



ASX Announcement

29 August 2011

Offer from New Hope

Northern Energy Corporation Limited (**NEC**) announces that it has received an offer from New Hope Corporation Limited (**New Hope**) for 100% of the shares which New Hope does not own in NEC (**Offer**).

Offer summary

Under the Offer, NEC shareholders will receive cash consideration of \$2.00 per share. This represents a premium of 29% to the last closing price of NEC shares of \$1.55.

NEC's independent directors, Mr Ian Johnston, Mr Geoff Lord and Mr Charlie You (as alternate for Mr Dian Zhou He) have been appointed as a sub-committee of the Board to consider the Offer and to progress discussions with New Hope.

New Hope's bidder's statement has been lodged with ASIC and served on NEC. NEC's independent directors have agreed to the early despatch of the New Hope Bidder's Statement (in accordance with section 633(1) Item 6 of the Corporations Act).

NEC will thereafter be forwarding a target statement to shareholders which will contain the director's recommendations to shareholders together with an independent expert's report opining as to the fairness and reasonableness of the Offer.

For further information contact:

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On Behalf of the Board

Paul Marshall
Company Secretary

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