



ASX RELEASE

Bengalla acquisition and funding update

26 November 2018

New Hope Corporation Limited (ASX: NHC) is pleased to advise that it has reached a binding commitment with Taipower in respect of the Bengalla Joint Venture. Under this commitment Taipower will acquire a further 10% interest in the Bengalla Joint Venture by participating in the sale by Wesfarmers Limited (ASX: WES) of its 40% Joint Venture interest. Taipower is an existing participant in the Bengalla Joint Venture.

Mitsui, also an existing participant in the Bengalla Joint Venture, has waived its pre-emptive right in respect of the Wesfarmers transaction. Therefore, on completion of the Wesfarmers acquisition, New Hope will hold a 70% interest in the Joint Venture with Taipower and Mitsui holding interests of 20% and 10% respectively. The Wesfarmers transaction is expected to complete in early December 2018.

New Hope is also pleased to advise that it has reached a binding commitment with Mitsui to purchase its 10% interest in the Bengalla Joint Venture for A\$215 million. The transaction will be financed by a combination of cash and debt. The economic effective date for this transaction will be consistent with that of the Wesfarmers sale.

New Hope's final interest in the Bengalla Joint Venture will be dependent on the actions of Taipower during the pre-emptive rights process for the Mitsui transaction. Following completion of the Mitsui transaction (anticipated to occur in the first quarter of calendar year 2019), New Hope will own up to an 80% interest in the Bengalla Joint Venture.

In order to fund the acquisitions of both Wesfarmers' and Mitsui's interests in Bengalla, New Hope has entered into a A\$600 million syndicated corporate debt facility and a A\$300 million facility for performance bonds, letters of credit and other like contingent instruments. These facilities will be sufficient for the Company to also fund its medium term growth projects including New Acland Stage 3 and the potential development of the Burton Lenton project.

New Hope's Managing Director, Shane Stephan said "acquiring a controlling interest in Bengalla demonstrates New Hope's long term positive outlook for the global export thermal coal market and our commitment to the Bengalla mine and its employees. We are very excited

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about the Company's immediate prospects and remain committed to delivering our medium term growth objectives.”

(ends).

For more information, please contact:

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