



New Hope
Corporation Limited

A.B.N. 38 010 653 844

ANNUAL GENERAL MEETING

14 November 2013

NEW HOPE CORPORATION LIMITED

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NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of New Hope Corporation Limited (**New Hope** or **the Company**) will be held at the Theatre Auditorium, Ipswich Civic Centre, Corner Limestone and Nicholas Streets, Ipswich on Thursday 14 November 2013 at 12 noon.

ORDINARY BUSINESS

1. **Financial Statements and Reports**

To receive and consider the Financial Statements of New Hope Corporation Limited and Controlled Entities, including the Directors' Report and the Auditor's Report in respect of the year ended 31 July 2013.

Note: The full year results of New Hope Corporation Limited are available either in the Directors' Annual Report and Financial Statements sent to those shareholders who elected to receive the annual report or on the Company's website (www.newhopegroup.com.au) in the Investor Relations section.

This item does not require voting by shareholders. It is intended to provide an opportunity for shareholders to raise questions on the reports and on the performance and management of the Company.

The auditors of the Company will be present at the meeting and available to answer questions. Shareholders may also address written questions to the Company's auditor PricewaterhouseCoopers, if the question is relevant to the content of the auditor's report, or the conduct of its audit of the annual financial report to be considered at the meeting.

Written questions for the auditor must be delivered by 5.00pm on Thursday 7 November 2013 to the address set out in this notice.

2. **Remuneration Report – Resolution 1**

To consider and, if thought fit, to pass the following resolution under section 250R(2) Corporations Act 2001 (Cth) (**Corporations Act**):

“That the remuneration report for the financial year ended 31 July 2013 as set out in the Directors’ Annual Report and Financial Statements, be adopted.”

Note: The Corporations Act requires listed companies to present their remuneration report for adoption by shareholders at the company’s Annual General Meeting. The report can be found in the Annual Report of the Company as detailed in item 1 above.

The vote on this resolution is advisory only and does not bind the Directors of the Company.

Voting Exclusion Statement

The Company will disregard any votes cast on this resolution by any member of the Company’s key management personnel (being those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director), details of whose remuneration are included in the Remuneration Report, or a closely related party of any such member, subject to certain limited exemptions where a person is appointed to vote as a proxy under section 250R(5) and section 250BD of the Corporations Act.

3. **Re-election of Mr Robert Millner as a Director – Resolution 2**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, Mr Robert Millner, who retires in accordance with the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

4. **Re-election of Mr William Grant as a Director – Resolution 3**

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That, Mr William Grant, who retires in accordance with the Company’s Constitution and, being eligible, offers himself for re-election, be re-elected as a Director of the Company.”

5. **Issue of Performance Rights to Mr R. C. Neale – Resolution 4**

To consider and if thought fit, to pass the following as an ordinary resolution:

“That approval is given, for the purpose of the ASX Listing Rules (including Listing Rule 10.14), for the issue 156,951 of Performance Rights to the Managing Director of the Company, Robert Charles Neale, under the Employee Performance Rights Share Plan described in the Explanatory Memorandum, and for the issue of ordinary shares on the exercise of those Performance Rights.”

Voting Exclusion Statement:

The Company will disregard any votes cast on this resolution by;

- Robert Charles Neale;
- any associate of Robert Charles Neale;
- any other Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company); and
- any associate of a Director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company).

However the Company will not disregard a vote if:

- It is cast by a person as proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form; or
- It is cast by a person chairing the meeting as proxy for a shareholder who is entitled to vote, in accordance with the directions on the proxy form to vote as the proxy decides.

In addition, the Company's key management personnel or a closely related party of any such member are not permitted to cast a vote as a proxy for another person who is permitted to vote, unless the appointment of the proxy either:

- specifies the way the proxy is to vote on the resolution; or
- expressly authorises the Chairman of the meeting to exercise the undirected proxies.

6. Renewal of Proportional Takeover Provisions – Resolution 5

To consider and if thought fit, to pass the following as an ordinary resolution:

“That the Company’s Constitution be amended by adopting rule 13 in the form of the attachment to the explanatory memorandum for a period of three years from the day on which this resolution is passed.”

By order of the Board

Matthew Busch
Company Secretary
17th September 2013

EXPLANATORY MEMORANDUM NEW HOPE CORPORATION LIMITED

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Resolution 1 – Remuneration report

The Corporations Act requires that the section of the Directors' report dealing with the remuneration of the Company's key management personnel be put to the vote of shareholders for adoption. The resolution of shareholders is not binding on the Company.

The Directors recommend you vote in favour of this resolution.

