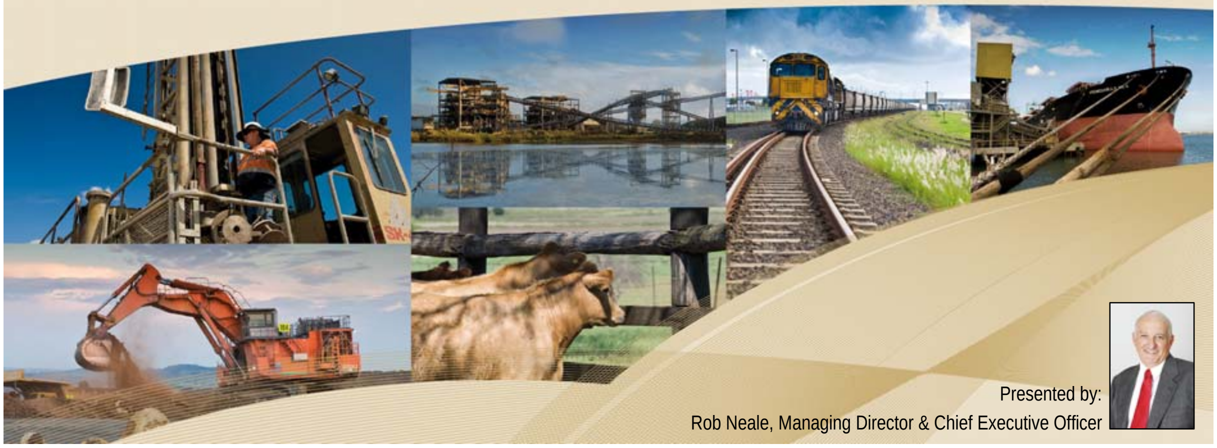
New Hope
Corporation Limited

# Results Presentation

## Financial Year Ended 31 July 2011



Presented by:
Rob Neale, Managing Director & Chief Executive Officer

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# Review Agenda





# Strategy and Financial Performance

# Key New Hope Highlights 2010 – 2011 1

- New Hope's business strategy for the past decade continues to deliver;
  - Profitable and competitive operations
  - Superior total shareholder returns
  - Exceptionally strong balance sheet
    - To support acquisitions and project developments
  - Well balanced and diversified coal development portfolio
- Overall 2010 – 2011 profit up by 173.7% to $503.1 million from $183.8 million in the previous year;
  - Sale of Arrow equity $329.4 million (NPAT)
  - Sale of 10% Lenton equity $40.3 million (NPAT)
- Profit excluding non-recurring items down 20.0% to $146.9 million from $183.8 in the previous corresponding year;
  - Significant weather impacts
- Final dividend of 5.0 cents per share and special dividend of 15.0 cents per share declared (fully franked).



# Key New Hope Highlights 2010 – 2011 2

- Record export coal sales to 5 million tonnes;
- Excellent recovery from the January – March 2011 Queensland rain and flooding events;
  - Acland had 11 week rail outage, production down 278,000 tonnes
  - Only one ship caught in "Force Majeure" event
- Only minor impact from Japanese earthquake and tsunami;
  - One rescheduled shipment
  - Demonstrates value of relationship marketing
- Acquired 80.8% of Northern Energy Corporation;
  - Subsequently acquired 98%
- New Hope retained 91% of its workforce;
- Promising progress in our carbon and energy conversion projects;
- 2012 – 2013 production outlook remains steady until government approvals allow expansion and development projects.

# Who is New Hope Corporation?

New Hope Corporation Limited

- We are the 4th largest Queensland based ASX listed Corporation by market capitalisation ($4.2 billion).
- 53rd largest company in Australia by market capitalisation.
- We are an Australian owner-operator company that has been operating in Queensland for 60 years with a proud history and strong financial credentials.
  - Thin seam coal mining core competency
  - 585 employees
- 60% controlling interest by Washington H Soul Pattinson.
  - 74th largest ASX listed company by market capitalisation
  - Listed for 109 years



# What does New Hope Corporation do? [1]

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New Hope is an independent, vertically integrated, diversified energy organisation that has a thin seam open-cut coal mining and port operations core competencies, supported by developing energy conversion technologies.

- Operates and develops open cut export coal mines and related infrastructure:
  - Three open cut thermal coal mines
    - Darling Downs: New Acland Coal Mine (4.8Mtpa product)
    - West Moreton: Jeebropilly and New Oakleigh Coal Mines (1Mtpa product)
  - Ship Loading Facility – Port of Brisbane
    - Queensland Bulk Handling (current capacity 10Mtpa)
- Invests in the broader Australian energy sector:
  - Conventional oil and gas as well as coal seam gas
  - Energy conversion technologies to transport fuels and related products
  - Waste to energy and Geothermal projects




## What does New Hope Corporation do? 2

New Hope also:

- Is an agricultural producer (Acland Pastoral Company):
  - Cattle grazing
  - Grain cropping
  - Future small tree plantations
- Is a multiple land use manager e.g. Swanbank Industrial Park;
- Contributes significantly to the regional economy of South East Queensland;
- Is actively looking for further growth in all the above business sectors.
  - Northern Energy acquisition






## NHC Business Strategy 2000 – 2011 1

The NHC business strategy has remained structurally unchanged over the past decade apart from varying emphases on different segments depending on opportunities and external factors. Key elements include:

### Operational Strategy

- Maintain a profit driven, well focussed, compliant, cost conscious, owner operated open cut thermal coal operations.
- Organic development and expansion of NHC assets.
  - Provide rail, port and product diversification
  - Acland and QBH
  - Lenton
- Export focused.

# NHC Business Strategy 2000 – 2011 [2]

## Commercial Strategy

- Deliver good value accretive acquisitions to NHC asset base.
  - Rail, port and product diversification
    - Northern Energy Corporation success
    - Macarthur Coal and Resource Pacific acquisition attempts unsuccessful
  - Participate in broader energy section (post 2006)
    - Oil, natural gas, coal seam gas, coal to liquids
    - Product and market diversity
  - Maintain a domestic focused business segment(s)
    - A$ hedge on operating costs.
  - Sell assets when transaction value and risk profile superior to ongoing operations and/or development profiles.
    - New Saraji, Arrow Energy, Indonesian coal assets



# Strategic Deliverables 2000 – 2011 [1]

Some of the major NHC metrics and key outcomes over this period can be summarised as follows:

| Major Metrics | At End July | 2000 | 2003 | 2011 |
|---|---|---|---|---|
| Coal Resources * | (million tonnes) | 1517 | 783 | 1529 |
| Total Production * | (million tonnes) | 1.95 | 2.81 | 5.64 |
| Total Sales | (million tonnes) | 1.94 | 2.82 | 5.65 |
| NPAT | ($'s million) | 8.09 | 36.70 | 503.10 |
| EBIT | ($'s million) | 19.84 | 53.43 | 719.10 |
| Debt | ($'s million) | 232.00 | 151.68 | 0.00 |
| Cash & Investment | ($'s million) | 32.40 | 66.09 | 1674.70 |
| Market Capitalisation | ($'s million) | - | 286.00 | 4516.00 |
| NHCL Share Price | | | $0.40 ** | $5.44 |

* Excludes past Indonesian and current NEC equity resources

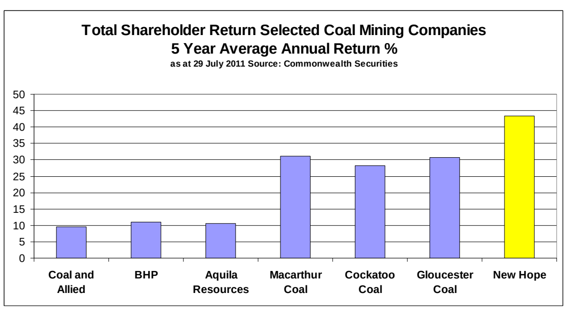
** Initial listing in September 2003

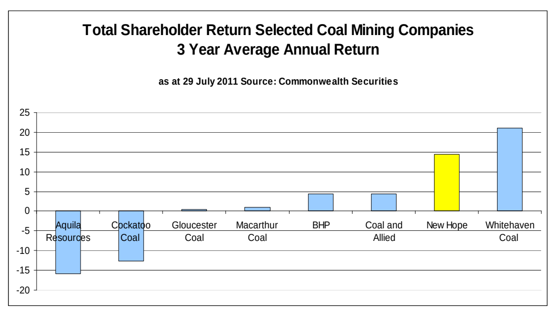
# Strategic Deliverables 2000 – 2011 2

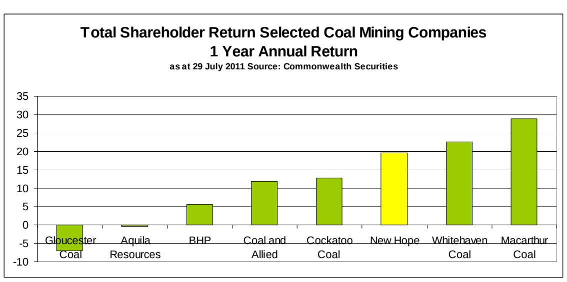
- Purchase and development of Acland;
- Expanded Acland twice;
- Planning third expansion;
- Expanded QBH;
- Explored and discovered Lenton;
- Acquired NEC (98%).
- Superior total shareholder returns;
- Explored and sold New Saraji;
- Explored and sold Minerva;
- Developed and sold Indonesian assets;
- Sold Arrow Energy;
- Sold 10% equity in Lenton.

