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ABN 27 118 554 359

Annual Report 2013

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NEWERA RESOURCES LIMITED

and its Controlled Entity

ABN 27 118 554 359

Annual Report 2013

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Corporate Directory

DIRECTORS

Mr Martin Blakeman - Executive Chairman
Mr Winton Willesee - Non-Executive Director
Mr Eric de Mori - Non-Executive Director

COMPANY SECRETARY

Mr Winton Willesee

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

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SUBIACO WA 6904

SOLICITORS TO THE COMPANY

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PERTH WA 6000

SHARE REGISTRY

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AUDITORS

RSM Bird Cameron Partners
8 St Georges Terrace
West Perth WA 6000

STOCK EXCHANGE

Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth, Western Australia 6000

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Directors' Report

Your Directors present their report, together with the financial statements of the Group, being the Company and its controlled entity, for the financial year ended 30 June 2013.

DIRECTORS

The names of the Directors in office at any time during or since the end of the year are:

Mr Martin Blakeman
Mr Eric de Mori
Mr Winton Willesee

Directors have been in office since the start of the financial year to the date of this report.

COMPANY SECRETARY

Mr Winton Willesee

PRINCIPAL ACTIVITIES

The Group's principal activities during the financial year were that of minerals exploration.

During the year the Group continued activities exploring for uranium, coal and base metals on its tenements. In addition the Group continued its review of complementary energy and other resource projects.

Other than the addition of tenements in Sweden and Mongolia there were no significant changes in the nature of the Group's principal activities during the financial year.

OPERATING RESULTS

The loss of the Group after providing for income tax amounted to $2,411,780 (2012: $688,323).

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

BUSINESS OVERVIEW

During the 2012/13 operational year, the Company's key focus was on Mongolia and in particular the Shanagan coal project. Concurrently the Company progressed its Swedish portfolio and narrowed its focus in Australia to the most prospective of its Australian project portfolio.

MONGOLIA

The Company has interests in the following projects:

- *Shanagan Project (14030X)* - Newera has entered into an Option agreement to acquire 80% of the Shanagan Project, which comprises one exploration licence covering an area of approximately 2,223 hectares in a known coal bearing region, 140 kilometres southeast of Ulaanbaatar. The target commodity is coal.

- *Ulaan Tolgoi Project* (12323X) - Newera has entered into a Binding Memorandum of Understanding ("MOU") to work towards completing a formal Joint Venture agreement covering exploration licence 12323X in the South Gobi region of Mongolia. The Ulaan Tolgoi Licence covers approximately 43,830 hectares in area. The target commodity is coal.

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SWEDEN

The Company has interests in two Swedish exploration licences, Varmland 100 and Varmland 101, which cover a 40 kilometre long SE-NW trending shear zone termed the "Mylonite Zone" striking towards the border of Norway. This area has been identified as having potential for sulphidic bodies carrying copper, gold and PGMs,

AUSTRALIA

The Company has interests in the following projects:

- *Jailor Bore Project* – The project area is located 260 kilometres east of Carnarvon in Western Australia and contains the Giant, Red Hill Well and Relief Well Prospects. The target commodity is uranium.

- *Cummins Range Project (E80/4308 and E80/4632)* – The project area is located 160 kilometres south west of Halls Creek in the southern Kimberley region of Western Australia in the vicinity of the Cummins Range. The target commodities are rare earth elements and phosphate.

REVIEW OF OPERATIONS

Principle activities and significant changes in affairs

Newera Resources Limited is an Australian based diversified minerals exploration company holding projects in Australia, Mongolia and Sweden covering a commodity mix including coal, uranium, copper, gold, rare earth elements (REEs) and potential for nickel and platinum group metals (PGMs).

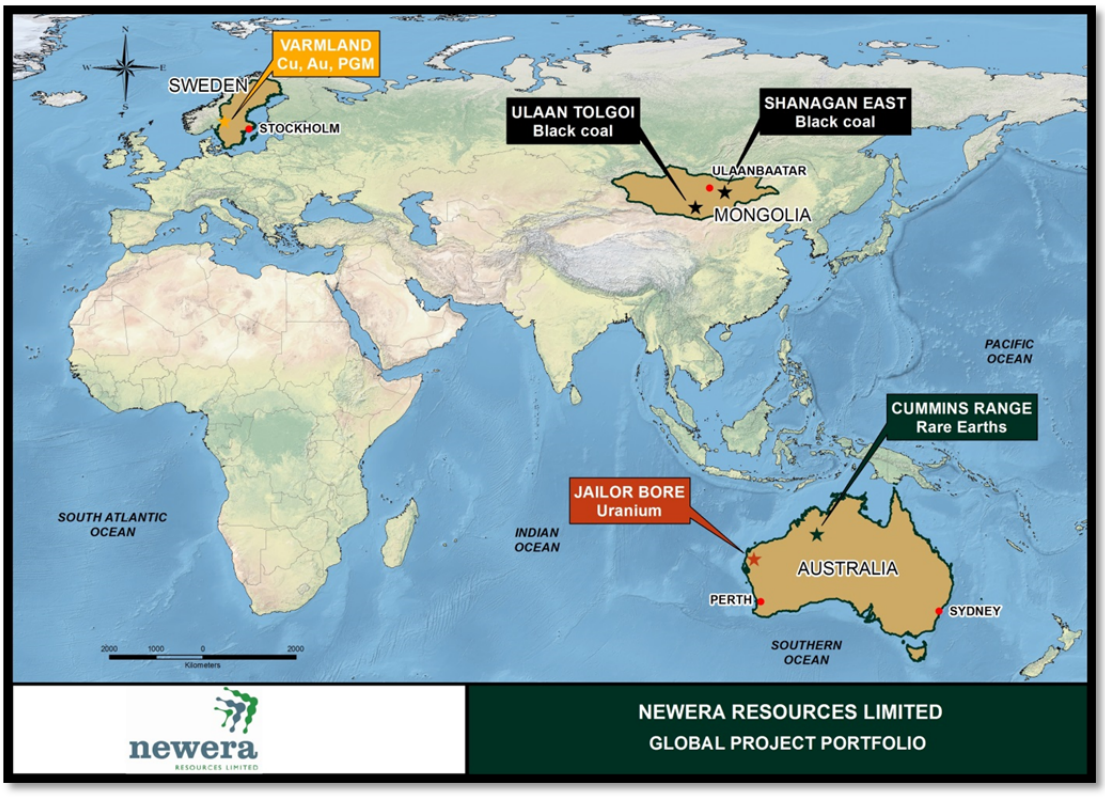

Figure 1: Newera Resources Limited global project portfolio plan.

The Company's principal activities are to acquire exploration tenements holding potential for high demand mineral commodities, explore those tenements, discover economic mineral deposits and proceed to upgrade and develop those deposits into economically viable mining projects.

The Company ensures its activities are carried out in a safe, environmentally, socially and financially responsible manner. During the period, there have been no significant changes to the affairs of the Company.

Directors' Report

MONGOLIA

During the 2012/13 financial year, the Company's key focus was on Mongolia and in particular the Shanagan coal project within Mongolia.

Newera's management had identified Mongolia as a growth locality due to the already known significant mineral endowment across a broad range of commodities, the number of good projects being presented for potential acquisition and the perceived potential upside from exploring in a mineral rich geological environment. At the time, Mongolia was also seen to have an environment that offered a reasonably stable political environment, had a workable Mining Act and a perception of a lower level of sovereign risk.

Newera's first project in Mongolia, the Shanagan Project, comprises one exploration licence covering an area of approximately 2,223 hectares in a known coal bearing region, 140km southeast of Ulaanbaatar. The Shanagan Project is ideally located approximately 50km (straight line) from an existing rail siding that services the nearby Baganuur lignite coal mine, and connects to the trans-Siberian railway which services China in the South to Russia in the North. The Company is making enquiries as to whether access to the line for coal transport is possible.

Newera's initial interest in the Shanagan Project was generated by a single, previously identified and sampled coal seam, outcropping over several kilometres.

Following Newera entering into the Option agreement covering the Shanagan Uul East coal project with Mongolian registered company Geomaster LLC in May 2012 the clock began ticking for Newera in order for Newera to gain confidence in the project prior to the option exercise date in November 2013. This required Newera to actively explore the licence through the period to when the option expires.

To that end, Newera, armed with the knowledge that previous explorers of the licence had identified outcropping coal seams within the licence, commenced an active exploration program including geological field reconnaissance, geological mapping, electromagnetic surveys (Dipole Dipole EM), costean trenching and diamond drilling.

Figure 2: Location of Newera's Shanagan project within Mongolia.

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Figure 3: Detailed infrastructure and Location plan of Newera's Shanagan coal project

Figure 4 (Left): Trans Mongolian heavy gage railway south to China
Figure 5 (Top Right): Trans Mongolian Highway south to China
Figure 6 (Bottom Right): Iron Ore Haul road heading out to Shanagan

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Shanagan Project Geological Mapping:

In June 2012 Newera contracted a Mongolian based geological consulting group, Java Onyx LLC, to undertake a field mapping exercise at 1:10,000 scale over the area of interest within the Shanagan Project boundaries.

The mapping exercise and interpretation were completed with very positive results suggesting up to nine individual coal seams, being presented to Newera.

As part of the mapping process, the consultants were requested to identify drill hole collar sites with the best prospects of discovering good widths of coal within the many seams identified through the mapping.

Following the positive outcome of the field mapping exercise, Newera sought quotes from reputable Mongolian based drilling companies and subsequently commissioned a drilling company to undertake an initial 1,000 metre drilling program.

This program was designated the Shanagan Project Phase 1 drilling program.

Shanagan Project Phase 1 Drilling Program:

Sample analysis results received from the early holes in the Phase 1 program indicated a high gross calorific value (GCV) coal, with an average GCV (DAF) approaching 8,000 kilocalories per kilogram. Other important analysis results indicated a low sulphur, low moisture, low volatile, high ash, black coal.

Following these encouraging intersections of high end black coal from a number of early holes in the Phase 1 drilling program, Newera extended the program from 1,000 metres to 1,250 metres. Further encouragement during the extended program resulted in a further extension of the program to 1,581 metres.

Between September 2012 and the end of October 2012, the Phase 1 diamond drilling program was conducted resulting in 26 drill holes being completed for 1,581 metres of drilling. 1343 metres were diamond core drilling and the last 238 metres were open hole diamond drilling or "PCD". 80 metres of diamond core were deducted due to re-drills of holes due to excessive loss of core.

In addition to the Phase 1 drilling program, diligent geological mapping and trenching conducted on the Shanagan Project licence area at the time of drilling, continued to uncover numerous previously unknown and unmapped coal seams and significantly increased the extent of the previously unmapped coal measures within the licence area, such that the scope for discoveries of new coal seams increased significantly.

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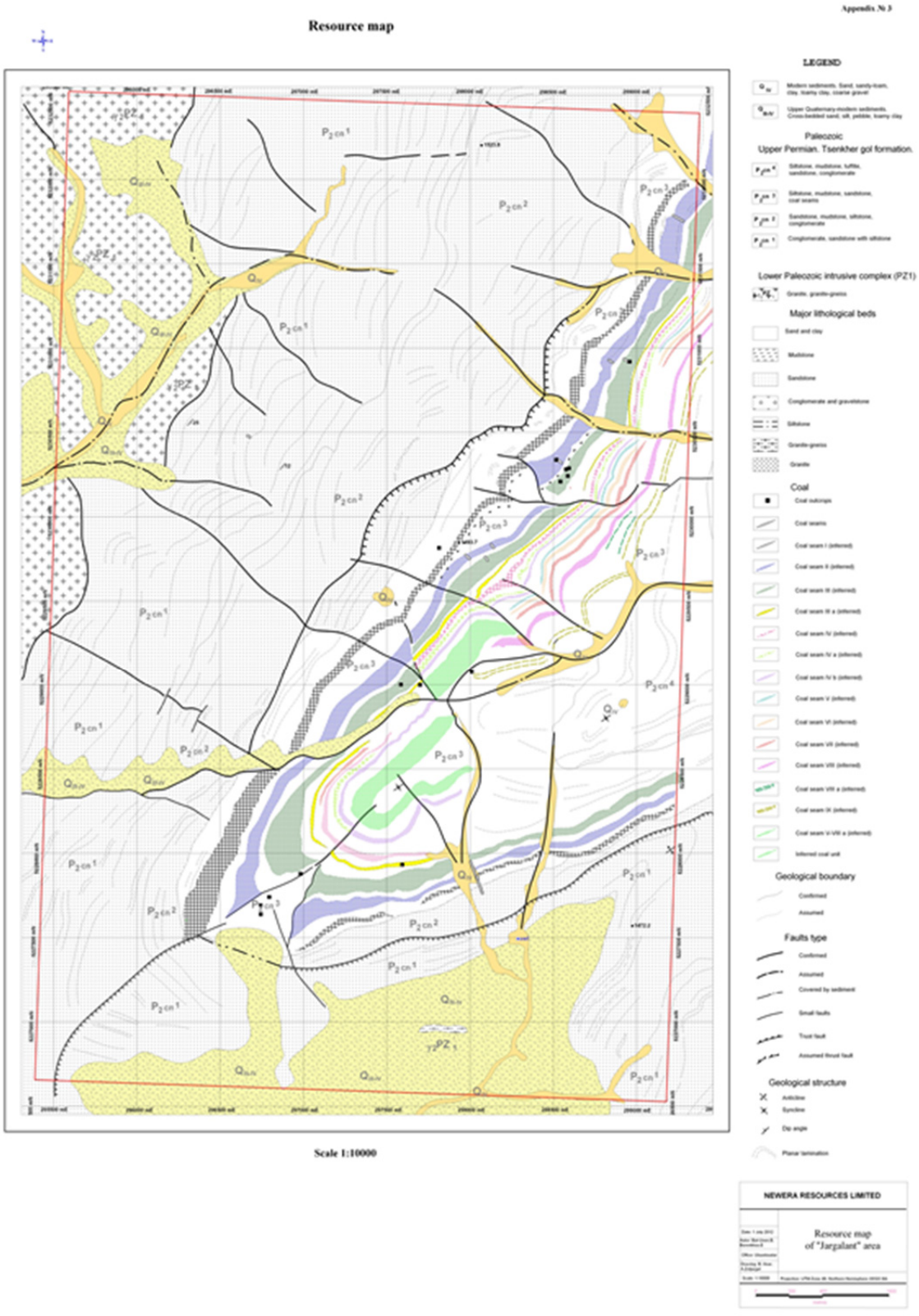

Figure 7. Mapped/Interpreted coal seam identification plan - individual seams colour coded.