Resolutions 2 and 3 – re-election of Directors

Resolutions 2 and 3 relate to the election of Robert Millner and William Grant as Directors of the Company.

Election of Robert Millner

In accordance with the Company's constitution, Robert Millner retires at the end of this meeting and, being eligible, offers himself for re-election.

Mr Millner is Chairman of the Company's holding Company, Washington H. Soul Pattinson and Company Limited. Mr Millner joined the Board of New Hope Corporation in 1995 and was appointed Chairman in 1998.

He is also currently a Director of Washington H. Soul Pattinson and Company Limited, TPG Telecom Limited, Brickworks Limited (including Bristle Limited), BKI Investment Company Limited (including PSI Limited), Australian Pharmaceutical Industries Limited and Milton Corporation Limited.

The Directors recommend you vote in favour of this resolution.

Election of William Grant

In accordance with the Company's constitution, William Grant retires at the end of this meeting and, being eligible, offers himself for re-election.

Mr Grant has over 35 years' experience in project management, corporate and fiscal governance, local government administration and strategic planning. He was the CEO of the South Bank Corporation in Brisbane from 1997 to 2005, and prior to that he was the General Manager/CEO of the Newcastle City Council from 1992 to 1997. He joined the Board of New Hope Corporation in 2006.

Mr Grant is also a Director of Brisbane Development Association, Brisbane Airport Corporation, and Northern Energy Corporation Limited.

The Directors recommend you vote in favour of this resolution.

Resolution 4 – Issue of performance rights to the Managing Director Robert Neale

Performance Rights (**Rights**) are being offered to Mr Neale under the Company's Employee Performance Rights Shares Plan (**Rights Plan**) as part of a Long Term Incentive (**LTI**) in respect of his performance during the 2012 financial year. The LTI in respect of Mr Neale's performance during the 2012 financial year was awarded by the board in October 2012, after distribution of the 2012 Annual General Meeting notice.

The Company seeks shareholder approval, under ASX Listing Rule 10.14 for the issue of Rights to Robert Neale under the Rights Plan and the issue of ordinary shares on conversion of the Rights. The number of Rights proposed aligns with the LTI awarded by the board for the 2012 financial year.

The Remuneration and Nomination Committee sets the maximum value of the LTI payable to Mr Neale at the start of the relevant period having due regard to the role, responsibility and the contribution to achieving the Company's strategic goals. LTI's are offered at the absolute discretion of the Remuneration and Nomination Committee.

At the end of each period the Remuneration and Nomination Committee awards a percentage of the maximum allowable LTI having regard to the performance of Mr Neale and the Company during the period. The value of the LTI is converted into Rights by reference to the 5 day volume weighted average share price of the company over the 5 days immediately preceding the award by the board.

Each right issued to Mr Neale will automatically convert to one ordinary share in the Company if Mr Neale continues to be an employee of the Company at the vesting date. There is no consideration payable by Mr Neale for the issue of the Rights or upon conversion of the Rights to shares.

Given the deferred award of the 2012 LTI noted above, the Remuneration and Nomination committee elected to align the service condition and vesting dates with the dates that would have prevailed had the Performance Rights been issued in the ordinary course.

The number of Rights proposed to be issued to Mr Neale and the relevant vesting dates for those Rights are set out below.

Performance Period to which LTI relates	Date Performance Rights will be issued	Vesting Date in the Ordinary Course	Amended Vesting Date	Number of Performance Rights
2012	Subject to shareholder approval the company will issue the above Rights to Mr Neale on or before 30 November 2013.	1 January 2013	1 December 2013	52,317
2012		1 January 2014	No change	52,317
2012		1 January 2015	No change	52,317
Maximum number of Rights to be acquired by Mr Neale				156,951

Mr Neale has received 109,612 Performance Rights under the Rights Plan since the last approval. No other person referred to in ASX Listing Rule 10.14 has received securities under the Rights Plan since the last approval. The names of all persons referred to in ASX Listing Rule 10.14 entitled to participate in the Rights Plan are Robert Charles Neale, Robert Dobson Millner, David John Fairfull, Peter Raymond Robinson, William Hamilton Grant, Susan Joy Palmer and Ian Maxwell Williams.

Details of any securities issued under the Employee Performance Rights Share Plan will be published in each annual report of the Company relating to a period in which Performance

Rights have been issued, and that approval for the issue of Performance Rights was obtained under ASX Listing Rule 10.14. Any additional persons who become entitled to participate in the Employee Performance Rights Share Plan after the resolution was approved and who were not named in this notice of meeting will not participate until approval is obtained under ASX Listing Rule 10.14.

