of the Company is charged with an indictable offence relating to a financial or corporate matter.
- (B) The obligations of Austock to complete the Placement shall be subject to the fulfilment at or before the Closing Date of the following conditions:**
- (a) The Company shall have obtained all requisite regulatory and shareholder approvals required in respect of the Placement;
 - (b) no objection is raised by the ASX to the admission of the Placement Shares to quotation on the ASX;
 - (c) no event occurs which would prevent the Company from being able to satisfy the requirements of sections 708A(1)(c) and 708A(5)(b) of the Corporations Act for each Tranche of Placement Shares;
 - (d) the Company must use its best endeavours to cause its security registry to do, everything required on its or its security registry's behalf to facilitate settlement of the subscriptions to be settled in accordance with the Placement Agreement;
 - (e) The Company must issue a Cleansing Statement in accordance with section 708A of the Corporations Act on the date that each of the tranches of the Placement Shares are issued; and
 - (f) The minimum amount to be raised under the Placement is A\$8m or such other amount as agreed between Austock and the Company.



Schedule B

Representations, Warranties and Agreements

1. You have such knowledge and experience in financial and business matters that you are capable of evaluating the merits and risks of a subscription for Placement Shares for yourself and each other person (if any) for whose accounts you are subscribing for any Placement Shares and you have determined that the Placement Shares are a suitable investment for yourself and each other person (if any) for whose accounts you are acquiring any Placement Shares, both in nature and the number of Placement Shares being acquired.
2. You and each other person (if any) for whose account you are acquiring any Placement Shares have the financial ability to bear the economic risks of the investment in the Placement Shares.
3. You acknowledge that you have not subscribed for the Placement Shares as a result of any general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine, on a web site or any similar media, or broadcast over radio or television or any seminar or meeting whose attendees have been invited by general solicitation or advertising.
4. You confirm that you are and will be in compliance with all relevant laws and regulations (including, without limitation, the requirements of the Australian Foreign Acquisitions and Takeovers Act 1975 and section 1043A of the Corporations Act (insider trading)) in relation to the Placement Shares, receipt of an invitation or offer in respect of Placement Shares, acceptance of an invitation or offer of Placement Shares and if you take up your Placement Shares.
5. If you are in Australia, you and each person, if any, for whom you are acquiring the Placement Shares are also one of the following:
 - (a) a **sophisticated investor** within the meaning of section 708(8) of the Corporations Act and either the amount payable for Placement Shares is at least \$500,000 or the amount payable for Placement Shares and amounts previously paid for Terramin Shares is at least \$500,000 or a qualified accountant has issued a certificate, no more than two years before the offer to subscribe for the Notes was made, from which it would appear that you had net assets of over \$2.5 million or gross annual income for each of the last two years in excess of \$250,000; or
 - (b) a person that Austock is satisfied has relevant experience in investing in securities as set out in section 708(10) of the Corporations Act (an **experienced investor**) and who has received a written statement from Austock setting out the reasons why Austock is satisfied that the person is an experienced investor. If Austock has formed the view that you are an experienced investor, then a written statement of their reasons is enclosed with this document as at Schedule C; or
 - (c) a **professional investor** within the meaning of section 708(11) of the Corporations Act (for example, you are a financial services licensee acting as principal or you are a person who controls at least \$10 million for the purposes of Investment in securities).
6. If you are in France, you may only participate insofar as you act on your own behalf.
7. If you are in Germany, you confirm that an offer can be lawfully made to you without disclosure under the German Securities Prospectus Act because you are a professional investor who falls under § 2 No. 1 of the German Securities Prospectus Act (Wertpapierverkaufsprospektgesetz) or belong to a defined group of investors within the meaning of § 2 No. 2 German Securities Prospectus Act to which an offer can be lawfully made without being an offer to the public in Germany within the meaning of the German Securities Prospectus Act.
8. If you are in Hong Kong, you confirm that you are a 'professional investor' as defined in the Securities and Futures Ordinance (Cap 571) of the laws of Hong Kong and subsidiary legislation made thereunder.
9. If you are in Italy, you confirm that you are an institutional investor (as defined in Article 31, paragraph 2, of CONSOB Regulation no. 11522 of 1 July 1998) in compliance with the applicable laws and regulation.
10. If you are in New Zealand, you confirm that you are a person whose principal business is the investment of money and/or a person who, in the course of and for the purposes of its business, habitually invests money within the meaning of section 3(2)(a)(ii) of the Securities Act 1978 (New Zealand).