Down hole geophysics were used on each individual hole to confirm the margins of the coal seams and the continuity of the coal seams within those seams and thus coal thicknesses.

Sections of core with visibly identified coal were selected for analysis by experienced field geologists and sent to SGS Mongolia laboratories for raw coal analysis. Analysis specifications included analysis for Total Moisture, Residual Moisture, Ash, Volatile Matter, Fixed Carbon, Gross Calorific Value, the % Sulphur, Relative Density and Crucible Swelling Number.

Figure 8: Establishing the exploration/drilling camp within the Shanagan Project.

Figure 9: Drilling underway within Newera's Shanagan Project**.**

Whilst the Phase 1 drilling program was being undertaken, a senior geologist was conducting further investigations into the potential coal seams identified through the field mapping exercise previously completed. Apart from on ground visual investigations, the geologist utilised an excavator in an attempt to uncover the potential new seams largely covered by scree.

The use of the excavator proved to be a very successful tool in locating new coal seams and allowed for the establishment of new drill hole collar locations to test the potential of each new seam through diamond drilling.

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Figure 10: Across strata exploration trenching underway by Newera at the Shanagan Project

Figure 11: Successful location by Newera of 60 metres of sub-cropping coal in new trench – Newera's Shanagan Project.

Shanagan Project Phase 2 Drilling Program:

Following completion of the Shanagan Project Phase 1 drilling program, the receipt of very encouraging analytical results from the samples taken during that program and armed with the knowledge from the trenching exercise, Newera commissioned a Phase 2 drilling program consisting of a further 500 metres of diamond drilling.

The Phase 2 drilling program was intended to infill drill on some of the known coal seams to gain a greater understanding of the extent of those seams and to test newly identified coal seam targets.

At the conclusion of the Phase 2 drilling program, 420 metres of diamond core drilling had been drilled. Core recovery across both the Phase 1 and Phase 2 programs was determined to be in excess of 95%.

The sample analysis received from the holes drilled in the Phase 2 program indicated a coal with similar qualities to coal sampled in the Phase 1 drilling program, being a black coal with high gross calorific value (GCV), an average GCV (DAF) approaching 8,000 kilocalories per kilogram, containing high ash, low sulphur, low moisture and low volatiles.

Figure 12: Drilling of DH29 underway in a potential new coal zone in the north of the Shanagan Licence.

Shanagan Project Geophysical Survey:

During the early stages of and running concurrently with the Phase 2 drilling program, Newera completed a 15 line Kilometre electromagnetic geophysical program (dipole dipole) within the Shanagan Project licence to assist in determining the strike and depth extent of the currently known seams and where possible, locate new seams for future exploration.

The geophysical program was successful in contributing to the understanding of the known seams and identified two new coal seam exploration prospects further to the north of any previously known seam within the Shanagan Project. These two targets were designated the "potential new coal zones".

Following analysis of the geophysical survey results which indicated two new coal zone targets, and research into the strike continuation of the mapped coal seams in the far eastern extremities of the prospective coal measures, Newera decided to undertake a third phase drilling program.

Shanagan Project Phase 3 Drilling Program:

In April 2013, a Phase 3 drilling program was undertaken at the Shanagan Project in the first instance, to test the newly identified new coal zones, and in the second, to determine if the coal in the far northern extremities of the known prospective coal measures within the Shanagan Project had any variation in coal quality to that known to exist further west through sampling of the Phase 1 and Phase 2 drilling programs.

The Phase 3 drilling program was designed as an exploratory program and as such open hole (PCD) drilling (noncore) was undertaken. Down hole intercepts quoted were determined by down hole geophysical logging. On completion, the Phase 3 drilling program comprised of six holes for 593 metres drilled.

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Drill hole SHDH29 was designed and located to test for previously unknown coal seams in the "potential new coal zones" where the previously undertaken Diopole Dipole surveys had indicated an anomaly likely to contain coal. SHDH29 intercepted coal indicators but no significant coal seams.

Drill holes SHDH30 to SHDH33 were open hole (PCD) holes located on new surface coal indicators at the northern extremity of the projected known coal seam within the Shanagan Licence. These holes were designed to try and locate the projected seams, test for thickness and potential coking coal properties.

Shanagan Coal project drilling summary – Combined - Phases 1, 2 and 3.

Hole #	Total Depth	Total Net Coal (m)	Within Width (m)	Easting	Northing	RL (m)	Dip	Geophysically logged
Phase 1 Drilling Results								
SHDH01	114.0	0.10	0.00	299255	5229880	1406	-90	No
SHDH02	300.0	14.70	33.73 to 263.50	299189	5230915	1428	-90	Yes
SHDH03	103.0	0.00	0.00	298895	5227435	1462	-90	No
SHDH04	164.5	6.67	77.23 to 140.51	297102	5228183	1442	-90	Yes
SHDH05	39.0	2.20	19.40 to 20.80	299313	5231721	1416	-90	Yes
SHDH06	40.0	1.80	7.10 to 13.80	299310	5231740	1439	-90	Yes
SHDH07	57.2	0.00	0.00	298739	5229489	1438	-90	Yes
SHDH08	46.0	0.24	0.00	296690	5228137	1458	-90	Yes
SHDH09	40.0	12.00*	6.20 to 27.50	296770	5227207	1405	-90	Yes
SHDH10	54.0	0.57	0.00	296821	5227648	1413	-90	Yes
SHDH09R	56.0	19.45	27.5 to 49.30	297069	5227712	1454	-90	Yes
SHDH11	32.5	8.00	5.80 to 28.30	298461	5227876	1447	-90	Yes
SHDH12	42.5	0.00	0.00	297476	5227810	1443	-90	No
SHDH13	46.0	6.40	19.90 to 37.30	298297	5228053	1420	-90	Yes
SHDH14	44.0	12.80	9.10 to 25.40	296697	5227802	1418	-90	Yes
SHDH15	35.0	2.50	3.10 to 26.90	297650	5229100	1435	-90	Yes
SHDH16	30.0	2.00	13.40 to 16.20	297147	5228384	1455	-90	Yes
SHDH17	50.0	7.50	16.00 to 43.30	298877	5230651	1419	-90	Yes
SHDH06R**	50.0	7.10	16.80 to 42.40	299254	5231552	1405	-90	Yes
SHDH18	62.0	2.70	8.40 to 55.80	297016	5228007	1431	-90	Yes
SHDH19	38.0	4.30	3.90 to 22.60	297205	5228718	1439	-90	Yes
SHDH20	26.0	2.80	9.60 to 20.90	298135	5229116	1450	-90	Yes
SHDH21	23.0	0.30	21.80 to 22.10	298336	5227995	1416	-90	Yes
SHDH22	17.0	2.00	9.10 to 11.10	298695	5228305	1441	-90	Yes
SHDH23	28.0	1.60	6.30 to 22.20	298719	5228564	1430	-90	Yes
SHDH24	44.0	3.63	16.38 to 40.12	297395	5227726	1430	-90	Yes
Phase 2 Drilling Results								
SHDH25	100.0	21.98	4.22 to 52.69	297092	5227711	1422	-90	Yes
SHDH26	150.0	18.55	21.46 to 106.58	297089	5228013	1427	-90	Yes
SHDH27	160.0	18.34	3.46 to 129.59	296984	5227569	1410	-90	Yes
SHDH28	110.0	5.77	8.19 to 77.82	296735	5228000	1429	-90	Yes
Phase 3 Drilling Results								
SHDH29	150.0	0.00	0.00	297720	5231800	1510	-90	Yes
SHDH30	50.0	6.10	16.00 to 39.70	299238	5231939	1426	-90	Yes
SHDH31	50.0	14.50	8.00 to 37.00	299324	5231787	1420	-90	Yes
SHDH32	58.0	7.60	11.70 to 22.80	299081	5231623	1404	-90	Yes
SHDH33	50.0	7.20	5.70 to 44.50	299246	5231313	1410	-90	Yes
SHDH34	200.0	8.40	57.20 to 144.80	297520	5228525	1432	-90	Yes
SHDH35	35.0	5.60	10.90 to 27.60	299332	5231796	1419	-90	Yes

Table 1. Newera Resources Ltd – Shanagan East Project – drill hole summary table including geologically logged coal intercepts and net coal intercepts. (Grid co-ordinates refer to UTM Zone 49 North. * core loss. ** Hole Re-drilled)

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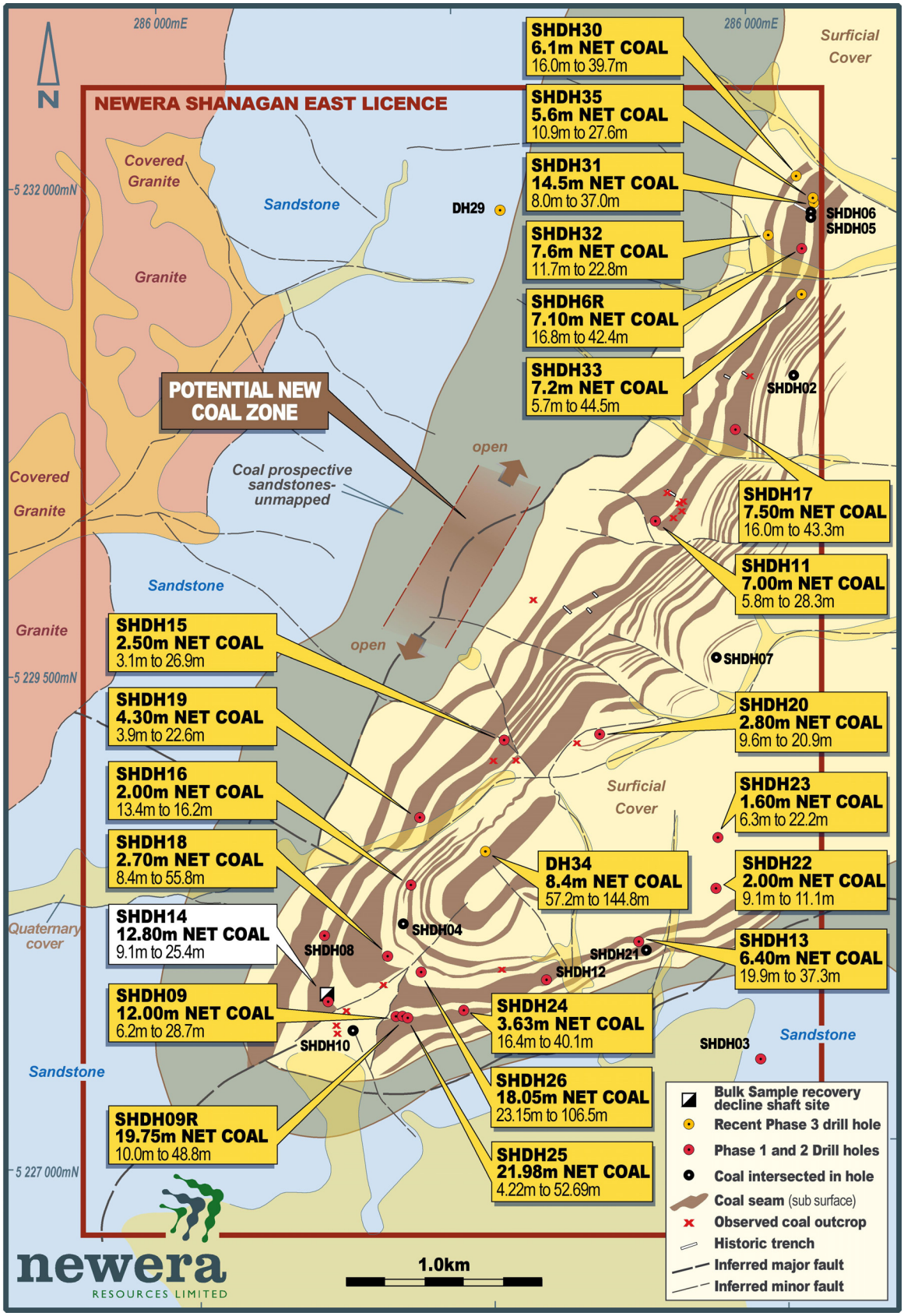

Figure 13: Combined significant coal drilling intercepts for phase 1, 2 and 3 drilling programs. SHDH14 is highlighted as the site for sinking a bulk coal sample recovery shaft.