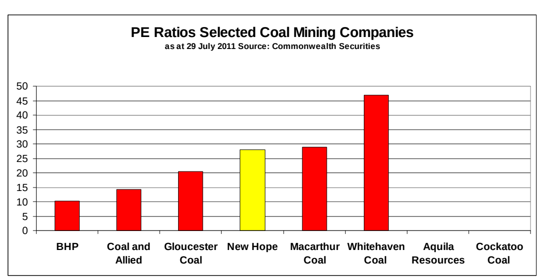


# New Hope Total Shareholder Returns

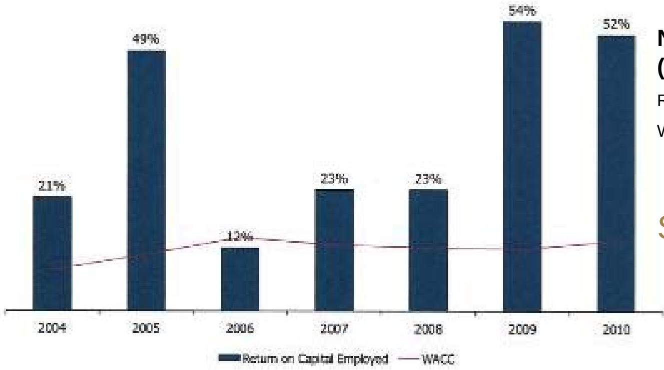


# New Hope Value Metrics




**NHC Historic ROCE vs Cost of Capital (WACC)**

ROCE = NOPAT/Capital Employed

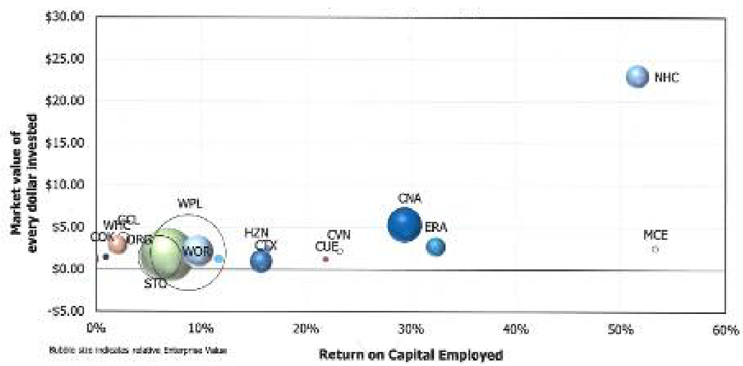
WACC = Weighted Average Cost of Debt & Equity Capital

Superior Valuation Growth

**Return on Capital Employed is a key driver of wealth**

Select Energy Peers

ROCE and Enterprise Value/Capital Employed ratio




Source: Juno



# Key Financials 2011

Continued strong financial performance despite weather, FX and Japanese disasters

| | 12 Months Ended 31 July | | |
|---|---|---|---|
| | 2011 | 2010 | Change |
| Total revenue | $1,186.5m | $745.0m | 59.2% |
| Profit from operations (including interest revenue) | $146.9m | $183.8m | (27.5)% |
| Net profit (after non-recurring items) | $503.1m | $183.8m | 173.7% |
| Earnings per share excluding non-recurring items (cents) | 16.1 | 22.3 | (27.8)% |

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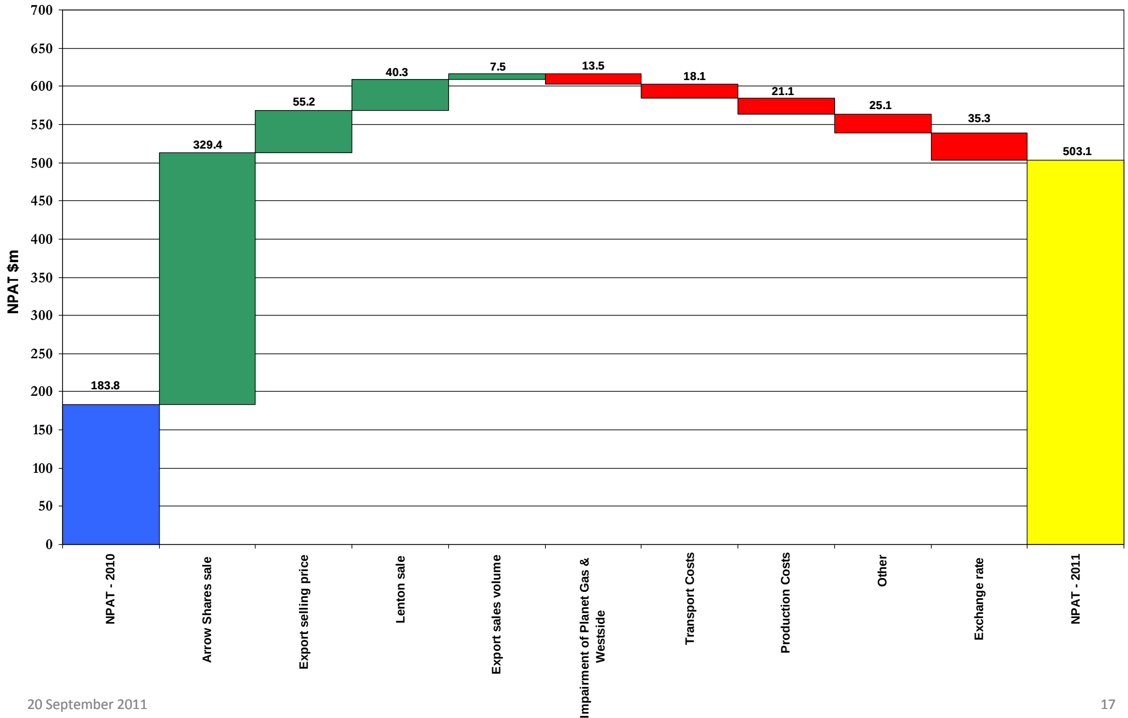
# Group NPAT Comparison

## Including Non-recurring Items – 2010 Actual to 2011 Actual



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# Dividends 2011

Maintained Strong Dividend Flow

| | 12 Months Ended 31 July | | |
|---|---|---|---|
| | 2011 (cents per share) | 2010 (cents per share) | Change |
| Interim dividend | 5.25 | 5.00 | 5% |
| Final dividend * | 5.0 | 4.50 | 11.1% |
| Special dividend * | 15.0 | 14.00 | 7.1% |
| **Total Dividends for the year** | **25.25** | **23.5** | **7.4%** |

* The final and special fully franked dividends for 2011 are due for payment on 8th November to shareholders registered at 24th October 2011.

