

New Hope successfully prices A\$300m senior convertible notes due 2029

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- New Hope Corporation Limited ABN 38 010 653 844 (ASX: NHC) (**New Hope** or the **Company**) is pleased to announce that it has successfully priced A\$300 million 4.25% senior unsecured convertible notes due 2029¹ (**Notes**).

- Settlement of the Notes is expected on 12 July 2024. The Notes will mature on 12 July 2029 unless earlier redeemed, repurchased or converted in accordance with their terms and conditions.

- **New Hope CEO, Rob Bishop, commented:**

"We are very pleased with the support we have received from the convertible market. The book-build saw strong demand from investors that participated in our 2021 Convertible Note deal, as well as from several new investors. The capital provided by this global investor base at favourable terms will be instrumental to our pursuit of initiatives that are consistent with our strategy to maximise shareholder returns."

- **New Hope CFO, Rebecca Rinaldi, commented:**

"This transaction represents another important milestone for New Hope in cementing a resilient and flexible balance sheet. We were also able to purchase cash-settled call options at competitive terms from a number of global financial institutions. These options are designed to reduce potential future dilution from conversion of the Notes, further enhancing returns for our shareholders."

Convertible Notes

The Notes are convertible into fully paid ordinary shares in New Hope (**Ordinary Shares**) (**Convertible Notes Offering**) or, at the option of New Hope, will be cash-settled. The initial conversion price of the Notes is A\$6.63 per Ordinary Share, which represents a conversion premium of 30% over the Reference Share Price.

The net proceeds of the Convertible Notes Offering are expected to be approximately A\$293.3 million after paying transaction costs. New Hope intends to use these net proceeds for general corporate purposes consistent with the Company's strategy, and to fund the costs of the Capped Call Transactions (described below).

A summary of the key terms and conditions of the Notes is set out in the Appendix of this announcement.

Settlement of the Convertible Notes Offering is expected on or about 12 July 2024 and is subject to satisfaction of customary conditions precedent.

Jefferies (Australia) Pty Ltd (**Jefferies**) acted as Sole Global Co-ordinator and Jefferies and Jarden Australia Pty Ltd (**Jarden**) acted as Joint Lead Managers on the Convertible Notes Offering (**Joint Lead Managers**).

¹ Notes investors have a put option on 12 July 2027.

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Capped Call Transactions

In connection with the issuance and pricing of the Notes, New Hope has purchased certain privately negotiated cash-settled call options relating to Ordinary Shares (**Capped Call Transactions**) from a number of global financial institutions (**Capped Call Counterparties**). The Capped Call Transactions provide New Hope with an economic hedge up to the cap price (**Cap Price**), which is initially set at A\$9.18 per Ordinary Share, equivalent to an 80% premium over the Reference Share Price. The notional of the Capped Call Transactions is designed to be equivalent to the notional of the Notes and the economic payoff of the Capped Call Transactions will be dependent on market conditions at the time of their expiry or earlier termination, if applicable, under the terms of the Capped Call Transactions. The Capped Call Transactions are to be cash-settled only and will expire automatically after a period of 5 years, aligning with the maturity date of the Notes. The terms of the Capped Call Transactions are subject to certain future adjustments which are expected to achieve a substantially similar economic outcome to the future adjustments applicable to the Notes.

Trading Activity in Ordinary Shares, Notes and Derivatives

In connection with the Capped Call Transactions, the Capped Call Counterparties are expected to enter into various derivative transactions involving Ordinary Shares at their discretion, which could affect the market price of Ordinary Shares or the Notes otherwise prevailing at that time. In addition, delta hedging activity coordinated by the Sole Global Coordinator and the derivative transactions described above, together with any acquisition of the Notes and other Ordinary Shares acquired by a Joint Lead Manager or its respective affiliates in connection with its ordinary course sale and trading, principal investing, hedging and other activities, may result in that Joint Lead Manager or its affiliates having a substantial exposure to the Company.

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This announcement does not constitute or form part of any offer to purchase, a solicitation of an offer to purchase, an offer to sell or an invitation or solicitation of an offer to sell, issue or subscribe for any securities.

Neither this announcement nor any copy hereof may be taken into or distributed in the United States.

The information contained in this announcement is not for distribution, directly or indirectly, in or into the United States. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States.

The Ordinary Shares and the Notes mentioned herein have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (**Securities Act**), and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Ordinary Shares or the Notes will be made in the United States.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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Key Terms of the Notes	
Issuer	New Hope Corporation Limited
Issue Size	A\$300m
Status / Rank	Direct, unsubordinated, unconditional and unsecured
Maturity Date	12 July 2029 (5 years)
Investor Put Date	12 July 2027 (3 years)
Coupon	4.25% p.a. payable on a semi-annual basis
Conversion Premium	30% above the Reference Share Price
Reference Share Price	A\$5.10 per Ordinary Share
Initial Conversion Price	A\$6.63 per Ordinary Share
Conversion Settlement	<p>Noteholders' election to convert will be satisfied by physical settlement, unless the Issuer elects to cash-settle the conversion by paying the Cash Settlement Amount for each converted Note in lieu of delivering Ordinary Shares.</p> <p>In case of physical settlement, the number of Ordinary Shares issued on exercise of the conversion right will be determined by dividing the principal amount of the Notes to be converted by the applicable conversion price.</p> <p>If applicable, the relevant Cash Settlement Amount will be calculated based on the volume weighted average price of the Ordinary Shares over a 60 trading day period, subject to a minimum floor of 100% of the principal amount of the Notes subject to conversion.</p>
Conversion Price Adjustment	<p>Standard anti-dilutive adjustments to the Conversion Price, including adjustments for any cash dividends in excess of A\$0.16 per Share during each 12-month period.</p> <p>The extent to which the Conversion Price is reduced following a change of control is variable, dependent on the time period between the change of the control and the final Maturity Date of the Notes.</p>
Listing	SGX-ST
Selling Restrictions	<p>Reg S (Cat 1) only</p> <p>Restrictions in the US, UK, Australia, Hong Kong, Singapore, EEA, Switzerland and Japan</p>