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Shanagan coal project – sample analysis results – drilling phases 1, 2 and 3.

Newera Resources Limited - Shanagan East Project - Analytical Results									
Sample Number	Total Moisture (ARB)	Residual Moisture (ADB)	Ash (DB)	Volatile Matter (DB)	Fixed Carbon (DB)	Gross Calorific Value (DAF)	Gross Calorific Value (ADB)	% Sulphur (DB)	Crucible Swelling Number (CSN)
Drill Hole SHDH02									
2	0.99	0.66	57.52	6.96	35.52	7320	3089	0.52	0.00
3	3.42	1.34	40.76	7.07	52.17	8323	4865	0.30	0.00
Drill Hole SHDH04									
1	7.40	1.18	45.55	11.61	42.84	8191	4407	0.51	0.00
2	6.93	1.37	34.66	9.00	56.33	8546	5507	0.84	0.00
3	1.08	0.74	42.81	8.49	48.70	8453	4798	0.72	0.00
4	2.27	1.15	45.74	8.25	46.01	8453	4534	0.45	0.50
5	1.28	1.18	51.32	11.98	36.70	7776	3740	1.05	0.50
Drill Hole SHDH05									
1	10.53	2.28	47.06	11.16	41.77	8120	4200	0.62	0.00
Drill Hole SHDH09									
1	21.52	4.60	74.55	11.74	13.71	5636	1369	0.10	0.00
2	23.72	8.55	58.58	16.28	25.14	5776	2188	0.18	0.00
3	12.37	0.46	51.11	9.19	39.70	8520	4146	0.44	0.00
4	13.19	0.54	56.01	9.14	34.85	8303	3633	0.46	0.00
5	11.53	0.80	65.50	7.60	26.90	7878	2696	0.38	0.00
Drill Hole SHDH09R									
1	10.06	0.52	43.11	9.86	47.02	8514	4818	0.52	1.00
2	7.24	0.87	62.31	7.42	30.27	7147	2670	0.30	0.50
3	13.43	0.61	36.12	11.66	52.22	8494	5393	0.53	1.00
5	11.00	0.41	26.07	12.63	61.31	8716	6417	0.63	4.50
6	8.13	0.55	43.20	10.46	46.34	8605	4861	0.53	1.00
7	9.32	0.60	36.74	11.44	51.81	8564	5385	0.60	1.00
8	8.91	0.66	52.54	10.35	37.11	8120	3828	0.47	0.50
9	5.72	0.75	53.03	9.56	37.42	8342	3889	0.44	0.50
10	7.16	0.51	41.67	12.37	45.96	8262	4795	0.48	0.50
11	4.69	0.51	52.07	9.67	38.27	8308	3962	0.34	0.50
12	6.95	0.59	56.53	10.48	32.99	8003	3459	0.33	0.50
13	2.80	0.41	51.83	13.29	34.88	7803	3743	0.32	0.50
14	7.88	0.50	47.23	10.35	42.41	8483	4454	0.39	0.50
15	5.51	0.45	55.10	6.81	38.09	7840	3504	0.22	0.00
Drill Hole SHDH11									
1	26.78	5.24	61.57	15.17	23.26	5842	2127	0.21	0.00
2	22.92	3.40	55.15	12.78	32.07	6463	2800	0.24	0.00
3	17.10	1.66	44.39	11.20	44.41	7448	4073	0.29	0.00
4	16.01	0.64	44.15	8.10	47.76	8030	4457	0.32	0.00
Drill Hole SHDH13									
1	15.24	0.52	46.24	13.01	40.75	7969	4262	0.42	1.00
2	8.25	0.54	36.02	10.18	53.80	8468	5389	0.76	3.00
3	L.N.R	L.N.R	L.N.R	L.N.R	L.N.R	L.N.R	L.N.R	L.N.R	LNR
4	7.42	0.61	46.59	9.60	43.80	8275	4392	0.43	1.50
5	7.12	0.63	34.10	9.85	56.05	8459	5539	0.67	1.50
6	12.49	0.84	55.03	8.30	36.67	7919	3531	0.39	0.50
7	15.20	0.65	39.09	10.10	50.81	8302	5024	1.19	1.00
Drill Hole SHDH14									
1	26.02	6.31	39.23	18.21	42.56	6911	3935	0.27	0.00
2	18.22	3.39	43.49	13.07	43.45	7409	4045	0.24	0.00
3	15.89	1.07	56.84	7.19	35.97	7373	3148	0.28	0.00
4	15.05	1.62	36.45	8.59	54.96	8558	5350	0.79	0.50
5	12.91	0.91	57.81	6.62	35.57	7598	3177	0.41	0.00
6	16.28	0.55	52.47	7.68	39.85	8328	3936	0.51	0.50
7	16.34	0.88	50.02	8.68	41.3	8229	4076	0.67	0.50
8	16.76	0.90	39.44	9.26	51.3	8599	5160	0.51	0.50
Drill Hole SHDH15									
1	32.79	5.48	55.74	16.80	27.46	6060	2535	0.29	0.00
2	9.43	0.64	42.99	9.64	47.37	8164	4625	0.72	0.50

Newera Resources Limited - Shanagan East Project - Analytical Results (Continued)									
Sample Number	Total Moisture (ARB)	Residual Moisture (ADB)	Ash (DB)	Volatile Matter (DB)	Fixed Carbon (DB)	Gross Calorific Value (DAF)	Gross Calorific Value (ADB)	% Sulphur (DB)	Crucible Swelling Number (CSN)
Drill Hole SHDH16									
1	19.10	4.39	47.60	11.31	41.09	7565	3790	0.33	0.00
2	20.80	2.53	55.84	7.15	37.01	7363	3169	0.30	0.00
3	18.05	4.29	46.54	9.81	43.65	7163	3665	0.34	0.00
Drill Hole SHDH17									
1	8.48	0.56	52.04	17.67	30.29	6985	3331	0.93	0.00
2	14.82	1.11	40.79	6.75	52.46	8169	4783	0.73	0.50
3	13.57	0.86	46.38	8.30	45.32	7744	4117	0.62	0.50
4	12.06	1.40	46.37	6.02	47.61	8073	4269	0.40	0.00
5	15.53	0.92	27.68	7.26	65.06	8490	6084	0.63	0.50
Drill Hole SHDH6R									
1	12.01	1.18	66.47	5.46	28.07	7166	2375	0.38	0.00
2	18.42	1.39	64.18	5.60	30.22	7356	2598	0.37	0.50
3	7.78	0.43	62.36	7.44	30.20	7360	2758	1.92	0.00
4	11.30	0.61	57.13	8.26	34.61	7158	3050	0.59	0.00
5	8.18	0.73	76.98	5.54	17.57	6133	1401	0.27	0.50
Drill Hole SHDH26									
1	20.56	3.07	48.78	12.05	39.17	7503	3726	0.45	0.00
2	19.16	3.28	45.64	12.17	42.18	7526	3957	0.57	0.00
3	13.58	1.79	40.30	12.29	47.41	8025	4705	0.41	0.00
4	5.92	0.75	55.63	8.54	35.83	8368	3685	0.49	0.00
5	20.55	2.43	51.18	10.59	38.23	7326	3490	0.36	0.00
6	11.32	1.10	42.73	11.51	45.76	7952	4505	1.13	0.00
7	19.97	2.87	49.96	10.03	40.01	7521	3656	0.52	0.00
8	8.14	0.62	48.11	9.74	42.15	8220	4239	0.68	0.00
9	4.76	1.25	47.41	9.61	42.98	8213	4265	0.59	0.00
10	14.29	3.28	34.55	10.78	54.67	8216	5202	0.54	0.00
11	5.33	1.23	43.63	10.30	46.07	8388	4670	0.47	0.00
Drill Hole SHDH27									
1	31.24	6.33	35.88	17.56	46.56	7072	4248	0.34	0.00
2	27.30	6.82	30.63	17.11	52.26	7444	4812	0.39	0.00
3	22.23	5.41	38.02	13.79	48.19	7782	4563	0.35	0.00
4	23.60	1.48	33.55	12.42	54.03	7929	5191	0.37	0.00
5	13.18	0.92	43.06	13.18	43.76	7794	4397	0.44	0.00
6	13.55	0.37	45.62	11.23	43.15	7939	4302	1.51	0.00
7	17.42	1.63	37.85	13.79	48.36	7428	4541	0.34	0.00
8	18.16	1.81	44.23	11.89	43.88	7310	4004	0.30	0.00
Drill Hole SHDH28									
1	20.31	1.09	56.36	13.52	30.12	7137	3080	0.46	0.00
2	21.70	5.00	66.51	11.48	22.01	6491	2065	0.22	0.00
3	16.02	0.32	56.64	8.32	35.04	8102	3502	0.64	0.00
Drill Hole SHDH35									
1	2.71	2.42	77.23	9.55	13.23	6384	1419	0.10	0.00
2	21.09	3.24	61.65	10.20	28.15	6845	2540	0.20	0.00
3	24.98	6.22	35.90	16.50	47.61	6945	4175	0.25	0.00
Drill Hole SHDH34									
1	24.15	0.54	35.94	10.95	55.13	8130	5341	0.70	0.50

Table 2: Shanagan project drill holes SHDH16 to SHDH34 coal quality sample analysis results.

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Shanagan Project – Exploration Target Calculation:

Following completion of the Shanagan Project Phase 2 drilling program, and the receipt by Newera of the complete data set for the Phase 1 and 2 drilling programs, Newera commissioned competent geological consultants Nordic Geological Solutions to undertake an assessment of the Shanagan drilling data to determine if an appropriate Exploration Target could be applied to the Shanagan Project at that point in time.

The complete Shanagan Project data base was subsequently made available to Mr Liang of Nordic Geological Solutions in order for Mr Liang to complete his review of the project area and determine within reasonable parameters, and according to Section 18n of the JORC Code, that **an Exploration Target of 64 to 111 million tonnes of coal currently exists within the project area based on exploration completed to–date.**

On Exploration Targets

Reference to Exploration Target throughout this report is in accordance with Section 17 of the updated JORC Code. Newera Resources Ltd cautions that the Exploration Target quantity and quality is conceptual in nature. There has been insufficient exploration at the Shanagan Project to define a mineral resource and it is uncertain if further exploration will result in the Exploration Target being delineated as a mineral resource. Nordic Geological Solutions considers that Newera's phased exploration strategy is justified, and that further work is warranted before a mineral resource (under sections 20-23 of the JORC Code) can be determined at the Shanagan Project.

It should be noted that the current Shanagan Project Exploration Target of 64 to 111 million tonnes does not include any coal intercept results from the Phase 3 drilling program.

To incorporate the Phase 3 drilling program coal intercepts into the current Exploration Target will require a review and update of the current Exploration Target.

The intersection of significant coal seams in SHDH31, 32, 33 and 35 gives confidence that the Exploration Target (as defined under Section 17 of the updated JORC Code) of **64 to 111 million tonnes** of coal previously calculated to exist within the central and southern portions of the Shanagan licence can be considerably upgraded.

Shanagan Project Phase 3 drill hole intercepts:

- 14.50 metres of net coal intersected between 8.00 metres and 37.00 metres depth in drill hole SHDH31;
- 7.60 metres of net coal intersected between 11.70 metres and 22.80 metres depth in drill hole SHDH32;
- 7.20 metres of net coal intersected between 5.70 metres and 44.50 metres depth in drill hole SHDH33; and
- 5.60 metres of net coal intersected between 5.70 metres and 44.50 metres depth in drill hole SHDH35.