The Directors (with Robert Neale abstaining) recommend you vote in favour of this resolution.

Resolution 5 – Renewal of Proportional Takeover Provisions

The proposed rule 13 of the constitution of the Company is attached. It is in similar form to the provisions of similar coverage which were included in the constitution adopted on 24 July 2003. Those provisions had a duration period of three years from that date which has now expired. These provisions therefore no longer apply, unless renewed.

The proposed rule 13 is a proportional takeover approval provision which enables the Company to refuse to register securities acquired under a proportional takeover bid unless a resolution is passed by shareholders in general meeting approving the offer. Under the Corporations Act, proportional takeover provisions expire after three years from adoption for renewal and may then be renewed. The provisions contained in the Company's constitution ceased to apply, on 24 July 2006 and have not been renewed since.

The Company is seeking shareholder approval to renew these provisions under the Corporations Act. The proposed proportional takeover provisions are identical to those adopted by shareholders on 24 July 2003. The Corporations Act requires the Company to provide shareholders with an explanation of the proportional takeover approval provisions as set out below.

What is a proportional takeover bid?

A proportional takeover bid is a takeover offer sent to all shareholders but only for a specified portion of each shareholder's securities. Accordingly, if a shareholder accepts in full the offer under a proportional takeover bid, it will dispose of the specified portion of its securities in the Company and retain the balance of the securities.

Effect of renewal

If renewed, under rule 13, and if a proportional takeover offer is made to shareholders of the Company, the board of the Company is required to convene a meeting of shareholders to vote on a resolution to approve the proportional takeover. That meeting must be held at least 15 days before the offer under the proportional takeover bid closes.

The resolution is taken to have been passed if a majority of securities voted at the meeting, excluding the securities of the bidder and its associates, vote in favour of the resolution. If no resolution is voted on at least 15 days before the close of the offer, the resolution is deemed to have been passed. Where the resolution approving the offer is passed or deemed to have been passed, transfers of securities resulting from accepting the offer are registered provided they otherwise comply with the Corporations Act, the ASX Listing Rules, the ASIC Operating Rules and the Company's Constitution. If the resolution is rejected, then under the Corporations Act the offer is deemed to be withdrawn.

Reasons for proposing the resolution

The directors consider that shareholders should have the opportunity to renew rule 13 in the constitution. Without rule 13 a proportional takeover bid for the Company may enable effective

control of the Company to be acquired without shareholders having the opportunity to dispose of all of their securities to the bidder. Shareholders could be at risk of passing control to the bidder without payment of an adequate control premium for all their securities whilst leaving themselves as part of a minority interest in the Company.

Without rule 13, if there was a proportional takeover bid and shareholders considered that control of the Company was likely to pass, shareholders would be placed under pressure to accept the offer even if they did not want control of the Company to pass to the bidder. Renewing rule 13 of the constitution will make this situation less likely by permitting shareholders to decide whether a proportional takeover bid should be permitted to proceed.

No knowledge of present acquisition proposals

As at the date of this notice, no director is aware of a proposal by any person to acquire or increase the extent of a substantial interest in the Company.

Potential advantages and disadvantages

The renewal of rule 13 will enable the directors to formally ascertain the views of shareholders about a proportional takeover bid. Without these provisions, the directors are dependent upon their perception of the interests and views of shareholders. Other than this advantage, the directors of the Company consider that renewal of rule 13 has no potential advantages or potential disadvantages for them, as they remain free to make a recommendation on whether a proportional takeover offer should be accepted.

The directors consider that renewing rule 13 benefits all shareholders in that they will have an opportunity to consider a proportional takeover bid and then attend or be represented by proxy at a meeting of shareholders called specifically to vote on the proposal. Accordingly, shareholders are able to prevent a proportional takeover bid proceeding if there is sufficient support for the proposition that control of the Company should not be permitted to pass under the proportional takeover bid. Furthermore, knowing the view of shareholders assists each individual shareholder to assess the likely outcome of the proportional takeover bid and whether to accept or reject that bid.

As to the possible disadvantages to shareholders renewing rule 13, it may be argued that the proposal makes a proportional takeover bid more difficult and that proportional takeover bids will therefore be discouraged. This may reduce the opportunities which shareholders may have to sell all or some of their securities at a premium to persons seeking control of the Company and may reduce any takeover speculation element in the Company's share price. Rule 13 may also be considered an additional restriction on the ability of individual shareholders to deal freely on their securities.