## Coal Production Volumes 2011

Despite bad weather impacting coal production

| | 12 Months Ended 31 July (million tonnes) | | |
|---|---|---|---|
| | **2011** | **2010** | **Change** |
| New Acland | 4.54 | 4.70 | (3.5%) |
| New Oakleigh | 0.31 | 0.29 | 9.2% |
| Jeebropilly | 0.79 | 0.93 | (15.3%) |
| **TOTAL** | **5.64** | **5.91** | **(4.7%)** |



## Coal Sales Volumes 2011

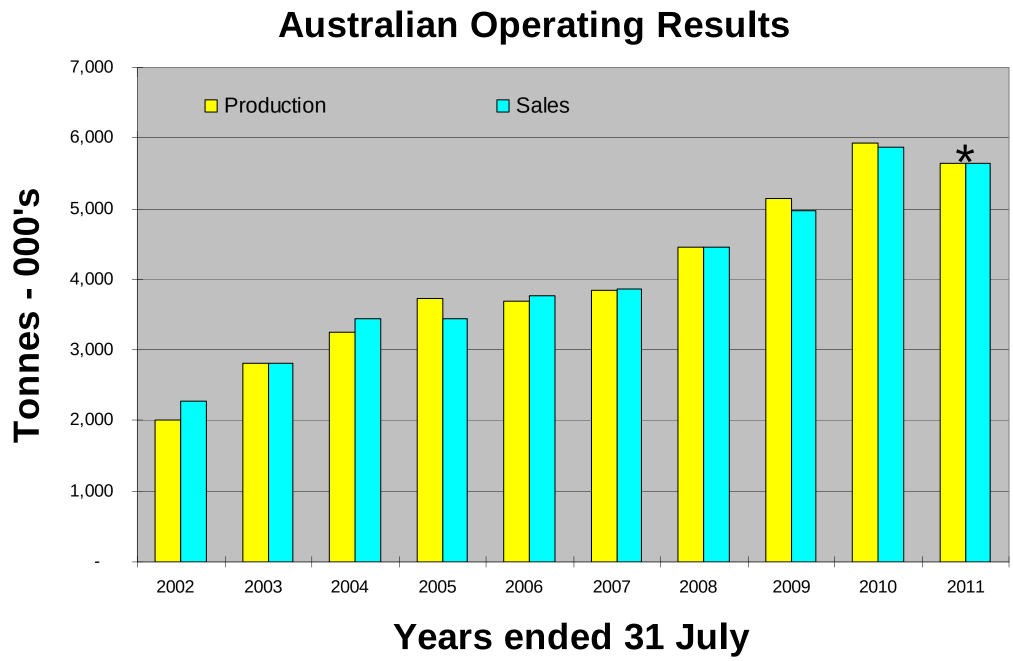
But achieved record export coal sales

| | 12 Months Ended 31 July (million tonnes) | | |
|---|---|---|---|
| | **2011** | **2010** | **Change** |
| Export | 5.00 | 4.88 | 2.4% |
| Domestic | 0.65* | 1.0 | (35.0%) |
| **TOTAL** | **5.65** | **5.88** | **(3.9%)** |

* Reflects the phased closure of the Swanbank power station scheduled for completion by April 2012.

- Coal repositioned into export market.
- Remaining domestic sales about 200,000 tpa.

# Production & Sales Performance




* Flood/Rail affected performance



# Coal Business

# Project Locations

## Location Map




# Operations

## Impact of Floods – Rail Damage

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# New Acland Operations

## Status Overview

| '000 tonnes | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|---|
| Production | 2604 | 2640 | 2989 | 3920 | 4263 | 4703 | 4540 |
| Sales | 2446 | 2742 | 2901 | 3889 | 4115 | 4690 | 4525 |

- Recent expansion projects performing well;
- Cyclic equipment capital replacement over next few years;
- Contract rail capacity being delivered on schedule;
- Significant increase in transport and offsite costs;
- Uninformed media speculation fuelling unhelpful and unnecessary farming versus mining press confrontation;
  - Mining and farming can work well together
  - Potentially delay Acland expansion timing
- Successful mine rehabilitation supporting cattle grazing.



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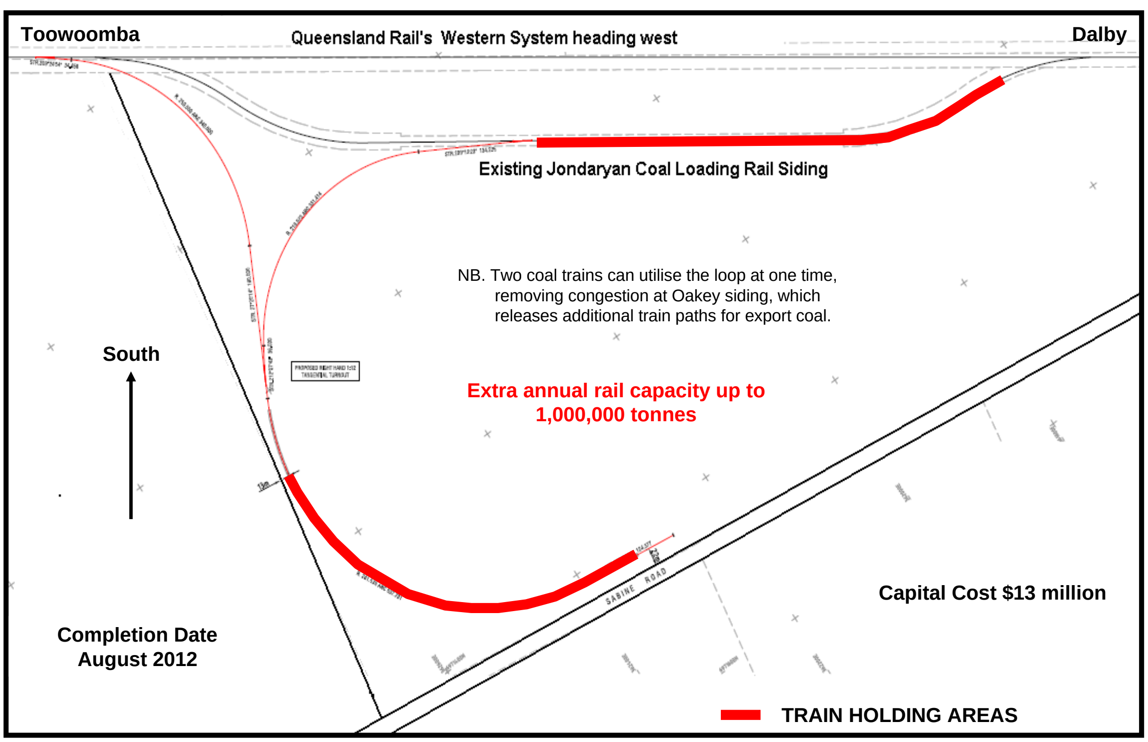
# Jondaryan Interim Half Loop Update

## Proposed Layout



# Acland Pastoral Company (APC) 1

- Acland Pastoral landholdings 9582 ha north west of Oakey in South East Queensland;
  - 0.08% of Darling Downs land area
  - 5941 ha total area potentially mined over next 30+ years
  - 350 ha of mining area open at any one time
  - 170 ha of rehabilitated mined area completed
- Current cattle grazing herd about 2000 head;
- Current pasture development and cropping area 1500 ha.
- Recycled water available;
- Not part of the Strategic Cropping areas;
  - Marginal dairy and cropping
  - Cattle grazing
- $3.6 million annual turnover;
- Future tree plantations possible.



# Acland Pastoral Company (APC) 2

- Marginal dairy country;
- Primarily cattle grazing;
- Not Strategic Cropping Land;
- But some cropping activities;
  - Minor grain sales
  - Cattle fodder
- Pasture upgrade.

# Acland Pastoral Company (APC)

Mine Rehabilitation



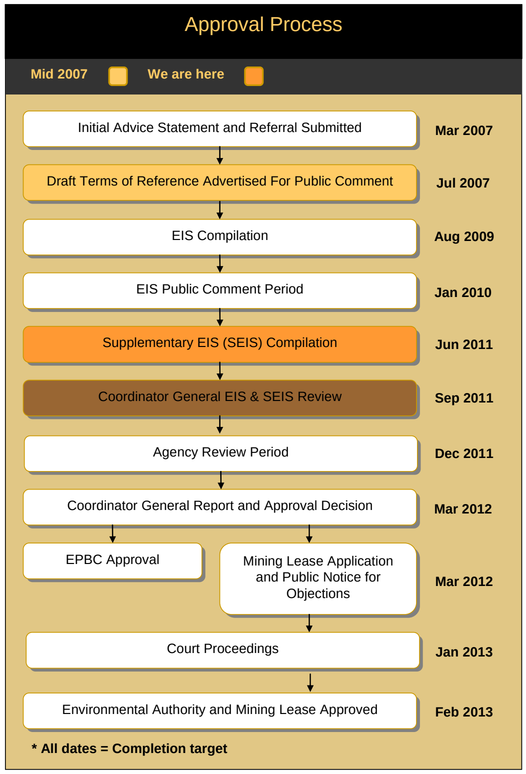
- Mine rehabilitation closely follows mine operations.
- Topsoil replaced prior to rehabilitation.
- Good pastures re-established and cattle trials underway.



# Third Acland Expansion Project (NAC-03)

- Expanding mine production from 4.8 up to 10.0 MTPA;
- Mine and infrastructure design well advanced.
- Supplementary Environmental Impact Statement (EIS) submitted to State Government.
- The expansion will meet the transitional provisions of the State Government's draft Strategic Cropping Land legislation.
- Expect mining Lease approval by late 2012 – early 2013.
- Ongoing community consultation.