Schedule 1: – Intersected Coal Seams

DH	Depth from(m)	Depth to(m)	Cumulative coal(m) (0.7m cut-off)	Cumulative coal + Partings(m)
DH17	16.00	16.70	0.70	0.70
	21.00	43.30	6.80	22.30
	Total cumulative coal(m)		7.50	23.00
DH18	22.70	24.20	0.80	1.50
	54.70	55.80	1.10	1.10
	Total cumulative coal(m)		1.90	2.60
DH19	3.90	4.60	0.70	0.70
	9.10	12.40	3.30	3.30
	Total cumulative coal(m)		4.00	4.00
DH20	9.60	12.20	1.60	2.60
	17.20	20.90	1.20	3.70
	Total cumulative coal(m)		2.80	6.30
DH22	9.10	11.10	2.00	2.00
DH24	16.38	20.52	0.83	4.14
	32.63	33.73	1.10	1.10
	38.42	40.12	1.70	1.70
	Total cumulative coal(m)		3.63	6.94
DH25	4.22	14.53	7.93	10.31
	25.59	42.35	12.64	16.76
	48.42	52.69	1.41	4.27
	Total cumulative coal(m)		21.98	31.34
DH26	21.46	27.65	5.12	6.19
	31.78	34.14	0.94	2.36
	66.24	68.37	2.13	2.13
	73.19	77.09	2.30	3.90
	86.86	93.07	4.98	6.21
	103.09	106.58	2.59	3.49
	Total cumulative coal(m)		18.06	24.28
DH27	3.46	9.42	5.42	5.96
	23.06	30.61	6.30	7.55
	57.11	75.53	4.57	18.42
	93.32	94.39	1.07	1.07
	Total cumulative coal(m)		17.36	33.00
DH28	8.19	18.92	3.30	10.73
	74.10	77.82	1.07	3.72
	Total cumulative coal(m)		4.37	14.45
DH02	72.50	74.90	1.90	2.40
	110.60	114.00	0.79	3.40
	117.60	119.00	1.40	1.40
	134.00	136.00	2.00	2.00
	180.60	182.60	2.00	2.00
	Total cumulative coal(m)		8.09	11.20
DH04	77.24	78.04	0.80	0.80
	88.28	95.50	3.17	7.22
	Total cumulative coal(m)		3.97	8.02
DH05	19.40	22.80	1.50	3.40
DH06	10.30	13.80	1.60	3.50
DH06R	16.80	22.70	3.20	5.90
	28.10	35.00	3.20	6.90
	41.70	42.40	0.70	0.70
	Total cumulative coal(m)		7.10	13.50
DH09	6.20	15.40	4.80	9.20
	19.20	28.70	7.20	9.50
	Total cumulative coal(m)		12.00	18.70
DH09R	10.00	14.75	3.70	4.75
	25.40	48.50	15.75	23.10
	Total cumulative coal(m)		19.45	27.85
DH11	5.80	16.30	5.50	10.50
	20.40	21.50	1.20	1.10
	Total cumulative coal(m)		6.70	11.60
DH13	19.90	27.50	4.00	7.60
	31.40	37.30	2.40	5.90
	Total cumulative coal(m)		6.40	13.50
DH14	9.10	25.40	12.80	16.30
DH15	25.20	26.90	1.70	1.70
DH16	13.40	16.20	2.00	2.80

Schedule 1: Coal seam parameters used by Nordic Geological Solutions to calculate the exploration target for Newera's Shanagan Project.

Specific Gravity: A specific gravity of 1.79 was used in the calculations to quantify the in-situ tonnes comprising the exploration target.

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Shanagan Project coal washability testing:

In January 2013, Newera submitted a limited amount of diamond core coal sample material from Shanagan drill hole SHDH35 to an analytical Laboratory in Ulaanbaatar with instructions for the laboratory to undertake specific washability testing on the Shanagan coal sample.

Due to delays in delivery, leading to the sample material being frozen on delivery (at – 45 degrees), and resultant subsequent technical issues during processing, that particular program of washability testing was unsuccessful.

Newera then determined that in order to undertake effective washability testing of the Shanagan Project coal, it would require in the first instance, a one tonne bulk sample, in the second, very close supervision of the washability testing process by world recognised coal testing experts, and in the third a competent laboratory chosen by the experts.

To that end, it was determined in the first instance to sink a bulk sample coal extraction shaft adjacent to Shanagan drill hole SHDH14 to extract three tonnes of fresh Shanagan coal for washability testing. The bulk sample would have to be extracted in the Mongolian summer. In the second, world renowned coal processing experts Sedgman Limited were chosen to supervise the coal washability testing process and in the third, Sedgman chose ALS Laboratories in Ulaanbaatar as the preferred laboratory.

Shanagan Project bulk sample shaft sinking:

During May 2013, Newera executed a Works Completion Agreement with a reputable Mongolian mining company to complete a declined bulk sample access shaft at the Shanagan Project.

The shaft was to be sunk to extract approximately three tonnes of coal which would be used to undertake definitive coal quality and washability testing under the supervision of international coal preparation specialists, Sedgman LLC.

The bulk sample access shaft was sunk at a location proximal to Newera's drill hole SHDH14 (which intersected 12.8 metres of net coal between 9.10 metres and 25.40 metres) and sunk to a vertical depth of approximately 26 metres.

The access shaft was designed to cut through the known coal seam and allow the miners to access three tonnes of representative coal sample material. The coal sample material was to be delivered into three one tonne bulk bags ready for transport to Ulaanbaatar. A one tonne sample was to be delivered to ALS Laboratories complex for ALS to undertake definitive coal washability testing, under supervision from Sedgman. By extracting three separate bulk samples, it affords Newera the opportunity to export (under licence - if granted), a bulk sample to a Chinese testing facility if required, particularly from a marketing perspective.

Mining works commenced on 23 June 2013.

Figure 14: Shanagan Project showing the bulk sample inclined shaft entrance and stockpiled coal.

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Figure 15: Showing a miner working within the bulk sample decline shaft with lighting and air ventilation.

Figure 16: Showing a mid ply cutting within the main coal seam.

As at 30 June 2013, significant progress had been made on sinking an inclined, bulk sample extraction shaft proximal to Newera's drill hole SHDH14.

Coal sample material was collected as the shaft progresses through the plies of the coal seam and was deposited into one tonne bulk bags, for transport to Ulaanbaatar.

Prior to the end of the period, Newera contracted Australian company Sedgman Limited ("Sedgman"), to design a coal wash testing process suitable for the Shanagan coal bulk sample material and to subsequently oversee the testing process through ALS Group LLC's laboratory in Ulaanbaatar Mongolia.

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.

Progress following this date can be found in the subsequent events section of the review of operations.

New Mongolian coal exploration Project - Ulaan Tolgoi Joint Venture:

In March 2013, Newera entered into a Binding Memorandum of Understanding ("MOU") to work towards completing a formal Joint Venture agreement covering Mongolian Exploration Licence 12323X in the South Gobi region of Mongolia.

The project was 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 with large flat areas underlain by interpreted basin sediments to the north east and south west of the basement outcrop.
- Whilst the interpreted sedimentary basin areas are the key focus for coal, the basement rocks have a small number of isolated rock chip indicators for gold, bismuth and molybdenum.
- 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.

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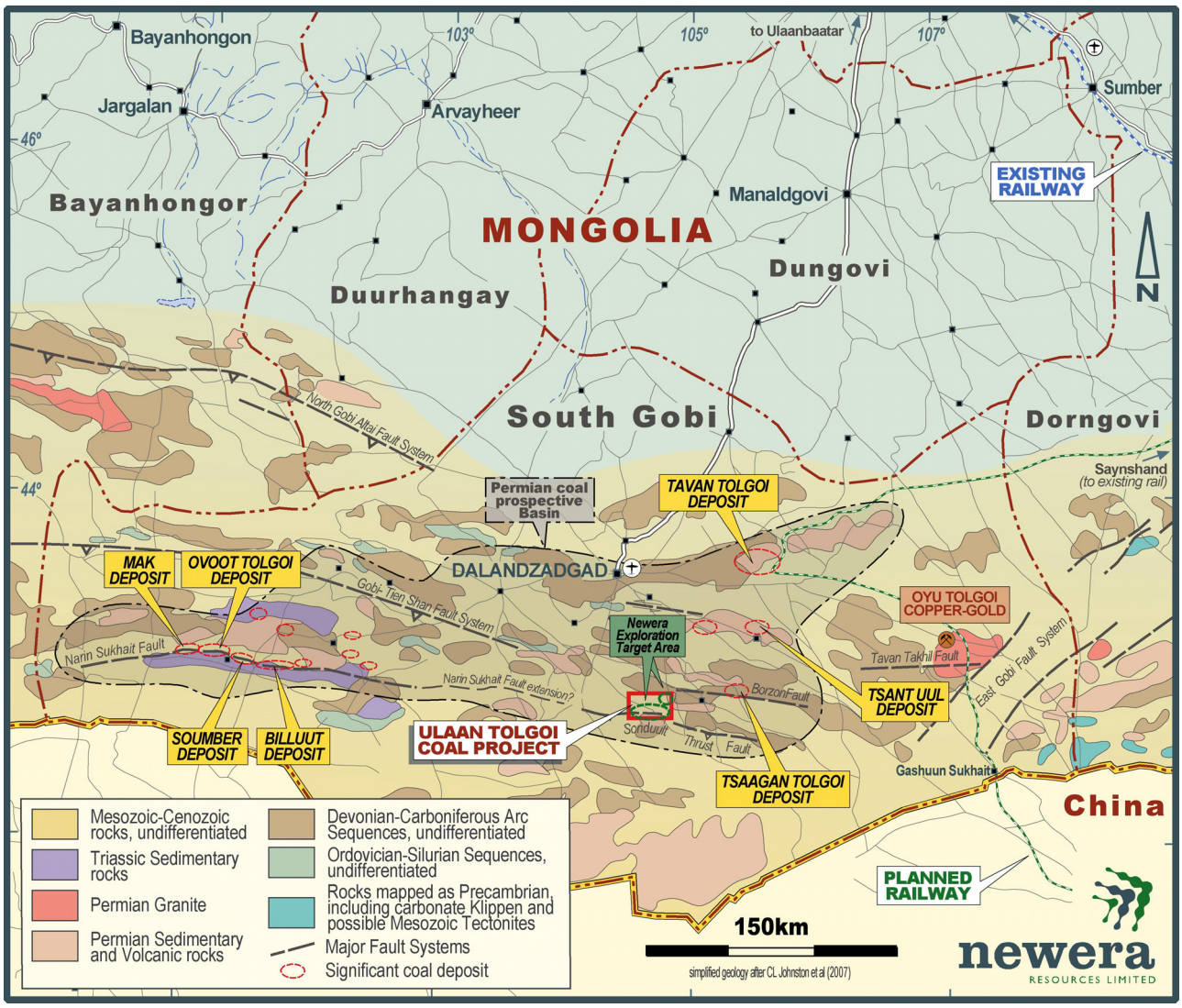

Figure 17: Ulaan Tolgoi licence area within South Gobi regional geology plan – Nariin Sukhait and Sonduult thrust faults indicated. Relevant major coal projects indicated.

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Figure18: Newera Resources Ltd, Mongolian coal project location plan with transport infrastructure and Chinese coal usage facilities. Shanagan East and Ulaan Tolgoi projects indicated.

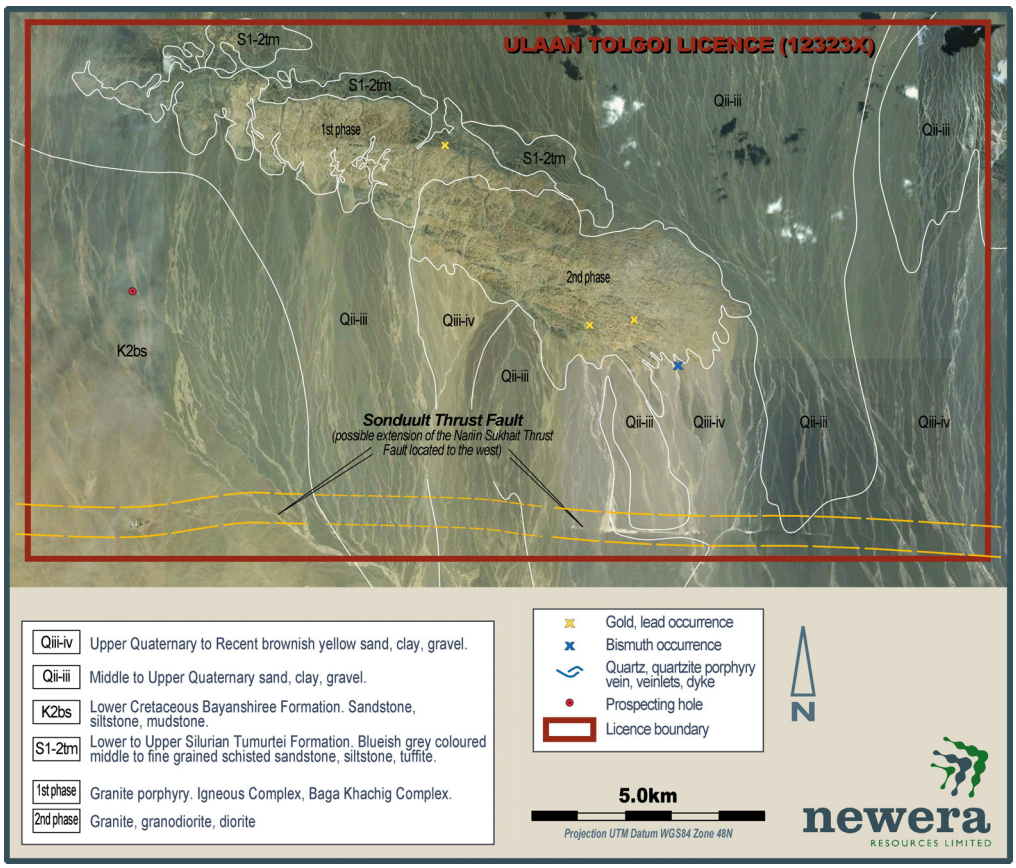

Figure 19: Ulaan Tolgoi Licence area including geology, over satellite image – the strike of the Sonduult thrust fault indicated.