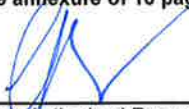
11. If you are in Singapore, you warrant that you are an institutional investor / relevant person / person acquiring securities as principal as defined in the Securities and Futures Act (Cap. 289) of Singapore ("Singapore Act"). You further warrant that you will not dispose of the Placement Shares during the six months following your initial acquisition unless as prescribed by Section 276 of the Act.
12. If you are in Switzerland, you confirm that you are participating in the Placement strictly on your own behalf.
13. If you are in the United Kingdom, you are a Qualified Investor for the purposes of the Financial Services and Markets Act 2000 and the FSA Prospectus Rules.
14. If you are in Ireland, you are a qualified investor as defined by Regulation 9(1)(a) of the Prospectus (Directive 2003/71/EC) Regulations 2005 ("Irish Regulations") as amended.
15. If you are in Bermuda, no securities under the Placement need be offered under a prospectus.
16. You are not in the United States nor are you a U.S. Person (as defined in Regulation S under the Securities Act), or acting for the account or benefit of a U.S. Person.
17. If you are in any jurisdiction other than Australia you confirm you are a person to whom an offer can lawfully be made under applicable laws and to whom the Placement Shares can lawfully be issued under all applicable laws, without the need for any lodgement, registration or other formality of any disclosure or other document and the offer of, or invitation to subscribe for, Placement Shares to you by this letter is in compliance with all applicable laws.
18. You are not engaged in the business of distributing securities or, if you are, you agree that you will not offer or sell in the United States or to, or for the account or benefit of, U.S. Persons (1) any Placement Shares you acquire in the Placement or (2) any ordinary shares of the Company you acquire other than in the Placement, in each case until 40 days after settlement of those shares in CHESS. Notwithstanding the foregoing, you may sell ordinary shares of the Company in standard transactions on the ASX if neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been prearranged with, or that the purchaser is, a U.S. Person.
19. You have not purchased the Placement Shares as a result of any "directed selling efforts" (within the meaning of Rule 902(c) of Regulation S under the Securities Act).
20. You confirm that it is your present intention to be an investor in the Placement Shares and to remain so for at least the medium term (i.e. longer than 12 months). This confirmation is understood to be a statement by you of present intention only but not an undertaking not to sell, particularly where your investment objectives or market conditions change.
21. You acknowledge that no formal offering memorandum, prospectus or other disclosure document has been or will be prepared or delivered to you in connection with the Placement under the Corporations Act or any other law or regulation of any jurisdiction.
22. You have informed yourself as to the terms of section 708A of the Corporations Act. In particular, you confirm that you understand that there may be restrictions on resale of the Placement Shares without a disclosure document within 12 months of issue if section 708A does not apply or ceases to apply.
23. You acknowledge and agree that Austock is not responsible for the accuracy or completeness of, and have no obligation to enforce, the representations and warranties given by the Company to them in the Placement Agreement.
24. You have had access to all information that you believe is necessary or appropriate in connection with, and for an adequate time prior to, your subscription for the Placement Shares and have been given the opportunity to ask such questions of and receive answers from, representatives of the Company, so as to be able to make an informed investment decision with respect to an investment in the Placement Shares. You acknowledge and confirm that you have received a copy of this Placement Confirmation Letter. You acknowledge and agree that you will not hold Austock or any of its respective affiliates and related bodies corporate responsible for the accuracy, relevance or completeness of, or any misstatements in, or omissions from, the information you have had access to or any information concerning the Company or the Placement Shares, whether publicly available or otherwise.
25. You acknowledge that no person is authorised to give any information or make any representations in respect of the Placement Shares and, if given or made, such information or representations will not be relied on as having been authorised by the Company, Austock, their respective affiliates or related bodies corporate or any other person, nor will any such person have any liability or responsibility for them.