# NAC-03 Approval Timeline

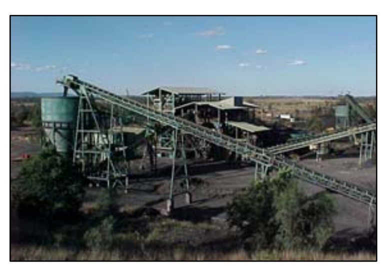





# West Moreton Operations

## Status Overview

- Jeebropilly (0.79 MT) and New Oakleigh (0.31 MT) produced 1.1 MT;
  - Down 9% on 1.21 MT last year.
- Facilitated road haulage coal from Acland during rail outage;
  - Coal cargo assembly flexibility.
- Replacement of 1 loader and 3 trucks.



# QBH Port Facility

## Exports Throughput (million tonnes)

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|
| Exports (MT) | 4.53 | 5.47 | 6.12 | 6.67 | 6.52 |
| **TOTAL GROWTH** | **9%** | **21%** | **12%** | **9%** | **(2%)** |
| NHC Growth | 6% | 24% | 20% | 26% | 2% |



# QBH Port Facility

## Expanded Coal Stockpiles

# QBH Port Facility

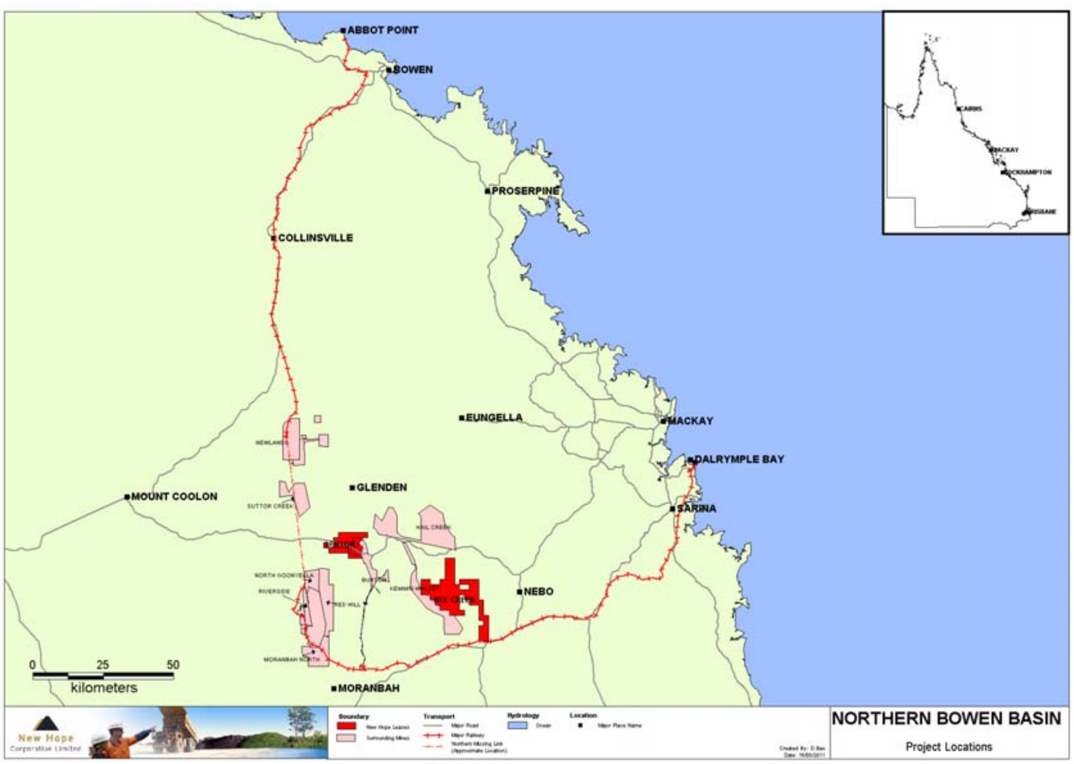
## Status Overview

- Expansion Project and Sampler Upgrade Project complete;
- Annual throughput impacted by 11 week rail outage;
- Annualised capacity over last two months over 9.0 MPTA;
- Evaluating new throughput efficiency opportunities;
- Assess expansion options beyond 10 MTPA;
- New Port of Brisbane owners.



# New Lenton Project

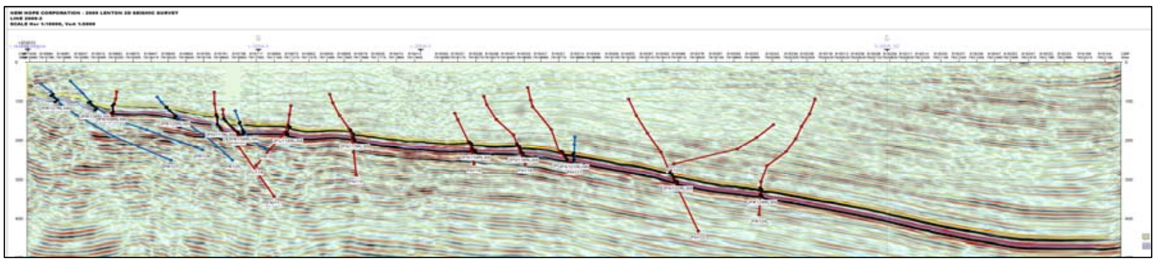
## Location and Infrastructure Map



# New Lenton Project

## Status Overview

- Lenton resource of 282 MT located adjacent to Peabody's Burton mine and in close proximity to Peabody's North Goonyella and Rio Tinto's Hail Creek operations.
  - Comprise coking coal and thermal coal of the Rangal Coal Measures.
- Recent drilling has intersected additional coal.
  - Ongoing exploration drilling.
- Current strategy envisages open cut operations by 2014 followed by possible underground coking coal.
- 10% of project sold to Formosa Plastics Group subsidiary company, MPC Pty Ltd for $58.04 million.

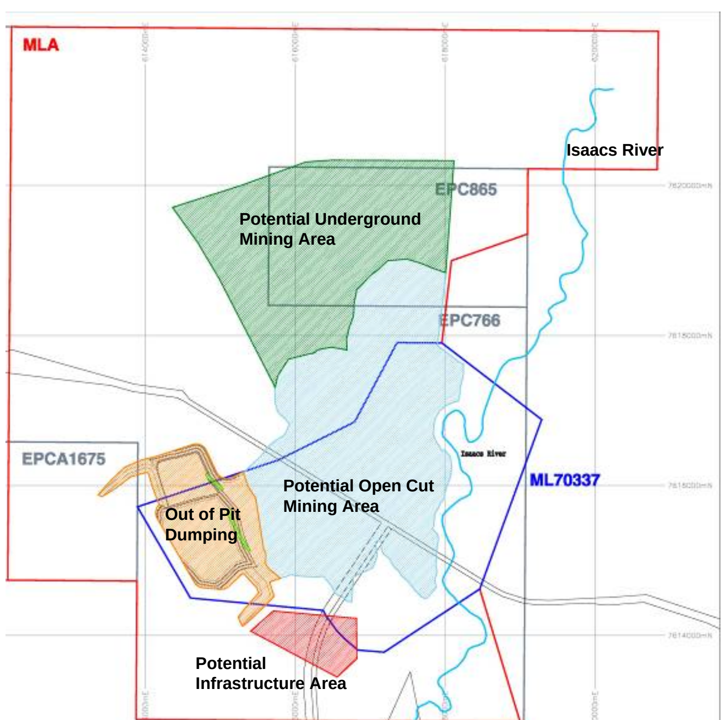




# New Lenton Project

## Mining Layout

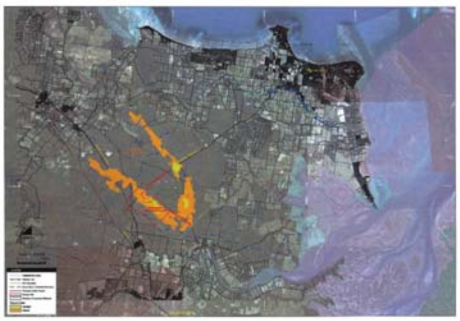
Lenton Exploration Drilling Rig

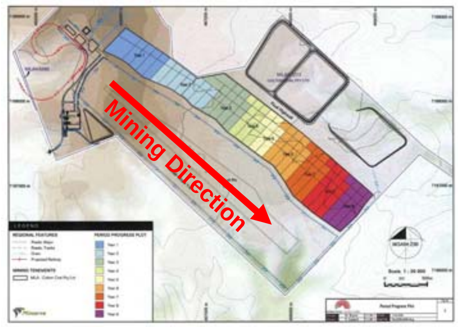


# Northern Energy Corporation (NEC) Limited

## Equities Holding

- New Hope initially acquired 80.8% of NEC.
  - Now 98% with second off market share offer
- Additional drilling at Colton coking coal deposit underway.
  - Likely thin seam open cut coal mine
- Supplementary Environment Management Plan completed and submitted in September.
- Wiggins Island Coal Terminal financial close imminent.
- Strategic review of all major NEC projects completed.
  - Colton project to be followed by the multiple seam Elimatta deposit
- NHC providing short term debt funding for maximum of 12 months.