Subsequent to the end of the reporting period, Newera entered into a formal joint venture with CMNM LLC, the terms of which were set out in the ASX announcement dated 8 July 2013 and are summarised below.

- Upon completion of due diligence, Newera is required 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.
- 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.
- 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.
- 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%.
- 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.
- 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).
- If Newera satisfies the requirements of the Stage 2 earn in, the shareholder interests of CMNM LLC will be: Newera 70%, Existing shareholder 30%.
- 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.

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- 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.
- 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.

SWEDEN

Background:

As part of an ongoing program to identify potential copper projects worldwide, some eighteen months ago Newera took out two Exploration Licence applications covering a large area within south west Sweden but immediately adjacent to the Norwegian Border. These licences were taken out to cover two massive mylonite shear zones and adjacent local rock types thought to be prospective for copper, gold or platinum group elements (PGEs).

Since being granted the licences in April 2012, Newera has been diligently waiting for the Swedish Department of Minerals to release to Newera, the results of an extensive Government funded sampling exercise which covered part of the two exploration licences held by Newera.

After considerable delays, those results have now been released to Newera and form part of Newera's growing database for V100 and V101.

Newera determined that in order to adequately cover what were considered to be the most prospective rock types within V100 and V101, it should conduct its own reconnaissance sampling exercise and then correlate the results of Newera's sampling exercise with that of the Government program.

A resultant analysis of the complete sampling database should then allow Newera to focus in on target areas for future exploration work.

Much of the V100 and V101 areas are covered with extensive till and it is thought that detailed geophysics, particularly magnetics and electro-magnetics (EM) may assist where copper mineralisation is seen to be associated with magnetite.

Selected individual and composite samples have been lodged for analysis and Newera looks forward to receiving the analysis results in the near future.

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Figure 20: Location plan of Newera Resources Limited's granted Swedish Exploration Licences V100 and V101.

In May 2013, Newera commissioned SRK Geology Denmark to undertake two reconnaissance field sampling exercises over Newera's 100% held Swedish, Varmland 100 and Varmland 101 exploration licences.

The objective of the sampling exercises was firstly to sample a cross section of prospective rock types within both V100 and V101 using geophysics and historical sampling as a guide. Target minerals being copper, gold, molybdenum and PGEs.

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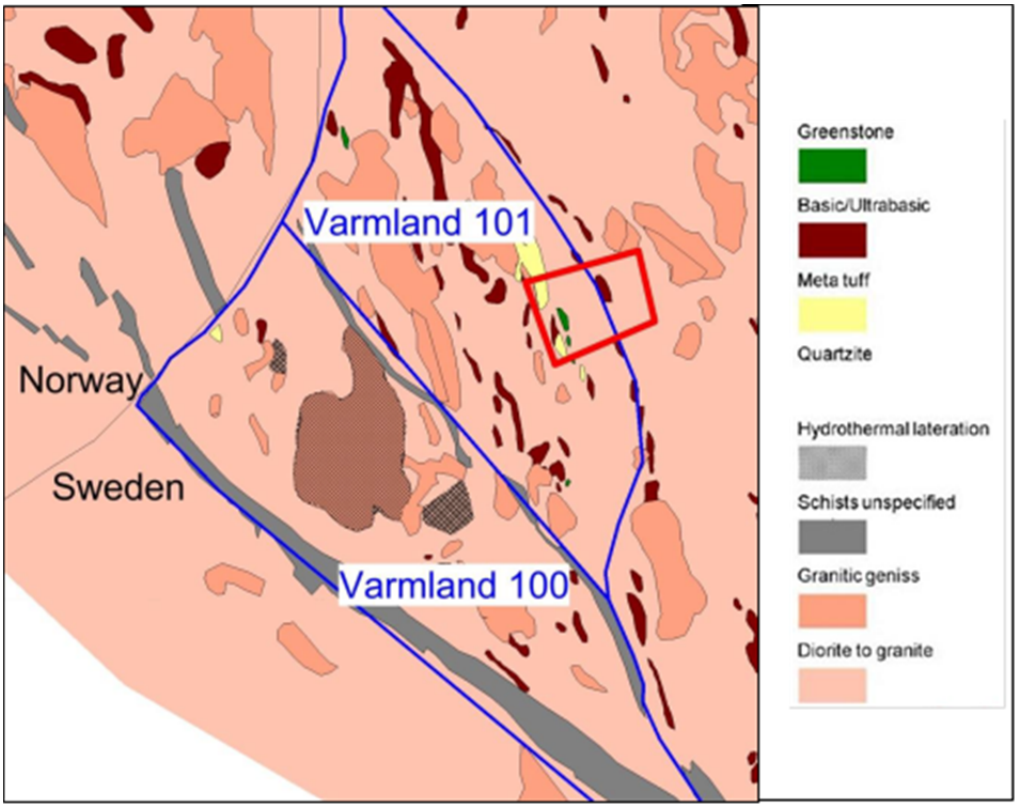

Figure 21: Sweden - Simple geological map of the Varmland area in south-western Sweden showing Newera licences V100 and V101. The area outlined in red is the PGM target area.

Secondly, a defined geological setting was to be tested by surface sampling for all elements, but with an emphasis on PGEs.

At the end of the reporting period the Phase 2 of the reconnaissance exploration program remained to be completed. Preliminary reports with regard to the Phase 1 program covering V100 and V101 produced the following highlights:

- The identification of copper minerals, mainly chalcopyrite with some bornite and/or chalcocite in rock chip samples from a number of locations within V100 and V101.
- The identification of a mineralised (copper dominant) trend line, referred to as the Mangen trend within V100.
- The location of numerous reasonably substantial historical workings along the Mangen trend.
  The collection of 82 till and rock chip samples across prospective rock types from within both V100 and V101.

Points of interest:

- Senior geologists out of SRK Exploration's regional office in Denmark, undertook the field reconnaissance exploration exercise within Varmland 100 and Varmland 101;
- Phase 1 exploration included regional scale, on ground exploration seeking indicators of copper, gold, PGM and molybdenum mineralisation within both V100 and V101;
- Phase 1 exploration identified a geological trend named the Mangen Trend within V100 as an area of interest;
- Historical mines exist along this trend where mineralization is mainly recognized as pyrite/fe oxide on the margins of the mylonite zone and towards the centre more copper minerals (mainly chalcopyrite +pyrite with some bornite and/or chalcocite in the better areas);
- Copper mineralization appears to be closely associated with magnetite;
- 82 samples were collected in the Phase 1 program;
- An area in north central V101 containing a significant greenstone rock sequences was recognised as having potential for PGMs and or gold; and
- Phase 2 exploration was being conducted within V101 over the area adjacent to and over the suggested greenstone rock sequences.

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The selected individual and composite samples were lodged for analysis and Newera looks forward to receiving the analysis results in the near future.

Concurrent with the V100 and V101 Reconnaissance field sampling exercise, Newera also commissioned Southern Geoscience Consultants to undertake a Structural interpretation of the Swedish Government's geophysics program covering V100 and V101.

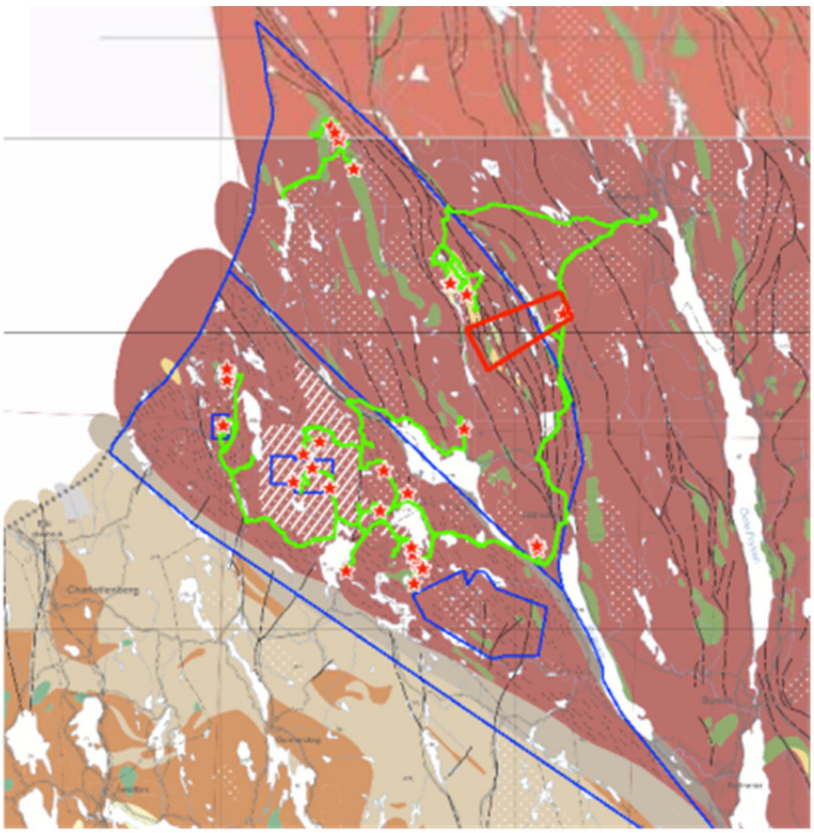

Figure 22. Phase 1 reconnaissance sampling exercise, showing routes travelled (green) and samples collected (red stars). Red outline indicates PGM target area.

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Figure 23: Typically very limited outcrop in a Swedish forest in the V100 and V101 licence area. Hammer for scale, Hammer shaft = 32 cm.

Figure 24. Typical steeply dipping historical working along the Mangen trend.

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AUSTRALIA

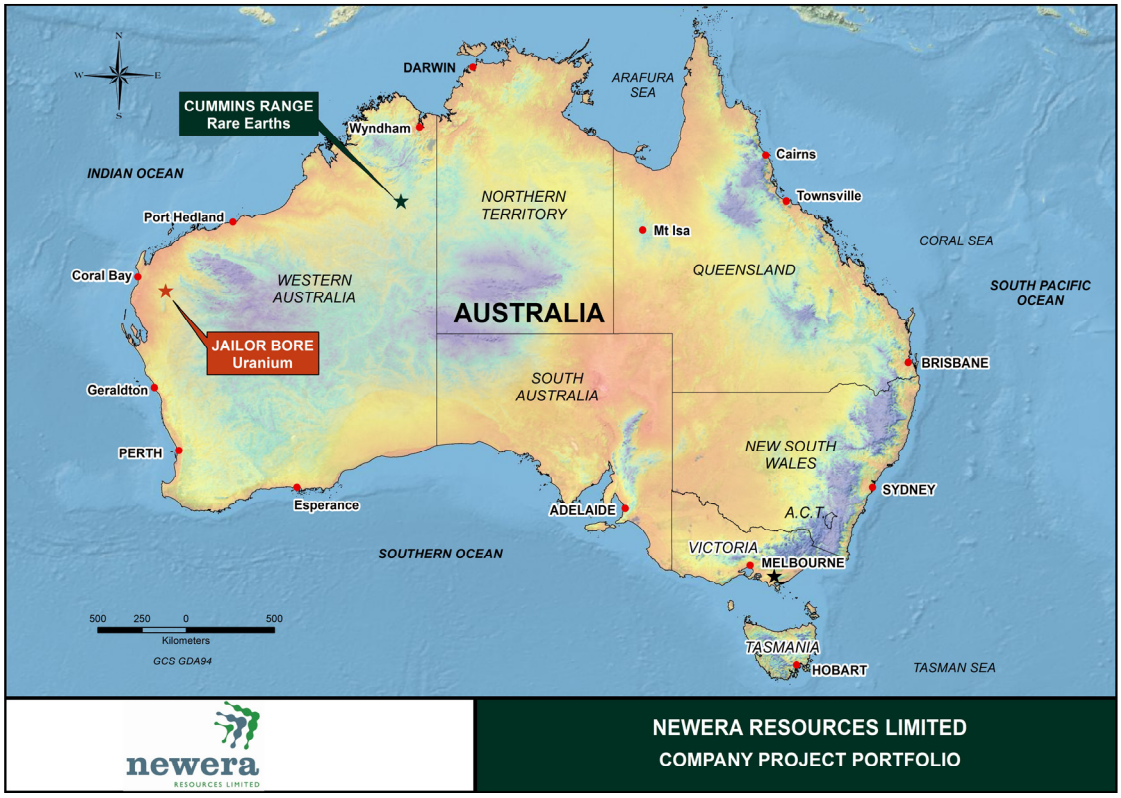

Figure 25: Newera Resources location plan of Australian project portfolio.