26. You have made and relied entirely on your own assessment of, and have conducted your own independent investigation with respect to, the Company and the Placement Shares, including, without limitation, the particular tax consequences of subscribing for, owning or disposing of or otherwise dealing in the Placement Shares in light of your particular situation as well as any consequences arising under the laws of any other taxing jurisdiction.
27. You have not relied on any investigation that Austock or any affiliates of Austock or any persons acting on its or their behalf may have conducted with respect to the Placement Shares or the Company. None of such persons has made any representation to you, express or implied, with respect to the Placement Shares or the Company.
28. You acknowledge that this offer does not constitute a securities recommendation or personal advice with respect to securities and that Austock and the Company have not had regard to your particular objectives, financial situation or needs.
29. You acknowledge that an investment in the Placement Shares involves risk and confirm that you have considered such risk in deciding whether to purchase any Placement Shares.
30. You acknowledge and agree that you will accept the decisions and actions of the parties to the Placement Agreement in respect of the exercise of their rights under that document and your acceptance of the offer of Placement Shares does not oblige those parties to consult with you as to any matter or qualify the exercise or non-exercise of their rights under the Placement Agreement in any way, including in particular the exercise of any right of termination.
31. You acknowledge and agree that any issue of Placement Shares to you pursuant to the acceptance of this offer of Placement Shares is subject to the Placement Agreement not being terminated and the conditions precedent to the Placement Agreement being satisfied or waived on or prior to the Settlement Date.
32. You are not a Related Party (as defined in section 228 of the Corporations Act of Australia or the ASX Listing Rules) of the Company.
33. You agree to accept any Placement Shares issued to you on the terms set out in this Placement Confirmation Letter and subject to the constitution of the Company as amended from time to time.
34. If you are subscribing for any Placement Shares for an account of one or more investors, you have full power to make the acknowledgements, representations, warranties and agreements set out in this schedule on behalf of each such investor and you will take all reasonable steps to ensure that each such person will comply with its obligations set out in this Placement Confirmation Letter.
35. Except to the extent that liability cannot by law be excluded, you acknowledge that none of Austock, the Company nor any of their respective related bodies corporate, or any directors, officers, employees or advisors of any of them, accept any form of liability (including for negligence) in relation to the Placement. You agree to release Austock, the Company and any of their respective related bodies corporate, and any directors, officers, employees and advisors of any of them, from all claims, demands and proceedings which you may have or claim to have against Austock, its related bodies corporate, or the Company in connection with the Placement.
36. You are aware that publicly available information about the Company can be obtained from the Australian Securities and Investments Commission and ASX (<http://www.asx.com.au>).
37. You agree to be bound by the constitution of the Company, as amended from time to time.
38. No acquiescence, waiver, variation or other indulgence granted to you or any other party shall in any way discharge or relieve you from any of your obligations under the agreement arising from your agreement to purchase Placement Shares.
39. You acknowledge that the Company, Austock and their respective related bodies corporate are entitled to, and will, rely on the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements.
40. You will make full payment for the Placement Shares allocated to you in accordance with the terms set out in this Placement Confirmation Letter.

New Hope Corporation Limited ACN 010 653 844
Annexure D
Sub-underwriting Agreement

This is the annexure of 10 pages marked "D" referred to in the Form 603, Notice of initial substantial holder signed by me and dated 22 October 2010.



David Ryan Authorised Representative



Austock Corporate Finance Pty Ltd
ABN 26 101 074 015

Melbourne Office
Level 1, 350 Collins Street Melbourne VIC 3000
Phone: 61 3 8601 2000 Fax: 61 3 9670 1057

Sydney Office
Level 9, 56 Pitt Street Sydney NSW 2000
Phone: 61 2 9233 9600 Fax: 61 2 9251 4648

Brisbane Office
Level 3, 100 Eagle Street Brisbane QLD 4000
Phone: 61 7 3361 3300 Fax: 61 7 3229 4305

Toll Free: 1800 806 362
Email: corporate@austock.com

www.austock.com

*An authorised representative of Austock Securities Limited
(AFSL No. 244410)*

27 July 2009

BY EMAIL (2 pages including this page):

Arkdale Pty Ltd
Mr Matthew Busch
3/22 Magnolia Drive, Brookwater, QLD 4000

Email: mbusch@newhopecoal.com.au
cc: phollick@austock.com

Dear Matthew

NORTHERN ENERGY CORPORATION LIMITED (ABN 90 081 244 395)

**SHARE PURCHASE PLAN TO ISSUE UP TO 11,428,572 FULLY PAID ORDINARY SHARES IN
THE CAPITAL OF THE COMPANY TO BE ISSUED AT A\$0.35 EACH ("SHARES")**

SUB-UNDERWRITING SHORTFALL

We refer to the offer of sub-underwriting dated 10 June 2009, which was accepted by you.