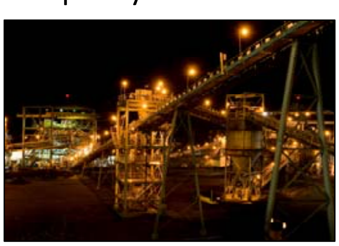

# Coal Projects Development Portfolio 2011 – 2016 [1]

**NHC Acland Expansion**

- JORC resources 855 MT (Open Cut) (Thermal);
- One or more expansion stages to 10 MTPY;
- Staged rail capacity;
- Available port capacity;
- Waiting Government approvals (late 2012?);
- First capacity available 2013/14.

**NHC Lenton Development**

- JORC resource 282 MT;
- (Open Cut and UG) (Coking/Thermal);
- Initial ML granted;
- Follow-up MLA submitted;
- 10% equity sale to FPG ($58.4 m);
- Exploration identifies more coal;
- Rail and port 2014 – 2016?



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# Coal Projects Development Portfolio 2011 – 2016 2

## QBH Evaluation

- Completed expansion to 10 MPTA;
  - New light weight stacker and reclaim systems.
- Prepared scope and implement site efficiency evaluation;
- Assess potential future expansion scenarios post 2015.

## NEC Colton Project

- JORC resource 80 MT (Open Cut) (Coking);
- Exploration drilling continues;
- Environmental Authority early 2012?
- Upgrading engineering studies;
- Initial production at 500 KTPA;
- Likely production early 2014;
- Available rail and port capacity.



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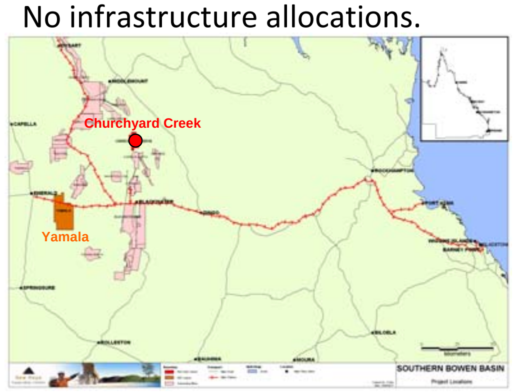
# Coal Projects Development Portfolio 2011 – 2016 3

## NEC Elimatta Project

- JORC resource 244 MT (Open Cut) (Thermal);
- Recent drilling being geologically modelled;
- Engineering studies underway;
- Likely production 2 – 5 MTPA;
- Production dependant on ML, rail and port (2016?).

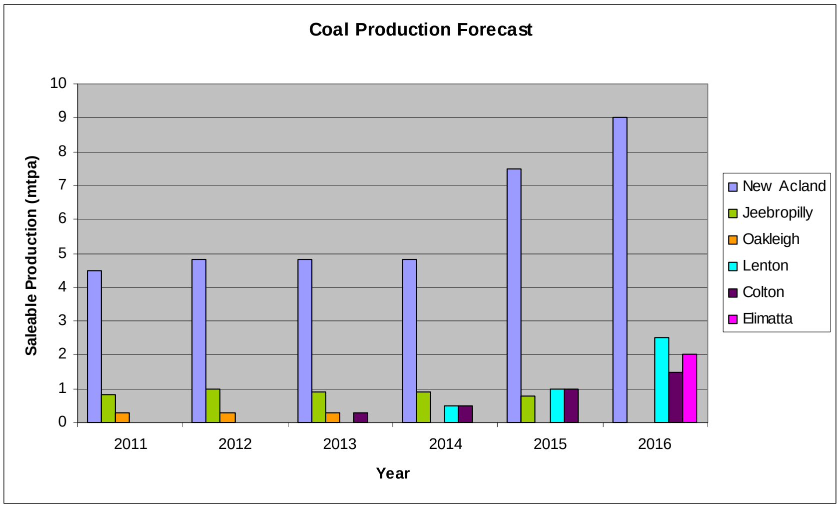
## NEC Yamala Project

- JORC resource 200 MT (Open Cut and Underground) (Thermal);
- Joint venture exploration project (Sojitz);
- Initial focus on open cut resources;
- Develop a concept plan post exploration drilling;
- No infrastructure allocations.

# New Hope Strategic Plan

## Potential Coal Production Growth




**NOTES**

- Acland remains key production asset in the near term.
- West Moreton operations cease: Oakleigh in 2013, Jeebropilly 2016.
- Colton commences in 2013.
- Lenton commences in 2014.
- NHC has cash reserves of $1.5 billion to fund project developments.



# Coal Operations & Development Strategic Summary

### Coal Operations Strategic Summary

- Maintain a clear profit focus on low cost, efficient operations delivering high safety and environmental outcomes;
- Deliver high equipment productivities, availabilities and utilisation performance supported by appropriate equipment replacement schedules;
- Continuously improve the coal chain logistics;
- Broaden the successful relationship marketing into the next wave of diversification export customers (China, Korea, India);
- Specifically target communities and stakeholders with updated communication programmes regarding operations and project development.

### Coal Development Strategic Summary

- Utilise current operational personnel and new employee “volunteers” to underwrite the skills base for future development;
- Appropriately staff, highly professional, well experienced development and construction teams able to deliver projects on time and on budget;
- Assess and update the combined feasibility of project development sequences, schedules, government approvals and commercial delivery of the development portfolio;
  – Initial focus on the Acland Expansion (NAC03) and the Colton coking coal mine development followed by Lenton and Elimatta.

# Energy Business

# Energy Conversion Technology Status

- NHC continues to evaluate two small to medium scale Energy Conversion Technologies each having a very low carbon footprint and very low $CO_2$ production, which is recycled OR sold commercially OR used in biofuels and food additive applications.
  - Indirect surface pyrolysis gasification with liquefaction of multiple hydrocarbon materials.
    - Power Generation
    - Transportation Fuels
    - Very "green" credentials
  - Direct liquefaction of low quality coal and lignite to synthetic crude oil and metallurgical grade coke.
  - Proof of Concept (POC) Indirect plant currently under manufacture in USA.
  - Commissioning scheduled on our Ipswich Petroleum Facilities Licence at Jeebropilly in mid 2012.
  - Each technology process produces water as a by-product.
  - The process is pyrolysis – NOT combustion/incineration.
  - If POC plant successful in 2012, then likely follow up with the first unit of commercial plants – Queensland and/or Victoria in 2014.

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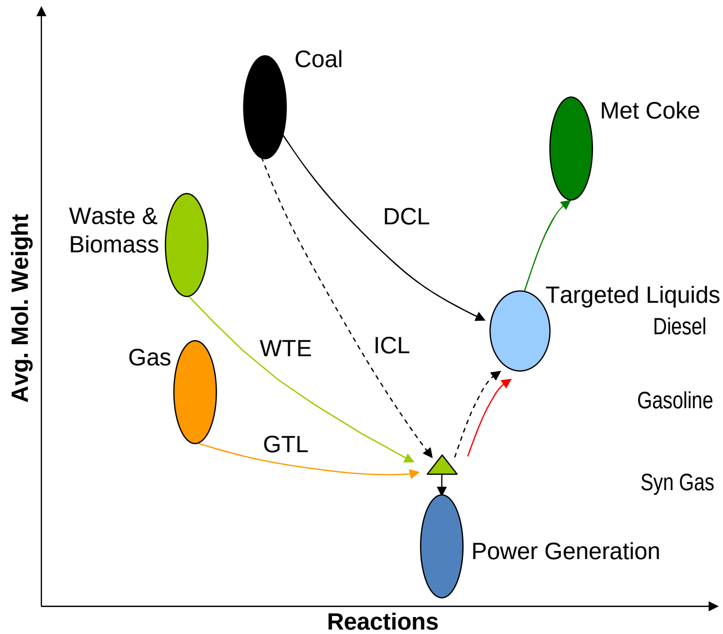
# Schematic Energy Conversion Processes

**Gas to Liquids - CTL**
**Direct Coal Liquefaction - DCL**
**Indirect Coal Liquefaction - ICL**
**Waste to Energy - WTC**
**Conversion Technology(s)**




