

DIRECTORS

Mr Martin Blakeman
Executive Chairman

Mr Winton Willesee
Non-Executive Director

Mr Eric de Mori
Non-Executive Director

COMPANY SECRETARY

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ASX Release

8 July 2013

**Newera Formalises Joint Venture over Mongolian
Exploration Licence 12323X - The Ulaan Tolgoi Project**

Newera Resources Limited (ASX: NRU) is pleased to advise that it and its joint venture partner, CNMN Co Ltd of Ulaanbaatar, Mongolia have executed a formal Joint Venture agreement covering Mongolian Exploration Licence 12323X - "The Ulaan Tolgoi Project".

Background:

In March of 2013, Newera entered into a Binding Memorandum of Understanding ("MOU") to work towards completing a formal Joint Venture agreement covering an Exploration Licence in the South Gobi region of Mongolia.

The project is designated the Ulaan Tolgoi project.

Newera had for some time been searching for a second prospective Mongolian coal exploration project where geology, coal prospectivity, distance to markets (China), proximity to transport pathways and the quality of coals already known to exist in the South Gobi sub-basins are seen as the major attractants.

Project Highlights:

- The Ulaan Tolgoi project is located in the South Gobi province of Mongolia - <100 kilometres from the Chinese Border.
- In terms of coal, the South Gobi province of Mongolia is known as the epi-centre of recent exploration and mining developments particularly for coking coal and high energy thermal coal within southern Mongolia.
- The Ulaan Tolgoi Licence is a large licence covering 43,830 hectares in area (almost 20 times larger than Shanagan).
- The Ulaan Tolgoi licence is characterized by outcropping basement rocks in the central sector, striking north west to south east.
- The basement rocks have a small number of isolated rock chip indicators for gold, bismuth and molybdenum.