In accordance with clause 3.1 of the Underwriting Agreement, the Company has now advised us that the number of Shares for which valid applications were not received by the closing date ("Shortfall") was 1,688,572 Shares of the 11,428,572 Shares.

Under Clause 5 of the General Terms of Sub-underwriting attached to our Sub-underwriting Offer, you are therefore required to **lodge with us** duly completed applications (in the form attached) together with subscription moneys in respect of the Shortfall as detailed below **by 5pm on Tuesday 4 August 2009 AEST (see details on next page)**.

Total number of Sub-Underwritten Shares on full shortfall	4,557,143 Shares
Applications required (actual shortfall)	673,318 Shares
Subscription required	A\$235,661.30

Yours faithfully

James Andronis
Austock Corporate Finance Pty Ltd



APPLICATION FOR SECURITIES – NORTHERN ENERGY CORPORATION LIMITED

THIS FORM AND MONIES MUST BE COMPLETED AND RETURNED TO THE SETTLEMENT AGENT BY NO LATER THAN 5PM ON TUESDAY 4 AUGUST AEST 2008

Reply to: Austock Settlements Department
Attention: Dale Leiner
Facsimile: 61 3 9670 4347
Level 1, 350 Collins Street, Melbourne VIC 3000

We advise our registration details for our share of the Northern Energy Corporation Limited – SPP
Offer shortfall are as follows:

NEC06	Shares	Dollars
Shortfall Shares Applied for:	673,318	A\$235,661.30

Arkdale Pty Ltd - Registration Details

Registration Name:

ARKDALE PTY LTD

Address:

PO Box 47

Ipswich QLD 4305

Arkdale Pty Ltd - Settlement Details

PID/HIN:

(for CHESS settlement)

SRN 9900101448

Please contact Dale Leiner (+61 3 8601 2611) to confirm settlement with Austock.

* If more than one PID/allocation form is required please use multiples and must be faxed together at the same time

By:

Direct Deposit:

National Australia Bank Limited
Austock Securities Trust Account
271 Collins Street, Melbourne ✓
BSB: 083-004 ✓
A/C: 516 419 099 ✓

Any questions pertaining to bookings/allocations or settlement should be directed to Dale Leiner on +61 3 8601 2611.



ACCEPTANCE ADVICE

TO: The Underwriters

C/- Austock Corporate Finance Limited
Level 1, 350 Collins Street
Melbourne VIC 3000

Facsimile: 61 3 9670 1057

C/- Cygnet Capital Pty Ltd
Level 10, 63 Exhibition St, Melbourne,
VIC 3000

Facsimile: +61 3 9669 1950

In relation to the Issue by Northern Energy Corporation Limited described in the letter of offer addressed to Arkdale Pty Ltd (the Sub-underwriter) dated 10 June 2009, The Sub-underwriter accepts your offer to sub-underwrite 4,557,143 Shares on the terms and conditions set out in the letter of offer, the Terms Sheet and the General Terms of Sub-underwriting accompanying the letter of offer (the "**Sub-underwriting Offer**").

I confirm that our contact details are as set out in the letter of offer.

DATED: 11 June 2009

Signature:



Name:

MATTHEW BUSCH

Position:

COMPANY SECRETARY

who warrants that ~~he/she~~ is duly authorised by Arkdale Pty Ltd to accept the Offer and to give the above acknowledgement on its behalf.

* Delete whichever is not applicable

10 June 2009

Matthew Busch
Arkdale Pty Ltd
3/22 Magnolia Drive
Brookwater
QLD, 4300

Email: mbusch@newhopecoal.com.au

Dear Matthew

NORTHERN ENERGY CORPORATION LIMITED (ABN 90 081 244 395)

SHARE PURCHASE PLAN TO ISSUE UP TO 11,428,572 FULLY PAID ORDINARY SHARES IN THE CAPITAL OF THE COMPANY TO BE ISSUED AT A\$0.35 EACH ("SHARES")

Austock Corporate Finance Pty Limited ("**Austock**") and Cygnet Capital Pty Ltd ("**Cygnet**") (the "**Underwriters**") have been appointed by Northern Energy Corporation (the Company) to act as the Underwriter and to underwrite a Share Purchase Plan ("**SPP**") to the extent of 11,428,572 Shares at \$0.35 (total value \$4,000,000.20) described in the Terms Sheet accompanying this letter (the "**Issue**") on the terms and subject to the conditions to be contained in an Underwriting Agreement intended to be made between the Underwriters and the Company ("**Underwriting Agreement**").