The Jailor Bore Uranium Project:

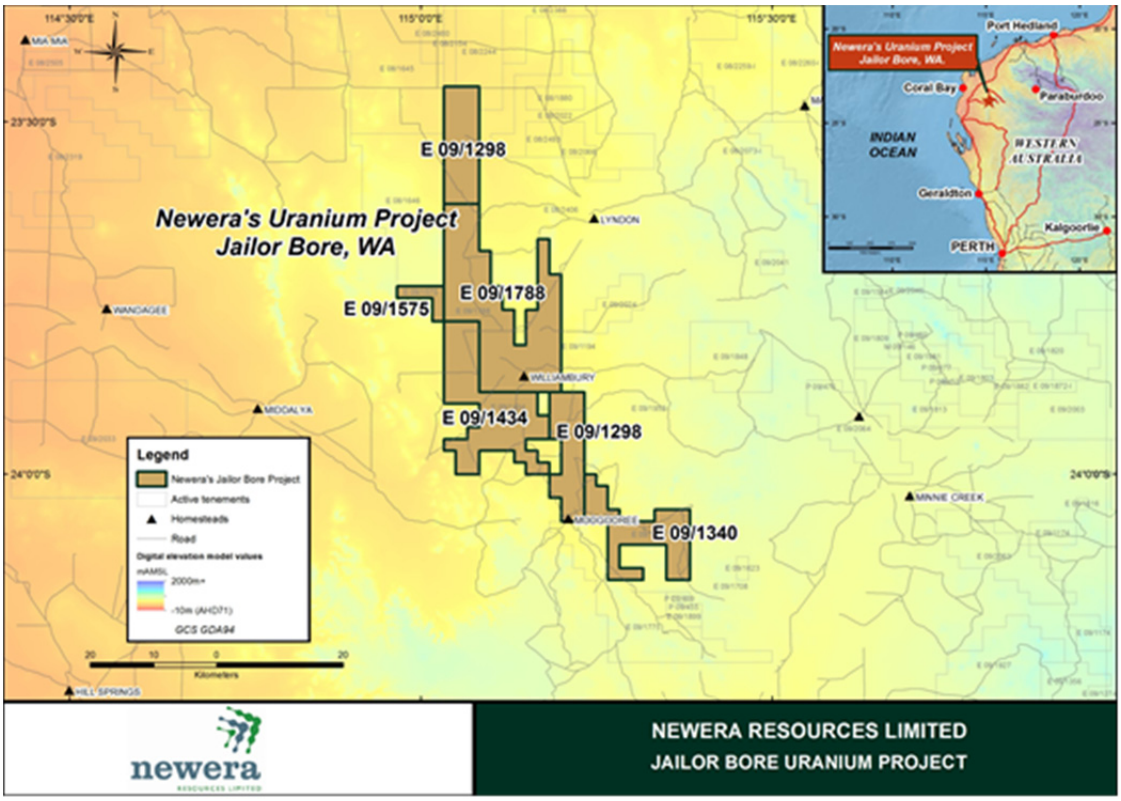

Figure 26: Detailed tenement location plan for Newera's Jailor Bore Project.

During the period a work program was constructed for the Jailor Bore project. The program included:

a) A planned extension drilling program to test for extensions of Uranium mineralisation both north and south of the previously identified mineralisation at the Giant prospect;

b) three holes planned to test the interpreted palaeo-channels identified through previous gravity surveys; and

c) a number of scout drill holes planned to test for Uranium mineralisation in the northern block of Newera's exploration licence E09/1298.

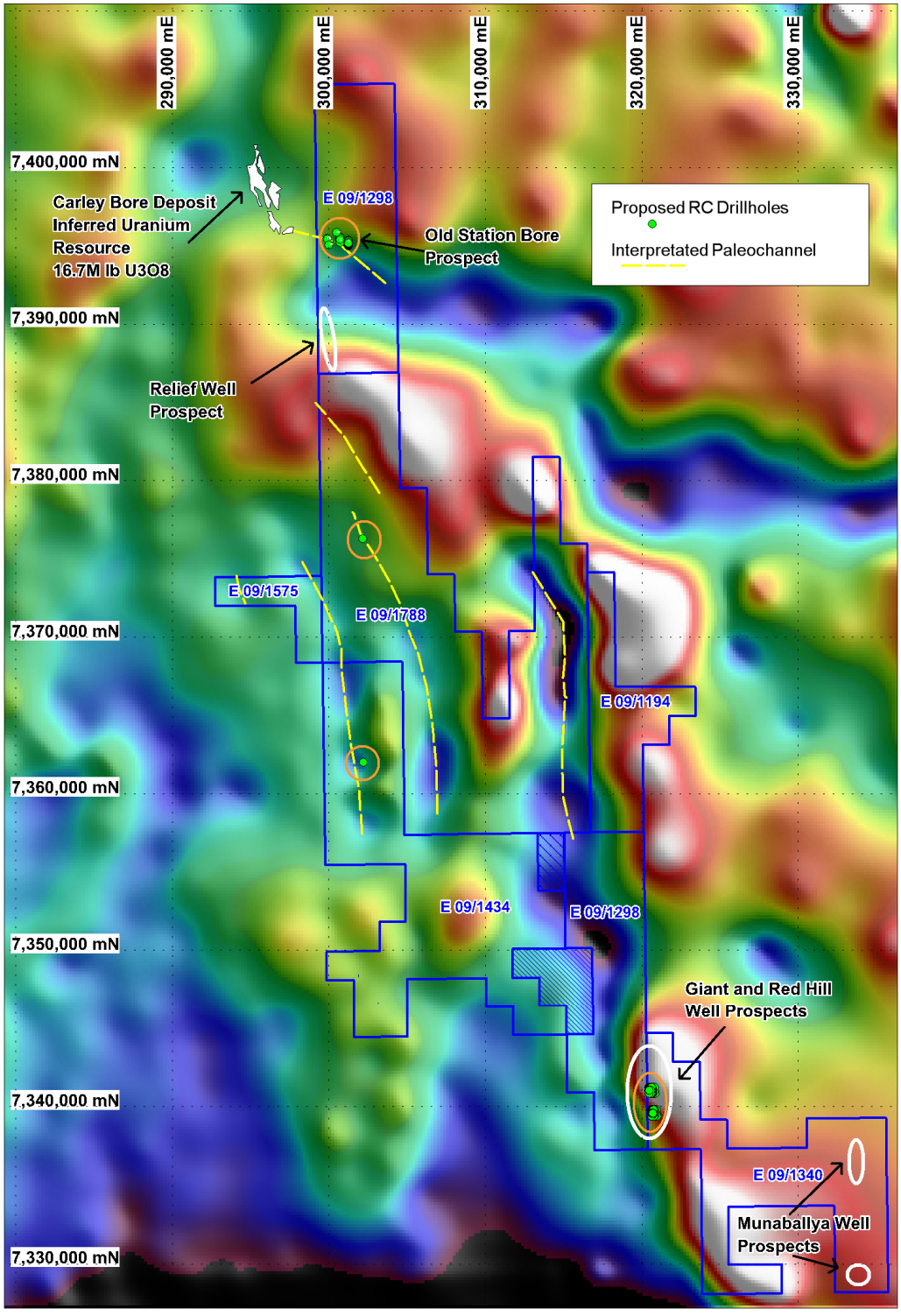

Figure 27: Newera Resources Jailor Bore project showing tenements and major prospects over a gravity image.

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Cummins Range rare earths, uranium and phosphate project:

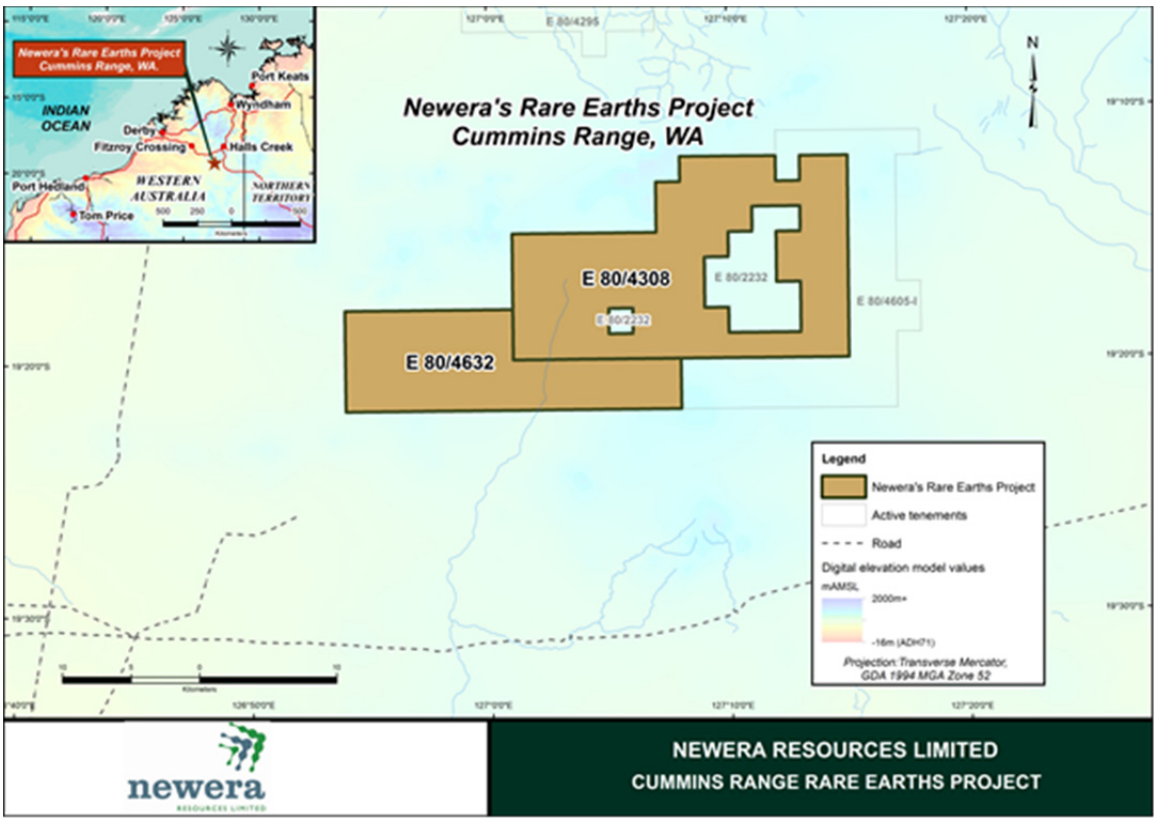

Figure 28: Detailed tenement location plan for Newera's Cummins Range Project.

During the period a field reconnaissance program was fine-tuned following desk top studies covering past exploration and re-interpretation of the geophysics covering the licences.

Five target areas were identified for geological reconnaissance and potential sample collection during a field visit to be conducted late in the 2013 field season at Cummins Range.

Background:

Newera's wholly owned exploration licences E80/4308 and E80/4632 are located 160klm south west of Halls Creek in the southern Kimberley region of Western Australia in the vicinity of the Cummins Range.

E80/4308 completely surrounds E80/2232 which contains the Cummins Range Carbonatite diatreme over which sits Kimberley Rare Earths Ltd's Cummins Range rare earths deposit.

E80/4308 contains several magnetic anomalies of similar amplitude to the Cummins Range carbonatite as well as several strong uranium and thorium radiometric anomalies.

E80/4632 lies immediately to the south west of, and has a contiguous boundary with Newera's E80/4308. E80/4632 was applied for to cover several large but subtle uranium and thorium radiometric anomalies. All current prospects are yet to be the subject of field investigations.

The target commodities are Rare Earth Elements (REE's) and phosphate.

