

New Hope Corporation Limited

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Company Announcement

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Compromise plan for New Acland future

The New Hope Group has listened to community and government concerns about a previous expansion proposal for its New Acland coal mine and has developed a sensible compromise plan for the continuation of the mine which will ensure jobs and economic benefits are maintained.

New Hope's Chief Executive Officer Rob Neale said the company had compromised on a number of key elements associated with the previous version of the New Acland Stage 3 Expansion Project to address concerns while also keeping the mine open beyond 2017.

"Hundreds of livelihoods are dependent on the New Acland operations and have been for the past decade," Mr Neale said.

"The plan will extend the life of the current operation to about 2029, boosting current employment from 300 local jobs to about 400, increasing 160 full time contractors to 170 positions and growing indirect jobs from about 2,300 to more than 2,800.

"The plan will also provide an annual \$530 million injection into the south-east Queensland economy and \$8 billion over the life of the mine.

"If the current New Acland operations do not continue, redundancies could begin as early as 2015 and the operations would close in 2017.

"Given Queensland's current economic climate, operations such as this one are crucial to boosting economic activity in the local region.

"The proposed compromise plan will see New Acland continue to act as a spur to the Darling Downs economy through direct and indirect employment, investment, business and community development."

Mr Neale said New Hope would continue to work in partnership with neighbours, local residents, government agencies and other key stakeholders to further develop the plan.

"Under the plan, the Jondaryan rail loading facility will be moved away from near the township and onto a remote part of the mining lease area, as announced in February this year," Mr Neale said.

It will also mean the Acland town area, including the Tom Doherty Park, the War Memorial and the Acland No 2 Colliery, will be preserved.

From the original proposal, there will be an overall reduction in the amount of land used for mining activities by more than half, and mining operations would be at least 10 kilometres away from Oakey at their nearest point.

As a result of this compromise, production levels from the New Acland operation under this proposal will be reduced by at least 25 percent, from the originally proposed 10 mtpa.

Under this new compromise plan there will also be no need for any creek diversions.

“This compromise continuation plan addresses the major community concerns while still yielding significant economic outcomes for the local region and the state,” Mr Neale said.

“New Hope is committed to seeking input, minimising impacts and ensuring good outcomes are achieved for the community.”

The proposed plans will be subject to rigorous scientific and environmental assessment by the State Government through the regular EIS processes.

For further information, please contact:

Investors/Analysts

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