A copy of the Underwriting Agreement will be made available to you on request after it has been signed.

Offer of sub-underwriting

The Underwriters offer you the opportunity to sub-underwrite part of the Issue on the terms and conditions contained in this letter, the Terms Sheet and the General Terms of Sub-Underwriting accompanying this letter ("**Offer**"). The key terms of this Offer are as follows:-

- | | |
|--|-----------------------|
| 1. Sub-underwritten Shares:
(being the maximum number of Shares that you may be required to subscribe for or procure subscriptions for as sub-underwriter) | 4,557,143 |
| 2. Sub-underwritten Amount:
(being the maximum amount that you may be required to subscribe or procure subscriptions for as sub-underwriter) | \$1,595,000.00 |
| 3. Sub-underwriting Fee:
(being 1.0% of the Sub-underwritten Amount) | \$15,950.00 |



Professional, Sophisticated or Experienced Investor

This Offer is made to you without disclosure under the Corporations Act because you are:

- a **sophisticated investor** within the meaning of section 708(8)(c) of the Corporations Act (that is, in the last 6 months, a qualified accountant has certified to Austock that you have net assets of over \$2.5 million or annual income in excess of \$250,000);
- a person that the Underwriters are satisfied has relevant experience in investing in securities as set out in section 708(10)(b) of the Corporations Act (an **experienced investor**). If we have formed the view that you are an experienced investor, then a written statement of our reasons is attached to this letter; or
- a **professional investor** within the meaning of section 708(11) of the Corporations Act (for example, you are a financial services licensee acting as principal or you are a person who controls at least \$10 million for the purposes of investment in securities).

If none of the above statements applies, or if the section 708(10)(c) statement is incorrect in any way, please let us know immediately.

Disclosures

If you accept this Offer and subscribe for Shares then it may be that the Shares issued to you are deemed to be issued without disclosure for the purposes of section 707 of the Corporations Act. If that is the case, then the effect of section 707 is that you cannot sell those Shares within 12 months after their issue unless you and the Company prepare a prospectus in relation to that sale. ASIC Class Orders CO 04/671 and CO 02/831 exempt certain sales of securities from the requirements of section 707 on certain conditions.

The Underwriters have taken steps to ensure that the Company complies with the requirements of ASIC Class Orders CO 04/671 and CO 02/831 in respect of the Shares issued under the Issue which would permit on-sale within 12 months. However, as compliance with ASIC Class Orders CO 04/671 and CO 02/831 is outside the control of the Underwriters, we do not give any warranties or assurances in this regard and you should make your own assessment and, if necessary, seek independent advice.

Conditions of this Offer

This Offer may only be accepted by the person to whom it is addressed.

If you accept this offer of sub-underwriting, then your commitment to sub-underwrite the Issue and our commitment to pay you the sub-underwriting fee is conditional on the Underwriters entering into the Underwriting Agreement with the Company and the Company proceeding with the Issue.

Additional Terms of this Offer

Additional terms of our offer of sub-underwriting are set out in the General Terms of Sub-Underwriting accompanying this letter.



Accepting this Offer

To accept this Offer, please complete the acceptance advice which accompanies this letter by signing it where indicated and returning it to the Underwriters by 9.00am Thursday, 11 June 2009 (AEST).

Yours faithfully

James Andronis
For and on behalf of
Austock Corporate Finance Pty Limited



TERMS SHEET

Issuer	Northern Energy Corporation Limited
Nature of Investment	Fully paid ordinary shares
Issue Price	\$0.35 per Share
Issue Size	11,428,572 Shares to raise up to \$4,000,000.20 to be issued by the Company through a Share Purchase Plan issue to eligible shareholders at the Issue Price
Shareholder approval	NEC shareholder approval is required to enable the underwriter and sub-underwriters to take any shortfall shares. A meeting of NEC shareholders will be called for around 20 July 2009
Listing	The Shares will be listed on the ASX

Further details of the Issue are set out in the draft SPP letter, which has been provided to you.

Upon request you will be provided with a copy of the final SPP letter which will be sent to shareholders. Except for any liability which cannot by law be excluded, the Underwriters do not accept any liability for the contents of the SPP letter.

