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Executive Chairman

Mr Winton Willesee
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ASX Release

28 March 2013

**Sedgman Coal Quality and Testwork Management
Proposal Accepted by Newera**

Newera Resources Limited (ASX: NRU) is pleased to advise that it has accepted a proposal by Sedgman LLC, a subsidiary of Australian based Sedgman Limited.

Sedgman is a leading provider of mineral processing and associated infrastructure solutions to the global resources industry. Specialising in the design, construction and operation of coal handling and preparation plants, Sedgman is recognised internationally for its mineral processing and materials handling technologies.

Agreement Highlights

- Newera and Sedgman have executed a Shanagan East Coal Project Coal Quality and Testwork Management Agreement;
- Sedgman will provide the following professional consulting services to Newera:
 - Coal quality evaluation;
 - Identify future testwork requirements for Pre-Feasibility Study level washability analysis;
 - Off-site technical assistance in relation to washability testwork during Shanagan Project drilling program and
 - On-site oversight and advice on the recovery and transportation of Shanagan Project coal sample material for washability analysis.

Newera had previously approached Sedgman seeking assistance in investigating the potential for a commercial outcome for the Shanagan East Project coal. Upon review of the extensive data set, Sedgman, through their proposal, have agreed to work with Newera and oversee a near future sample collection and wash testing process for Shanagan coal.

Sedgman LLC:

Sedgman have recently completed the supply and installation of a series of coal treatment plants at the Ukhua Khudag coal project in the South Gobi basin of southern Mongolia. Sedgman LLC holds a permanent office in Ulaanbaatar Mongolia.

Part of Sedgman's modus operandi when tendering for the design, construction and commissioning of a new coal treatment plant at a selected coal deposit, is to, as a pre-cursor to the design process, thoroughly investigate the quality of the coal and its suitability for preparation, such that the design of the coal handling and preparation plant can be tailored to produce the best possible coal recovery outcome for the coal from that particular deposit.

Executive Chairman's Comments:

Executive Chairman Mr Martin Blakeman in commenting on Newera entering into the new agreement with Sedgman said:

"We don't believe that in seeking a commercial outcome for the Shanagan Project coal, that we could have partnered with a more qualified party than Sedgman. Sedgman bring to the table all the benefits of a scientific investigative team to analyse the Shanagan coal quality in the first instance, to determine a suitable sample analysis regime and flow chart in the second combined with a world recognised leading edge engineering design capability for the construction of coal handling and preparation plants.

In this instance we have followed the recommendation of our consultants and sought the input of industry recognised coal handling and preparation specialists to assist Newera in its efforts to ultimately produce a commercial coal product from the Shanagan East Project."

Recent Information:

It has come to Newera's attention that results of exploration programs conducted by other parties on an Exploration Licence immediately to the north east of the Shanagan East Project, with a contiguous boundary with Shanagan and with a continuation of the Late Permian coal bearing strata that exists within Shanagan, have recently been made available to the public.

The quoted results suggest the high ranking black coal with high energy, low moisture, low sulphur and relatively high ash that exists within the Shanagan Exploration Licence continues across the boundary into the adjacent Exploration Licence area.

Importantly for Newera, of 27 sample results quoted from the immediately adjacent Exploration Licence, 15 samples reported FSI numbers ranging from 2.5 to 7. The majority falling within the 5 to 7 range and is therefore classified as coking coal.

Further Information;
Martin Blakeman
Executive Chairman
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Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Per Michaelsen, Consultant Geologist to Newera Resources Ltd who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Dr Michaelsen has sufficient experience, which is relevant to the style of mineralisation and the 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 "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Michaelsen consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.