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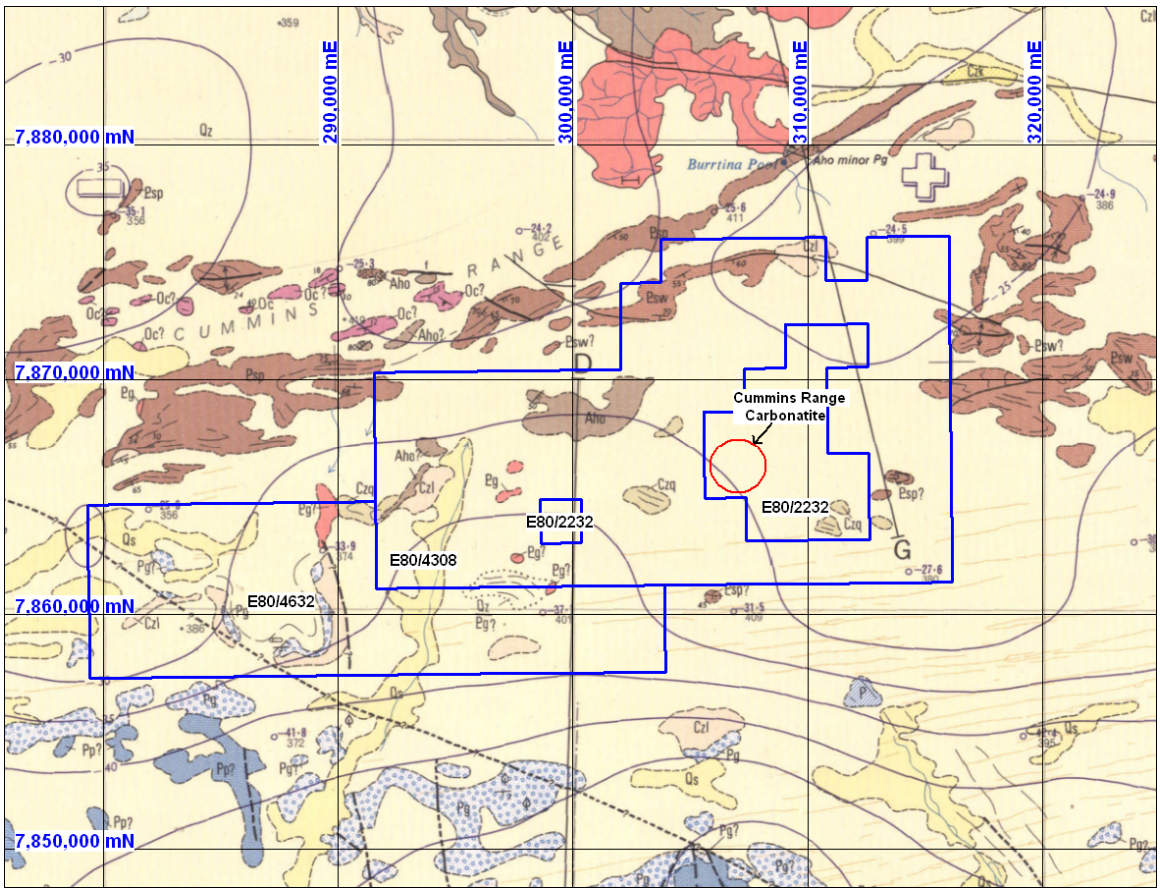

Figure 29: Newera Resources Cummins Range project Tenement plan (E80/4308 and E80/4632) over regional geology plan, with the Cummins Range Carbonatite highlighted.

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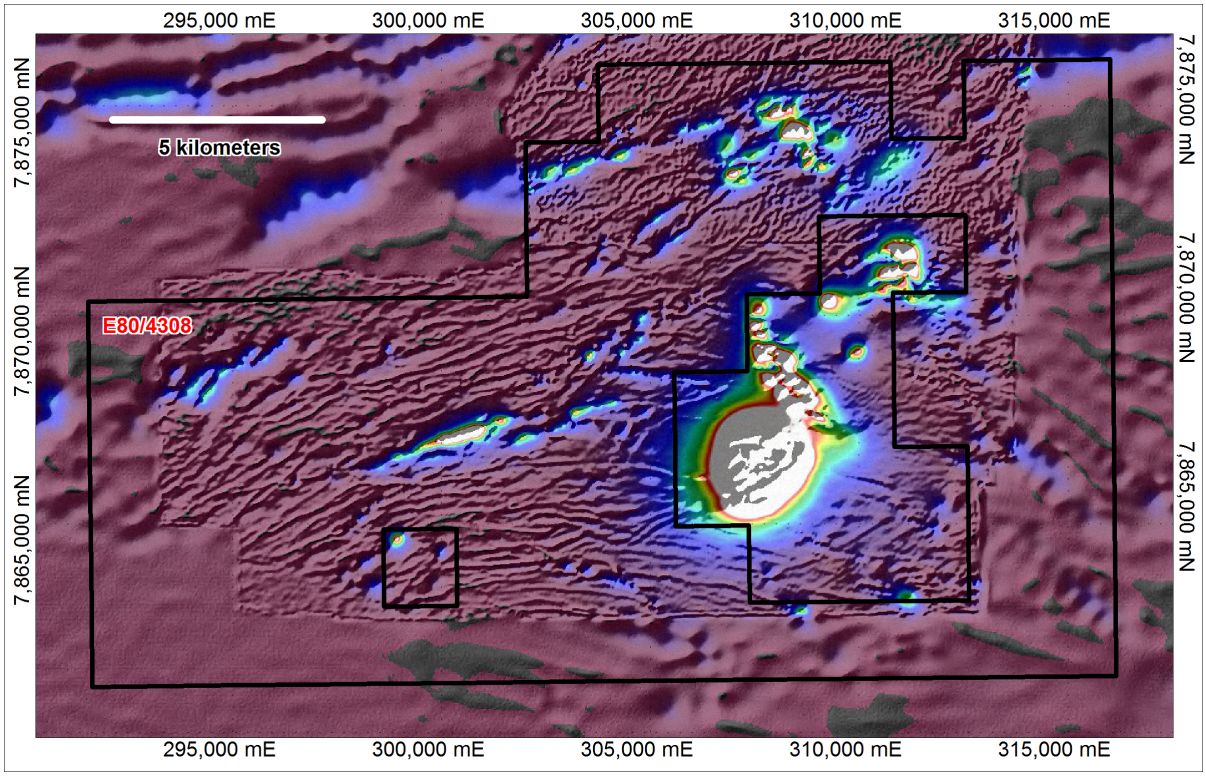

Figure 30: Newera exploration licence E80/4308 over total magnetic intensity image. The Cummins Range carbonatite sits within the excision central to E80/4308.

CORPORATE STRATEGY

Newera continues its corporate strategy of growth by exploration of its existing projects and review of potential new acquisitions in Australia and overseas across a wide range of commodities.

FINANCIAL POSITION

The net assets of the Group are $2,243,668 (2012: $4,200,005).

The Directors believe the Group is in a financial position to pursue its current operations.

EVENTS AFTER THE REPORTING DATE

Subsequent to 30 June 2013, the following events occurred:

Mongolia

Shanagan Project

The Mining contractors reported that they had completed the bulk sample extraction shaft, had completed the extraction of the coal bulk sample, had completed site rehabilitation and had transported the coal bulk samples to ALS Group LLC ("ALS") Laboratories in Ulaanbaatar.

ALS subsequently advised that they had received the Shanagan coal bulk sample and would commence wash testing of the Shanagn coal sample.

On the 9th September 2013 Newera announced that it had received the results of coal washability tests conducted on its Shanagan East Project coal bulk sample.

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ALS Group LLC Laboratories in Mongolia advised that it had successfully concluded the detailed washability tests under a coal quality and test work plan supplied and overseen by Sedgman.

Points of interest arising from the wash testing of the Shanagan coal bulk sample include:

- Coal from the Shanagan Project coal bulk sample confirmed to be readily washable.

  Sizing and washability test work on the Shanagan Project coal bulk sample extracted from adjacent to drill hole SHDH14, has confirmed the coal was able to be washed through a standard and common coal handling and processing plant ("CHPP").

- Coal quality analysis confirms previous results indicating a semi-anthracite/low-vol bituminous type coal, low in moisture, high calorific value and high ash.

- Shanagan coal could potentially be mined to produce a lower energy product without washing.

- If used for power generation, the low volatile contents would mean lower quantities of flue gas would be generated, meaning less pollutants being released into the atmosphere (a clean coal).

- High ash deformation temperatures (>1400°C) allowing high temperature boiler operation, delivering greater efficiency and lower capital cost on any power plant construction.

- Normal sulphur (0.54% adb) and nitrogen (1.72% adb) levels.

- High hardgrove grindability index (>100) lowering power station pulverising requirements.

- Sedgman consider the range of potential specifications of both as-mined and washed products should allow flexibility going forward in the development of the resource as different potential customers and end users are considered.

Washability test results

A summary of the washability test results are set out in the table below and suggests that if the Shanagan Project coal is passed through a common CHPP, on balance, the washing process could be optimised to produce a yield in the region of 50% with a contained 30% ash. The full report is included as an addendum to this release.

Washed/Raw	Ash % (adb)	Yield % (arb)	Total Moisture % (arb)	Fixed Carbon % (arb)	Vols % (arb)	Gross Calorific Value kcal/kg (arb)	Net Calorific Value kcal/kg (arb)
Raw	43.5	100	7.9	44.0	7.9	4430	4274
Washed	31.9	54.4	9.4	52.0	9.4	5230	5056
Washed	30.0	49.3	9.6	53.3	9.6	5365	5188
Washed	25.0	35.5	10.1	56.8	10.2	5716	5532
Washed	20.0	23.0	11.0	60.0	10.8	6037	5845
Washed	18.0	18.6	11.5	61.1	11.0	6150	5953

Table 1. Shanagan Project – Summary of washability test results

See ASX Announcement 04/07/2013 and 9/09/2013.

Ulaan Tolgoi Project

On 8 July 2013, Newera announced that it had formalised the joint Venture over the Mongolian Exploration Licence 12332X – the Ulaan Tolgoi Project.

On 18 September 2013, Newera announced that it had commenced a seismic survey seeking coal bed markers under cover, within the Ulaan Tolgoi joint venture area in the South Gobi region of Mongolia.

Sweden

Varmland Project

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Newera announced that it has received from SRK Denmark, a final report, including highlight rock chip sample results from a field reconnaissance exploration program within Newera's Varmland 100 (V100) and Varmland 101 (V101) Exploration Licences located northwest of Stockholm adjacent to the Sweden/Norway border.

Points of interest arising from the V100 and V101 field reconnaissance exploration program:

- Copper mineralisation results to 4.6% Cu from reconnaissance rock chip sampling of old workings dumps in V100.
- A single iron mineralisation result at 47% Fe from reconnaissance rock chip sampling in V100
- Low order gold analysis results but significant areas recognised to have high alteration within V101
- Copper anomalism in V100 generally associated with magnetite making magnetics an effective future exploration tool.

Sample ID	Cu %	East_WGS	North_WGS
40361	**3.14**	373588	6644271
40363	**3.15**	372984	6643262
40367	**1.2**	372824	6645743
40368	**2.7**	372828	6645720
40370	**1.45**	360425	6657648
40383	**4.6**	373591	6644266
40386	**1.95**	373200	6644701
40387	**2.48**	372943	6645198
40394	**1.94**	370770	6648175

Table 1: Highlight V100 copper analysis results (9 out of a total 40 samples assayed).

See ASX announcements on 22/07/2013 and 28/08/2013.

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

COMPETENT PERSONS STATEMENT

AUSTRALIA

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Robert Anderton, Consultant Geologist to Newera Resources Ltd who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Anderton 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". Mr Anderton consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

MONGOLIA

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.

Exploration Target

* Newera Resources Ltd cautions that the Exploration Target quantity and quality is conceptual in nature. There has been insufficient exploration at Shanagan East to define a mineral resource and it is uncertain if further exploration will result in the Exploration Target being delineated as a mineral resource.

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Zhijun Liang, MSc, Principal Coal and CBM Consultant, MAusIMM, is a senior coal resource geologist and competent person (CP) currently based in Beijing. Mr Liang acquired his bachelor degree in 1996 at Taiyuan University of Science and Technology on geology, and acquired his master degree in 2007 at China University of Mining Technology (Beijing) on mineral survey and exploration. He has >16 years experience in resource estimation, mine geology, mine planning and scheduling, and has researched sedimentary process of many Chinese basins such as Shanxi Qinshui Basin, Ordos Basin, and the basins of South China. He is specialized in resource management, resource modeling and grade control. Mr. Liang has worked on a large number of projects in Mongolia, Indonesia, Chile and China for companies such as BHP Billiton, Mitchell Drilling, Valley Longwall Drilling, Arrow Energy Global, and Greka Energy. Most recently Mr Liang was working as a senior resource geologist with SRK and JT Boyd before joining Nordic Geological Solutions as a CP and Resource Geologist.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Zhijun Liang, Consultant Geologist to Newera Resources Ltd who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Zhijun Liang 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". Zhijun Liang consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Zhijun Liang M.Sc MAusIMM
Principal Consultant – Operation Officer
Nordic Geological Solutions LLC

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The Group intends to continue to pursue its goals to acquire, explore, and exploit uranium deposits and explore prospective uranium and base metal tenements. Concurrently the Group will continue to seek suitable merger and acquisition opportunities for the Group in uranium, base metals energy and other commodities of interest.