Mid Scale Power Generation

Daandine Power Station, Queensland



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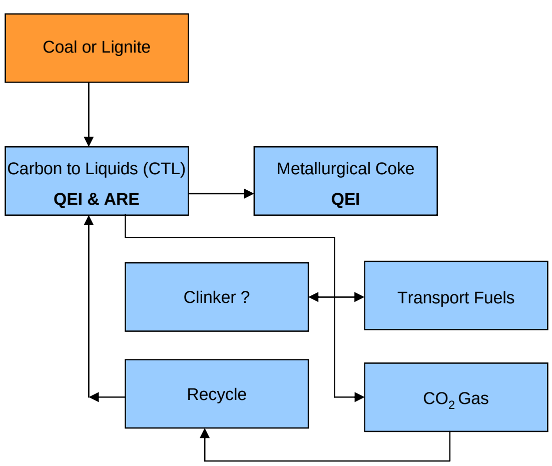
# Indicative NHC Unconventional/Conventional Energy Integration Scenarios (Coal Conversion) 1 OF 3

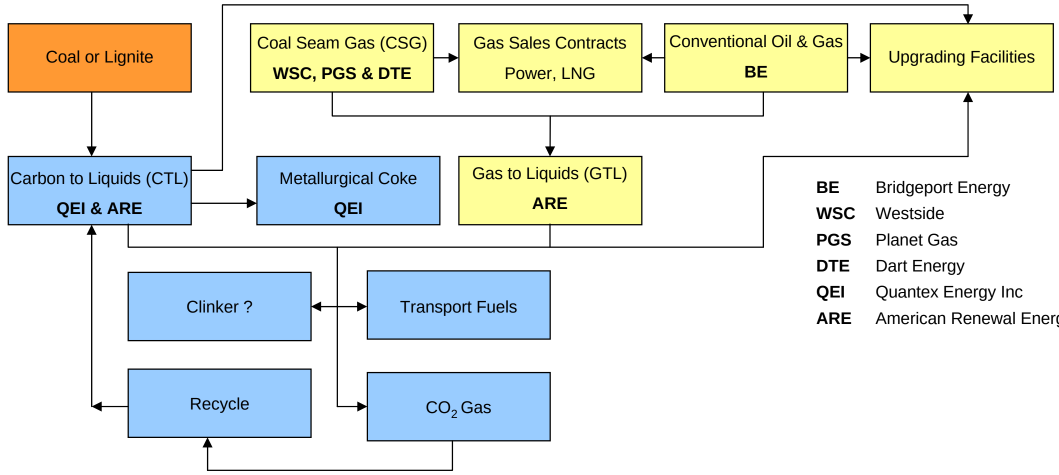



**QEI** Quantex Energy Inc
**ARE** American Renewal Energy

0.5 TPH Prototype Gasification Unit with First Stage Gas Clean Up (ARE)

Synthetic Crude Oil (QEI)

# Indicative NHC Unconventional/Conventional Energy Integration Scenarios (Coal & Gas Conversion) 2 OF 3



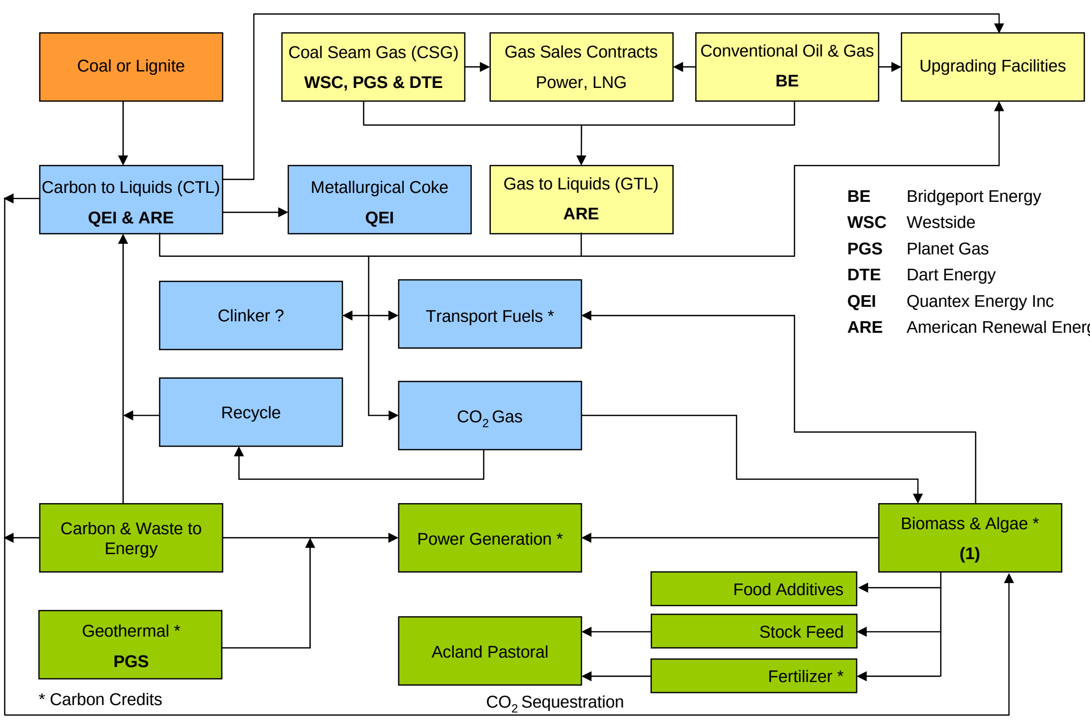

| | |
|---|---|
| **BE** | Bridgeport Energy |
| **WSC** | Westside |
| **PGS** | Planet Gas |
| **DTE** | Dart Energy |
| **QEI** | Quantex Energy Inc |
| **ARE** | American Renewal Energy |

Liquefaction

Gasification



# Indicative NHC Unconventional/Conventional Energy Integration Scenarios (Coal, Gas & Biomass Conversion) 3 OF 3

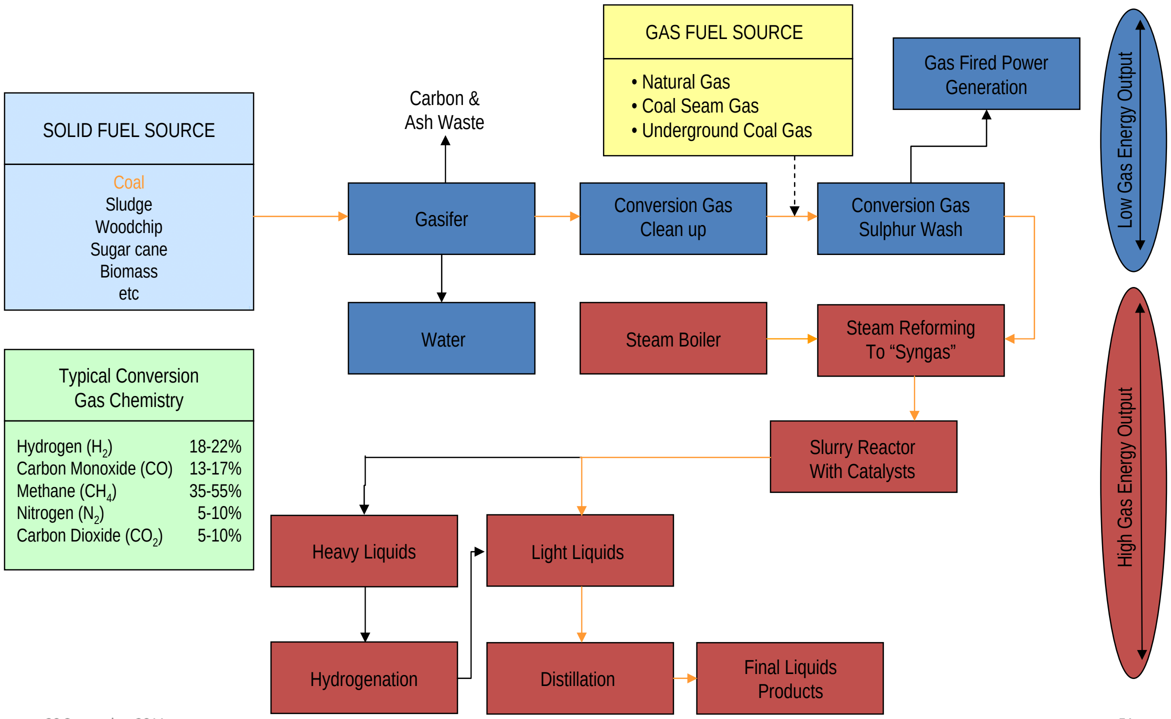



| | |
|---|---|
| **BE** | Bridgeport Energy |
| **WSC** | Westside |
| **PGS** | Planet Gas |
| **DTE** | Dart Energy |
| **QEI** | Quantex Energy Inc |
| **ARE** | American Renewal Energy |