Anticipated Timetable	2009
SPP letters sent:	From 22 June
SPP offer period	24 June to 10 July
Underwriter advises shortfall:	By 17 July
NEC Shareholder Meeting	20 July
Lodgement of shortfall application and monies:	By 21 July

** All reference are AEST. Please note that the above timetable may change without consultation with you and you are bound to take up any shortfall on the terms of this letter notwithstanding any such changes to the timetable.*



GENERAL TERMS OF SUB-UNDERWRITING

1. These General Terms of Sub-underwriting ("these Terms") apply to the letter of offer from the Underwriters to Arkdale Pty Ltd ("you") dated 10 June 2009 ("Letter of Offer").
2. Expressions used in these Terms which are defined in the Letter of Offer have the same meaning in these Terms. "Business Day" has the same meaning as in the Listing Rules of Australian Stock Exchange Limited except that it does not include any Saturday, Sunday or any other day which is a public holiday or a bank holiday in the place of receipt.
3. The offer of sub-underwriting is not linked to any firm allocation of Shares to you.
4. Subject to the shares you sub-underwrite being issued and to you complying with all of your obligations to the Underwriters under the Offer, the Underwriters will pay you your Sub-underwriting Fee within 3 Business Days after the Underwriters receive their underwriting commission from the Company in accordance with the terms of the Underwriting Agreement. If the Underwriters or the Company terminate the Underwriting Agreement, the Sub-underwriting Fee will not be payable to you, and you will have no further obligations under this Sub-underwriting Agreement.
5. Within 10 Business Days after the Issue closes, the Underwriters must notify you if there is a shortfall and the Underwriters require you to subscribe for some or all of the Sub-underwritten Shares. If there is a shortfall, you must subscribe or procure subscriptions for your proportion of the shortfall. You must lodge duly completed applications and subscription moneys with the Underwriter for the Sub-underwritten Shares within 5 Business Days or on any later Business Day advised to you at the time the Underwriters notify you of the shortfall.
6. Your obligations under the agreement comprised by the Letter of Offer, the Terms Sheet, these Terms and your acceptance advice ("Sub-underwriting Agreement") cease if you are not called upon to fulfil them within 20 Business Days after the Issue closes. In that event, all of the Underwriters' obligations under the Sub-underwriting Agreement (other than, subject to clause 4 (above) the Underwriter's obligation to pay the Sub-underwriting Fee) also cease.
7. You have no right to terminate the Sub-underwriting Agreement except in the circumstances (if any) specified in the Letter of Offer.
8. You acknowledge that the Underwriters may, if they so desire, terminate the Underwriting Agreement or defer or waive or fail to exercise its right to terminate the Underwriting Agreement without having any liability to you. You remain bound by the Sub-underwriting Agreement even if the Underwriters have the right to terminate the Underwriting Agreement and does not do so. The Underwriters will promptly notify you if they terminate the Underwriting Agreement.
9. All notices under the Sub-underwriting Agreement must be in writing and hand-delivered or sent by facsimile transmission:
 - (1) in the case of notices to the Underwriters, unless we advise you otherwise, to the address of the Underwriters or to the facsimile number set out in the Letter of Offer and to the attention of the signatory of that letter; and



- (2) in the case of notices to you, unless you advise the Underwriters otherwise, to your address, facsimile number or email address set out in the Letter of Offer and to the attention of the addressee of that letter.
- 10. The date a notice is given and received is:
 - (1) the date it is delivered or sent by facsimile transmission if this is a Business Day and it is delivered or sent between 9 am and 5 pm at the place of receipt;
 - (2) otherwise the next Business Day.
- 11. The Offer and the contract arising from its acceptance are governed by the law of Victoria and Australia. The Underwriters and, by acceptance, you, submit to the non-exclusive jurisdiction of the Courts of Victoria and the Federal Court of Australia.
- 12. You represent and warrant that you are a professional investor within the meaning of section 708(11) of the Corporations Act 2001 or a sophisticated investor satisfying the criteria in section 708(8) of the Corporations Act or a person that Austock is satisfied has relevant experience in investing in securities as set out in section 708(10)(b) of the Corporations Act in relation to any acquisition of Shares under the Issue.

You represent that you have not offered or sold and will not offer or sell, directly or indirectly, any Shares to any person in any jurisdiction where such an offer or sale is unlawful.