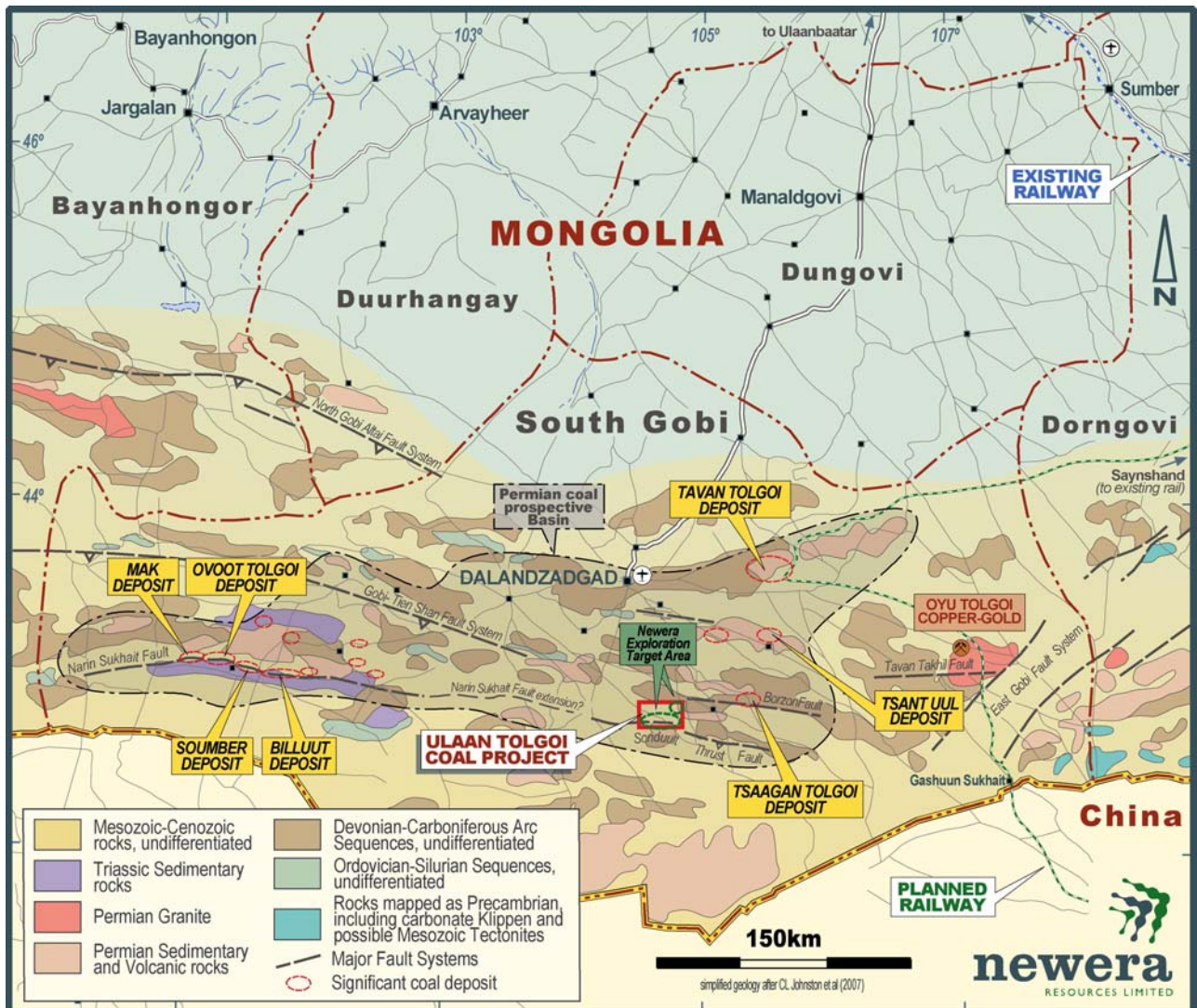


Figure 1: Ulaan Tolgoi licence area within South Gobi regional geology plan – Nariin Sukhait and Sonduult thrust faults indicated. Relevant major coal projects indicated.

- Visible in satellite imagery, striking east to west through the southern sector of the licence is the Sonduult thrust fault. The Sonduult thrust fault is interpreted to be an eastern extension of the Nariin Sukhait thrust fault which is very well developed further to the west and associated with a number of major coking/high energy thermal coal deposits.
- Minor coal outcrops along the Nariin Sukhait thrust fault to the west of Ulaan Tolgoi led to the discovery of the large MAK and Ovoot Tolgoi coking/thermal coal deposits as well as a number of smaller deposits.



Figure 2: Newera Resources Ltd, Mongolian coal project location plan with transport infrastructure and Chinese coal usage facilities. Shanagan East and Ulaan Tolgoi projects indicated

Terms of the Joint Venture:

1. On Newera completing a due diligence, and agreeing to enter into a formal joint venture with Mongolian company CMNM LLC, Newera to reimburse CMNM LLC US\$64,500 for payment of 2013 Mineral Resources Authority of Mongolia annual licence fees (the MRAM fee) for the Exploration Licence 12323X.
2. Prior to the 30th September 2013 or as otherwise agreed, Newera to pay the holder of CMNM LLC a Licence renewal fee of US\$30,000.
3. Stage 1 Earn in – Newera to spend US\$200,000 (inclusive of the MRAM fee) on the licence to earn a 51% shareholder interest in CMNM LLC (as 100% holder of the Licence 12323X) – by no later than 30th June 2014.

4. Should Newera satisfy the requirements of the Stage 1 Earn in, the shareholder interests of the Mongolian company CMNM LLC will be Newera 51% and Existing Shareholder 49%.
5. Upon Newera earning a 51% Shareholder interest in CMNM LLC, Newera has the right to appoint two Directors, such that the total number of Directors will then be three.
6. Stage 2 Earn in – Upon Newera earning its initial 51% shareholder interest, Newera to be granted the right to earn an additional 19% by satisfying either of the following:
 - a) by spending a total of US\$1,200,000 on or in respect of the licence (Stage 2 Sole Funding Amount); or
 - b) undertaking no less than 4,000 metres of drilling within the licence area, within 36 months of completion of the Stage 1 Sole Funding Period (or such other date as agreed by the parties) (the Stage 2 Sole Funding Period).
7. If Newera satisfies the requirements of the Stage 2 earn in, the shareholder interests of CMNM LLC will be: Newera 70%, Existing shareholder 30%.
8. Upon CMNM LLC making a decision to mine, Newera agrees to pay the existing Shareholder (or its nominee) the amount of US\$300,000 in immediately available funds.
9. Dilution clauses exist. Should either party dilute to below 10% of the issued capital of CMNM LLC that party has the right to convert to a 50 cents /tonne royalty on any coal shipped from the licence to a purchasing party or, retain a 10% Company interest which will be free carried.
10. Newera may terminate this agreement at any time by giving written notice to the Existing Shareholder. Upon Newera giving notice of its intent to withdraw, Newera must then transfer its then shareholder interest back to the Existing Shareholder.

Note: Under current Mongolian mining law, Licences must be held in a Company structure and cannot be partitioned into separate holders registered against the licence.

Executive Chairman's Comments:

Executive Chairman Mr Martin Blakeman comments "The execution of the formal Joint Venture documents covering the Ulaan Tolgoi project, provides Newera the opportunity to build its project portfolio in very coal prospective environments in Mongolia.

Newera can now plan the first phase of exploration activity to be conducted within the project area, quite possibly later in the third quarter of 2013.

Contractors have already offered preliminary quotes for, in the first instance an exploratory seismic survey to determine if Permian coal sequences are likely to exist under the laterally extensive cover.

Particular attention will be paid to investigating the Sunduult thrust fault margins, seeking MAK and Ovoot Tolgoi coal deposit lookalikes.

Newera will be very keen to complete the first pass survey and will look forward to positive results coming out of this survey."

Further Information;
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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.