The directors consider that there are no other advantages and disadvantages for directors and shareholders which arose during the period during which the proportional takeover approval provisions have been in effect, other than those discussed in this section.

On balance, the directors consider that the possible advantages outweigh the possible disadvantages so that the renewal of rule 13 is in the interest of shareholders.

The Directors recommend you vote in favour of this resolution.

Annual General Meeting

Notes

Members entitled to attend and vote at the meeting

For the purposes of the meeting and in accordance with regulation 7.11.37 of the Corporations Regulations 2001, it has been determined that the members entitled to attend and vote at the meeting shall be those persons who are recorded in the register of members at 7.00 p.m. (Sydney time) on Tuesday 12 November 2013.

Admission to the Meeting

Shareholders who will be attending the meeting, and who will not be appointing a proxy, are requested to bring the proxy form to the meeting to facilitate the admission process. Shareholders who are entitled to attend and cast votes at the meeting are entitled to appoint a proxy and are encouraged to complete and return the proxy form to Computershare Investor Services or the Company as detailed on the proxy form. The proxy need not be a shareholder of the Company. A shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

Questions from Shareholders

The Chairman of the meeting will allow a reasonable opportunity for shareholders to ask questions or make comments on the management of the Company at the meeting.

Similarly, a reasonable opportunity will be given to shareholders, as a whole, to ask the Company's external auditor questions relevant to:

- The conduct of the audit;
- The preparation and content of the auditor's report;
- The accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- The independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to any questions shareholders may have, please submit any questions by fax or to the address below by no later than 5:00pm on Thursday 7 November 2013:

The Company Secretary
New Hope Corporation Limited
3/22 Magnolia Drive
Brookwater QLD 4300

or by fax to (07) 3418 0355

Appendix 1 - Proposed rule 13 of the constitution of the Company

13. Proportional takeover bids

13.1. Definitions

In this clause:

"approving resolution" has the same meaning as in section 648D(1) of the Law;

"approving resolution deadline" has the meaning specified in section 648D(2) of the Law;

"associate" has the meaning specified in section 9 of the Law;

"proportional takeover bid" has the meaning specified in section 9 of the Law;

13.2. Prohibition on registration of transfer unless takeover scheme approved

Where an offer has been made under a proportional takeover bid in respect of Shares included in a class of Shares in the Company the registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under the proportional takeover bid is prohibited unless and until an approving resolution to approve the proportional takeover bid is passed in accordance with the provisions of this Constitution.

13.3. Approving resolution

An approving resolution is to be voted on at a meeting, convened and conducted by the Company of the persons entitled to vote on the approving resolution under section 648D(1)(b) of the Law.

13.4. Entitlement to vote on approving resolution

A person (other than the bidder or an associate of the bidder) who, as at the end of the day on which the first offer under the proportional takeover bid was made, held Shares included in that class is entitled to vote on an approving resolution and, for the purposes of so voting, is entitled to 1 vote for each of those Shares.

13.5. Bidder and associates not entitled to vote

The bidder or an associate of the bidder is not entitled to vote on an approving resolution.

13.6. Approving resolution passed

An approving resolution is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the Resolution is greater than 50%, and otherwise is taken to have been rejected.

13.7. General meeting provisions to apply

The provisions of this Constitution that apply to a general meeting of the Company apply, with any modifications as the circumstances require, to a meeting that is convened pursuant to this clause and apply as if that meeting was a general meeting of the Company.

13.8. Meeting to be held before approving resolution deadline

Where takeover offers have been made under a proportional takeover bid, then the Directors of the Company must ensure that a Resolution to approve the proportional takeover bid is voted on in accordance with this clause before the approving resolution deadline in relation to the proportional takeover bid.

13.9. Notice as to whether approving resolution is passed

Where an approving resolution to approve a proportional takeover bid is voted on, in accordance with this clause, before the approving resolution deadline in relation to the proportional takeover bid, the Company must, on or before the approving resolution deadline:

- a) give to the bidder; and
- b) serve on the Home Branch.

a notice in writing stating that an approving resolution to approve the proportional takeover bid has been voted on and that the approving resolution has been passed, or has been rejected, as the case requires.

13.10. Approving resolution deemed to have been passed

Where, as at the end of the day before the approving resolution deadline in relation to a proportional takeover bid under which offers have been made, no Resolution to approve the proportional takeover bid has been voted on in accordance with this clause, an approving resolution to approve the proportional takeover bid is, for the purposes of this clause, be deemed to have been passed in accordance with this clause.

13.11. Effect of this clause

This clause ceases to have effect on the third anniversary of the date of its adoption or of its most recent renewal.