(1) Process evaluation underway

# Carbon & Waste-to-Energy R&D Projects

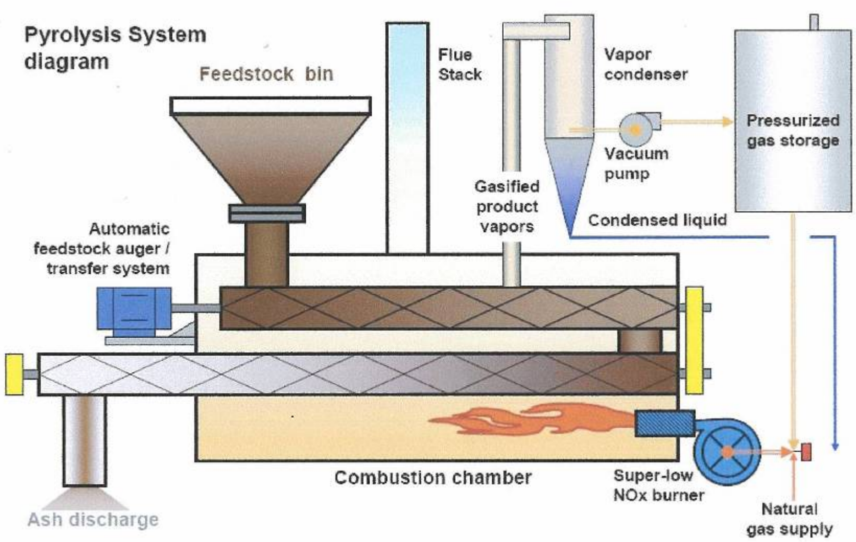
## Schematic Process Flow Chart – "POC" Plant Indirect Liquefaction






# Waste-to-Energy R&D Projects

## Pyrolysis Gasifier Process




# Carbon-to-Liquids R&D Projects

## Overview

- Indirect Coal Liquefaction (ICL)
  - Manufacture a Proof of Concept (POC) Plant underway and on schedule.
  - Jeebropilly site works design also underway.
  - Site construction April 2012, commissioning July 2012.
- Direct Coal Liquefaction (DCL)
  - Engineering design of (POC) plant completed.
  - Process requires additional chemical test data to minimise coal performance risk factors.
    - Works well on NHC coals.
  - Upgraded POC design expected by mid 2012.
    - 6 to 9 months behind status of ICL projects.



# Energy Project Development Portfolio 2011 – 2016 [1]

### Indirect CTL "Proof of Concept" Plant (ARE)

- Manufacture underway in USA;
- Jeebropilly Petroleum Facilities Licence (PFL) granted;
- Site construction April – May 2012;
- Plant commissioning in June – July 2012;
- Pilot plant/commercial plant decision end 2012-2013.

Municipal Waste Plant Gasifier

### Continue evaluation of Direct CTL (QEI)

- First phase of POC engineering completed;
- Further chemical evaluation required;
- Likely require a fully integrated large bench scale unit, 1Q 2012;
- Second phase of POC engineering mid 2012;
- POC plant decision end 2012.

Coke

Pitch

# Energy Project Development Portfolio 2011 – 2016 2

### Assess waste to energy project opportunities

- Waste to power generation with green credentials

### Evaluate potential coal and gas resources suitable for CTL operations

- Target low cost stranded resources – coal and gas

### Continue involvement in oil and gas evaluations

- Bridgeport Energy
- Westside Corporation
- Planet Gas

Tyre Processing Plant

Westside Drilling Operation

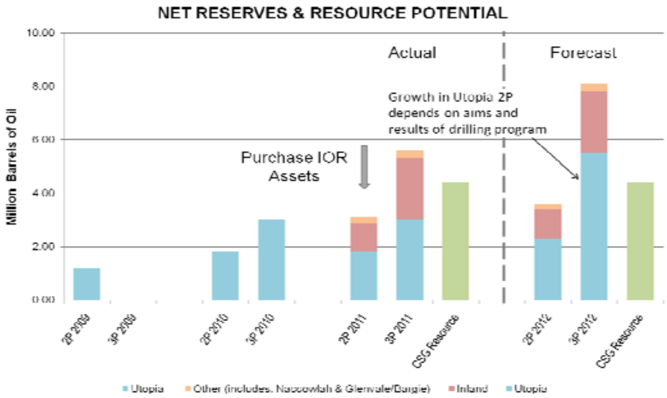


# Bridgeport Energy Limited

- Bridgeport is an oil producer operating as an unlisted public company.
  - New Hope equity is 30%.
- 3 oil fields in the Eromanga Basin in Queensland.
  - Utopia, Inland and Naccowlah.

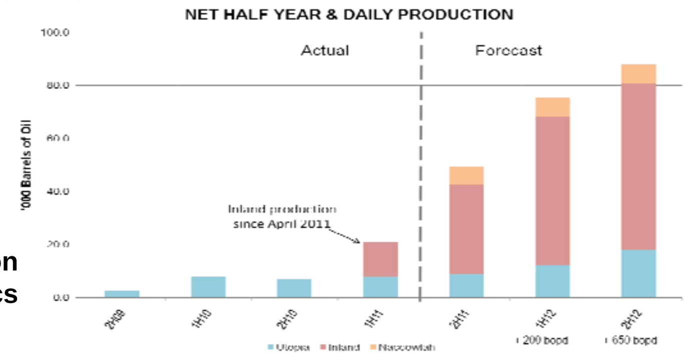
# Bridgeport Energy Limited

## Reserves



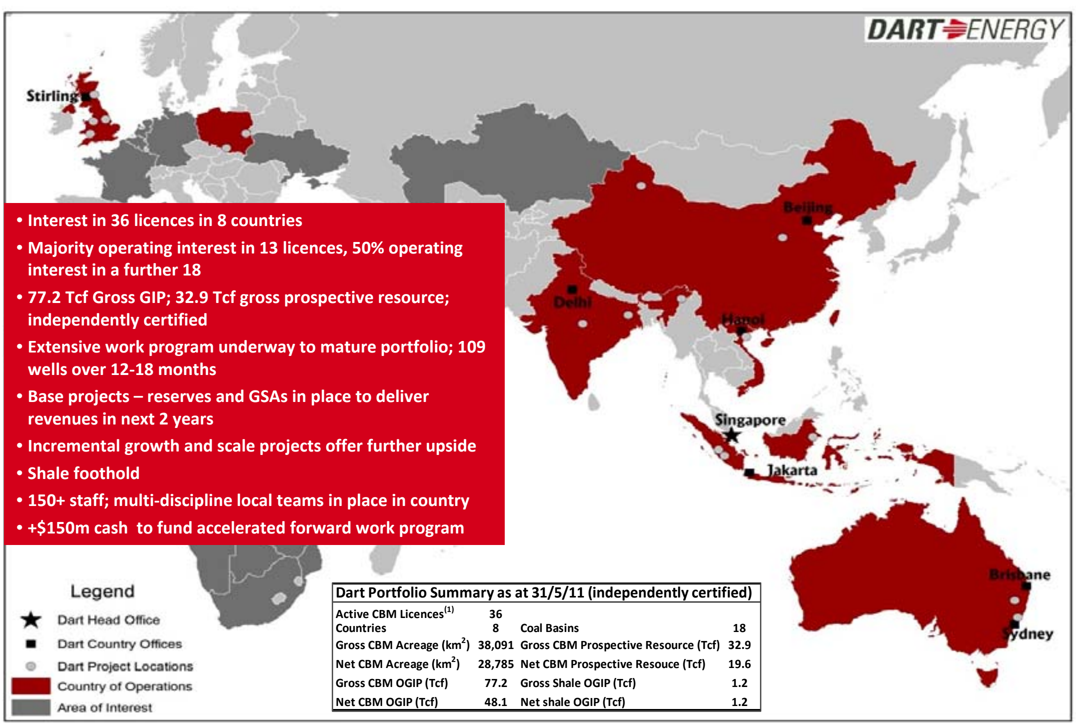

**Existing Assets**

**Production Statistics**




20 September 2011

# Dart Energy Limited [1]




- Interest in 36 licences in 8 countries
- Majority operating interest in 13 licences, 50% operating interest in a further 18
- 77.2 Tcf Gross GIP; 32.9 Tcf gross prospective resource; independently certified
- Extensive work program underway to mature portfolio; 109 wells over 12-18 months
- Base projects – reserves and GSAs in place to deliver revenues in next 2 years
- Incremental growth and scale projects offer further upside
- Shale foothold
- 150+ staff; multi-discipline local teams in place in country
- +$150m cash to fund accelerated forward work program

**Dart Portfolio Summary as at 31/5/11 (independently certified)**

| | | | |
|---|---|---|---|
| Active CBM Licences(1) | 36 | | |
| Countries | 8 | Coal Basins | 18 |
| Gross CBM Acreage ($km^2$) | 38,091 | Gross CBM Prospective Resource (Tcf) | 32.9 |
| Net CBM Acreage ($km^2$) | 28,785 | Net CBM Prospective Resouce (Tcf) | 19.6 |
| Gross CBM OGIP (Tcf) | 77.2 | Gross Shale OGIP (Tcf) | 1.2 |
| Net CBM OGIP (Tcf) | 48.1 | Net shale OGIP (Tcf) | 1.2 |

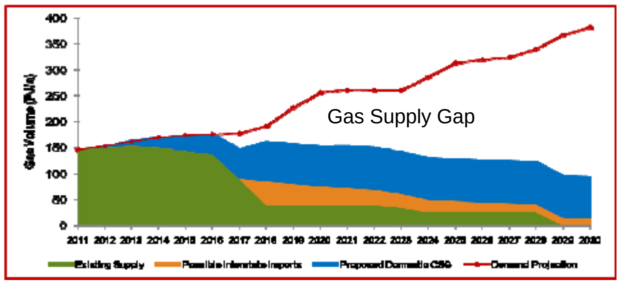
1. Does not include 2 geothermal licences in Australia, and 2 licences in India and 1 licence in Poland for which relinquishment requests have been submitted

New Hope Corporation Limited

# Dart Energy Limited

DART ENERGY

- NHC equity level is approximately 17%.
- Dart well placed to become a significant CSG – unconventional gas business.
- Large resource base and well capitalised ($150 million).
- Dart moving into a significant project execution phase.
  - 109 well exploration and appraisal program 2011 – 2012.
- Base projects on track for near term cash generation over 5 countries over 2012 – 2013 period.
- Project success likely to provide value growth triggers.




**NSW GAS SUPPLY DEMAND PROJECTIONS**

Sources: Demand - AEMO 2010 Electricity Statement of Opportunities (Slow Rate of Change Scenario), Supply - publicly available information on existing contracted gas supply arrangements and likely future production, Dart Energy estimates



New Hope Corporation Limited

# Planet Gas Limited

PlanetGas

- NHC owns 19.9% of Planet Gas;
- South Australian Cooper Basin exploration targets (PELA 514);
  - Conventional Petroleum
    - Braided channel sands
  - Coal Seam Gas
    - Abundant coal thicknesses
  - Shale Gas
    - Patchawarra Trough
    - 3 recent near-by "discoveries"
  - Farmed out 50% to Senex Energy
  - Close to existing oil and gas producing fields
- NSW Coal Seam Gas (CSG) targets (PEL's 468, 469, 470);
  - Planet farmed into Liechardt joint venture
  - Drilling commenced on targeted coal seams
- Queensland Innot Geothermal project is most prospective (EPG 29);
  - Other targets being relinquished due to very high development cost estimates.

# Westside Corporation Limited

Recent Gas Production Well Head

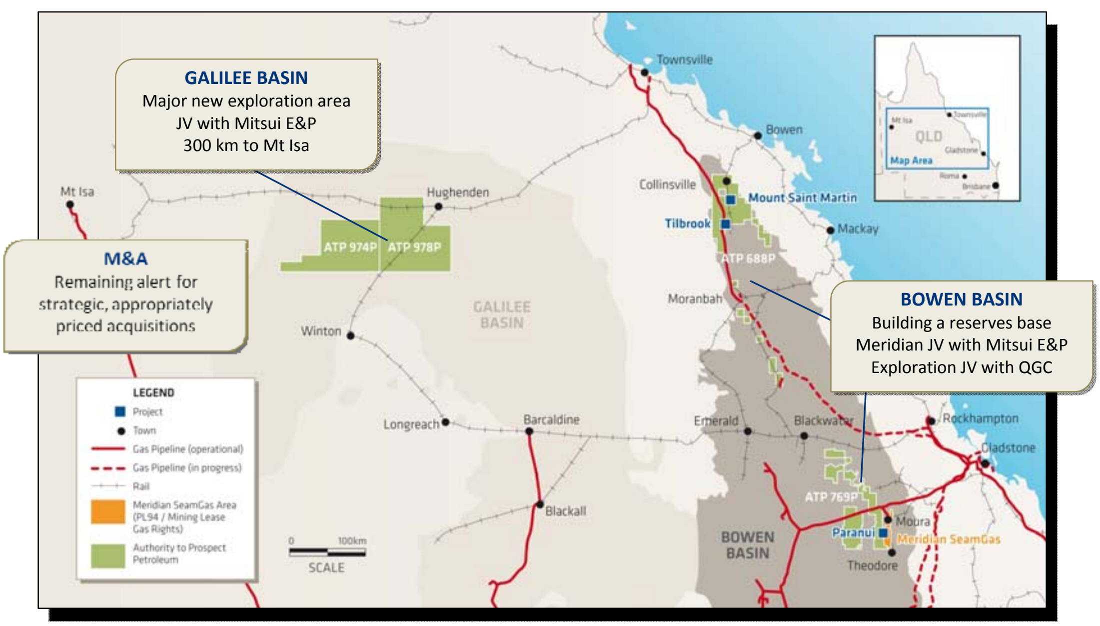
Renovated Meridian Seam Gas production well

- New Hope equity is 19.9% of Westside.
- Good progression from explorer to producer.
  - 7 dual lateral Meridian production wells completed;
  - Net annual gas sales $5.5 million;
  - Last quarter production up 7% on previous quarter.
- Exploration drilling delivered 209 Pj of 2P reserves at less than 10ᶜ Gj.
- Targets for end 2012 include:
  - Production ramp up to 25 Tj/day;
  - Add an additional 200 Pj of gross reserves.



# Westside Corporation Limited

## At a Glance




"Developing CSG assets and reserves in two basins"

Future Outlook

# NHC Business Strategy 2011 - 2016

- Looking to the next 5 years, our broad operational and commercial strategies do not alter, however the emphases are now well focused on the base coal business and the portfolio of coal development projects and less focused on acquisitions post the NEC takeover.
  - Overall corporate strategy continues for 2011 – 2016 period subject to global volatility.
  - Current strategic weightings distributed toward:
    - Profitable base coal business
    - Mine Project Developments
      - Acland Expansion(s), Lenton, Colton, Elimatta
      - Possible further expansions of QBH
    - Energy Project Developments
      - Proof of Concept Plants for 2 x CTL Technologies
      - One Pilot Plant – commercial CTL plant
  - Opportunistic acquisitions, where potential targets:
    - Have value greater than existing NHC assets
    - Are suitable replacements of future undeveloped projects
    - Reflect modest and measured investments in the broader energy sector – oil and gas
  - Current NHC cash reserves likely to be consumed by above projects.
    - Possibility of future manageable debt

# Near Term Outlook

- Coal production over the 2012 – 2013 period likely to be steady at about 6 MPTA until the government approves the Acland thermal coal expansion and the Colton coking coal mine development.
- Continued market volatility likely to be reflected in ongoing currency and coal pricing variations.
  - Asian growth much greater than USA and Europe
  - Moderate risk of a global economic downturn
  - Australian Government Carbon Tax and MRRT are unhelpful
- Retain current operations and commercial strategies emphasising base business performance, coal mine development projects and progressing new energy technologies.
  - Acland expansion
  - Colton mine development
  - Second Carbon to Energy POC plant
  - Opportunistic acquisition targets
- Double coal production over the next 5 years.
  - Integrate NHC and NEC exploration and development projects
  - NHC has sufficient funds to develop project pipeline
- Consolidate NHC as a diversified energy producer.



# New Hope Key Takeaways

- Operating and commercial strategies continue to deliver.
- Superior total shareholder returns.
- Competitive coal and port operations.
- Steady coal production over next 2 years.
- Mine capacity is sold out.
- Excellent development portfolio of coal projects.
  - Double production over next 5 years.
- Strong financial position to fund development projects.
- Energy investments moving into significant project execution phases.

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**JORC Declaration**

The estimates of coal resources herein have been prepared in accordance with the guidelines of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources – The JORC Code”. *These resources are inclusive of the reserves reported in the reserves statement*. The work has been undertaken internally by NHC and reviewed by Mr Phillip Bryant, Project Manager New Lenton NHC and Member of AusIMM (no. 210566). Mr Bryant has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the JORC Code.
Mr Bryant consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

The information in this Coal Reserves Statement that related to coal reserves is based on information compiled by Dr Warren Seib, who is Follow of AusIMM. Dr Seib is a full time employee of the company. Dr Seib has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent person as defined in the 2004 Edition of the ‘Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves’. Dr Seib consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



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An Independent Energy Alternative

Questions?