ENVIRONMENTAL ISSUES

The Group is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations at all times.

The National Greenhouse and Energy Reporting Act (NGER) legislation was considered and not determined to be applicable to the entity at current stage.

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INFORMATION ON DIRECTORS

Mr Martin Blakeman Executive Chairman

Qualifications: B Ec.

Appointed 19 April 2006

Martin completed his tertiary studies at the University of WA graduating with a Bachelor of Economics in 1976. Since graduation, Martin has applied his skills in management and economics to the rural and mining industries. Martin's professional career in the mining industry has included over 30 years' experience at board level in Australian Stock Exchange listed resource companies, commencing with his appointment in 1983 as a founding Director of Harmark Pty Ltd (the founder and former controlling shareholder of Forrestania Gold NL, one of Australia's more successful resource investment companies of the time), retiring from Harmark and Kagara in 1999 after 16 years' continuous service.

Martin promoted, and was appointed to the Board as a founding Director, of Metex Resources NL (now Carbon Energy Limited) in September 1992. Over a 4 year period to June 1996, he held the position as Manager Corporate at Metex, forming an integral part of that company's executive management team.

On 26 November 2003, Martin incorporated and became a founding Director of Mantle Mining Corporation Ltd (ASX:MNM). He has overseen the strategic decisions of the Company including the acquisition of a substantial tenement package in the eastern highlands of Victoria and central north Queensland, and its successful 2006 listing on ASX. Martin oversaw the acquisition of the Mt Mulligan project in 2007 and remains Chairman of the Mantle Mining Corporation Ltd.

Martin was appointed the Managing Director of Newera Resources Ltd prior to the listing of Newera in June 2006 and was subsequently appointed Executive Chairman, a position he currently retains.

Other than disclosed above, Martin has not held directorships with any other ASX-listed companies over the last three years.

Interests in Shares and Options (at the date of this report): 18,929,138 ordinary shares and 6,000,000 options.

Mr Eric de Mori Non-Executive Director

Qualifications: BA, Dip Fin Services

Appointed 18 March 2009

Eric is the Associate Director of Corporate Finance for Corporate Advisory and stock broking firm Cygnet Capital. Eric has over 5 years investment banking and analyst experience covering a wide range of sectors, working with international and Australian based opportunities.

Eric has specialist skills in mergers and acquisitions, valuations, capital raisings, Initial Public Offerings, backdoor listings, project screening, due diligence investigations, and early stage project management.

Other than disclosed above, over the past three years Eric has previously held directorships with the following ASX Listed companies – Incitive Limited (now Hawkley Oil and Gas Limited), Coventry Resources Ltd and Alcyone Resources Limited. He is currently a Director of Lancaster Resources Ltd and Cobra Resources Ltd which are both unlisted and was a director of Cove Resources prior to that Company listing on ASX.

Interests in Shares and Options (at the date of this report): 2,222,223 ordinary shares and 3,000,000 options.

Mr Winton Willesee Non-Executive Director and Company Secretary

Qualifications: BBus, DipEd, PGDipBus, MCom, FFin, CPA, MAICD, ACIS/ACSA.

Mr Willesee is an experienced company director. Mr Willesee brings a broad range of skills and experience in strategy, company administration, corporate governance, company public listings, merger and acquisition transactions, reconstructions and corporate finance from his background with listed and unlisted public and other companies.

Mr Willesee holds a Master of Commerce, Post-Graduate Diploma in Business (Economics and Finance), a Graduate Diploma in Applied Corporate Governance, a Graduate Diploma in Applied Finance and Investment, a Graduate Diploma in Education and a Bachelor of Business. He is a Fellow of the Financial Services Institute of Australasia, a Member of the Australian Institute of Company Directors, a Member of CPA Australia and a Chartered Secretary.

As well as his position with Newera, Mr Willesee is currently the chairman of Birimian Gold Limited (appointed 31 January 2013), BioProspect Limited (appointed 16 September 2011), Cove Resources Limited (appointed 4 June 2008), and Mining Group Limited (appointed 14 March 2011), and a director of Base Resources Limited (appointed 23 May 2007), Coretrack Limited (appointed 4 October 2010), Newera Resources Limited (appointed 31 March 2007), Otis Energy Limited (appointed 18 Jan 2008) and Torrens Energy Limited (appointed 21 March 2012).

Interests in Shares and Options (at the date of this report): 3,316,667 ordinary shares and 3,000,000 options.

REMUNERATION REPORT (Audited)

The full Board fulfils the roles of remuneration committee and is governed by the Group's adopted remuneration policy.

Remuneration Policy

This policy governs the operations of the Board. The Board shall review and reassess the policy at least annually and obtain the approval of the Board.

General Director Remuneration

Shareholder approval must be obtained in relation to the overall limit set for non-executive directors' fees. The Directors shall set individual Board fees within the limit approved by shareholders.

Shareholders must also approve the framework for any broad based equity based compensation schemes and if a recommendation is made for a director to participate in an equity scheme, that participation must be approved by the shareholders.

Executive Remuneration

The Group's remuneration policy for executive directors and senior management is designed to promote superior performance and long term commitment to the Group. Executives receive a base remuneration which is market related, and may be entitled to performance based remuneration at the ultimate discretion of the Board.

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Group and shareholders to do so.

Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and expert advice.

The Committee's reward policy reflects its obligation to align executive's remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Group. The main principles of the policy are:

a. reward reflects the competitive market in which the Group operates;

b. individual reward should be linked to performance criteria; and

c. executives should be rewarded for both financial and non-financial performance.

The total remuneration of executives and other senior managers consists of the following:

a. salary - executive directors and senior managers receive a sum payable monthly in cash;

b. bonus - executive directors and nominated senior managers are eligible to participate in a bonus or profit participation plan if deemed appropriate;

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c. long term incentives - executive directors may participate in share option schemes with the prior approval of shareholders. Executives may also participate in employee share option schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in exceptional circumstances; and

d. other benefits - executive directors and senior managers are eligible to participate in superannuation schemes and other appropriate additional benefits.

Remuneration of other executives consists of the following:

a. salary - senior executives receive a sum payable monthly in cash;

b. bonus - each executive is eligible to participate in a bonus or profit participation plan if deemed appropriate;

c. long term incentives - each senior executive may, where appropriate, participate in share option schemes which have been approved by shareholders; and

d. other benefits – senior executive are eligible to participate in superannuation schemes and other appropriate additional benefits.

Non-executive Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Remuneration Committee recommends the actual payments to directors and the Board is responsible for ratifying any recommendations, if appropriate. The maximum aggregate remuneration approved for directors is currently $150,000.

It is recognised that non-executive directors' remuneration is ideally structured to exclude equity based remuneration. However, whilst the Group remains small and the full Board, including the non-executive directors, are included in the operations of the Group more closely than may be the case with larger companies the non-executive directors are entitled to participate in equity based remuneration schemes.

All directors are entitled to have their indemnity insurance paid by the Group.

Bonus or Profit Participation Plan

Performance incentives may be offered to executive directors and senior management of the Group through the operation of a bonus or profit participation plan at the ultimate discretion of the Board.

Details of remuneration for year ended 30 June 2013

The remuneration for each Director and the senior Executive of Newera Resources Limited during the year and the previous year was as follows:

2013

Key Management Person	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
	Cash, salary & commissions	Cash profit share	Non-cash benefit	Other	Super-annuation	Other	Equity	Options			
	$	$	$	$	$	$	$	$	$	%	%
Martin Blakeman	191,570	-	-	-	-	-	-	96,532	288,102	34%	0%
Winton Willesee*	36,000	-	-	-	-	-	-	48,266	84,266	57%	0%
Eric de Mori	36,000	-	-	-	-	-	-	48,266	84,266	57%	0%
	263,570	-	-	-	-	-	-	193,064	456,634		

* In addition, an entity associated with Mr Willesee was paid $54,000 (2012: $48,000) for Company Secretarial services

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2012

Key Management Person	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
	Cash, salary & commissions	Cash profit share	Non-cash benefit	Other	Super-annuation	Other	Equity	Options			
	$	$	$	$	$	$	$	$	$	%	%
Martin Blakeman	173,260	-	-	-	-	-	-	-	173,260	0%	0%
Winton Willesee*	36,000	-	-	-	-	-	-	-	36,000	0%	0%
Eric de Mori	36,000	-	-	-	-	-	-	-	36,000	0%	0%
	245,260	-	-	-	-	-	-	-	245,260		

*In addition, an entity associated with Mr Willesee was paid $48,000 for Company Secretarial services

Details of number of Shares Held by Key Management Personnel

30 June 2013

Key Management Person	Balance 1.7.2012	Received as Compensation	Options Exercised	Net Change Other	Balance on Resignation	Balance 30.6.2013
Martin Blakeman	18,659,785	-	-	19,353	-	18,679,138
Winton Willesee	3,066,667	-	-	-	-	3,066,667
Eric de Mori	2,222,223	-	-	-	-	2,222,223
	23,948,675	-	-	19,353	-	23,968,028

30 June 2012

Key Management Person	Balance 1.7.2011	Granted as Compensation	Options Exercised	Net Change Other	Balance on Resignation	Balance 30.6.2012
Martin Blakeman	13,994,841	-	-	4,664,944	-	18,659,785
Winton Willesee	2,300,000	-	-	766,667	-	3,066,667
Eric de Mori	1,666,667	-	-	555,556	-	2,222,223
	17,961,508	-	-	5,987,167	-	23,948,675

Details of number of Options Held by Key Management Personnel

30 June 2013

Key Management Person	Balance 1.7.2012	Granted as Compensation	Options Exercised	Net Change Other(i)	Balance 30.6.2013	Total Vested 30.6.2013	Total Exercisable 30.6.2013	Total Unexercisable 30.6.2013
Martin Blakeman	2,332,474	6,000,000	-	(2,332,474)	6,000,000	6,000,000	6,000,000	-
Winton Willesee	383,334	3,000,000	-	(383,334)	3,000,000	3,000,000	3,000,000	-
Eric de Mori	277,778	3,000,000	-	(277,778)	3,000,000	3,000,000	3,000,000	-
	2,993,586	12,000,000	-	(2,993,586)	12,000,000	12,000,000	12,000,000	-

(i) Net change in Directors Options Holdings relate to:

- Options issued to Directors as a participant in the rollover of unlisted options (refer Notice of Meeting dated 25 October 2012). The new options were issued on the same terms as all other participants in the rollover issue, and subsequently expired unexercised on 30 June 2013; and
- The expiry of Directors options holdings (3c, 30 June 2013) which expired unexercised during the year ended 30 June 2013.

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30 June 2012

Key Management Person	Balance 1.7.2011	Granted as compensation	Options Exercised	Net Change Other(i)	Balance 30.6.2012	Total Vested 30.6.2012	Total Exercisable 30.6.2012	Total Unexercisable 30.6.2012
Martin Blakeman	916,667	-	-	1,415,807	2,332,474	-	2,332,474	-
Winton Willesee	750,000	-	-	(366,666)	383,334	-	383,334	-
Eric de Mori	833,333	-	-	(555,555)	277,778	-	277,778	-
	2,500,000	-	-	493,586	2,993,586	-	2,993,586	-

(i) Net change in Directors Options Holdings relate to the expiry of Directors options holdings (3.6c, 30 June 2012) which expired unexercised during the year ended 30 June 2012.

Options issued as part of remuneration

The following options were granted as remuneration during the year ended 30 June 2013 (2012: nil).

	Number	Date of Issue	Date of Expiry	Exercise Price
Incentive Options	12,000,000	28/12/2012	31 Dec 2015	$0.05

The Incentive Options are means of incentivising the performance of the Directors in line with the success of the Company's present activities.

Shares Issued on Exercise of Compensation Options

No options granted as compensation in prior years were exercised through the year or the previous year.

Employment contracts of directors and senior executives

The employment of the Executive Chairman, Martin Blakeman, is on an ongoing basis.

In the event Mr Blakeman's employment is terminated, he is entitled to 3 months notice.

Neither Messrs de Mori nor Willesee are employed on a formal contract.

[End of Remuneration Report - Audited]

Meetings of Directors

During the financial year, 15 formal meetings of Directors (including committees of directors) were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number Attended
Directors		
Martin Blakeman	15	15
Eric de Mori	15	15
Winton Willesee	15	15

The full Board fulfils the role of remuneration, nomination and audit committees.

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Indemnifying Officers or Auditor

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer of the Group shall be indemnified out of the property of the Group against any liability incurred by him in his capacity as officer, auditor or agent of the Group or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

Options

At the date of this report, the unissued ordinary shares of Newera Resources Limited under options are:

Grant Date	Date of Expiry	Exercise Price	Number Under Option
28 Dec 2012	31 Dec 2015	$0.05	12,000,000
		Total	**12,000,000**

Proceedings on Behalf of the Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

The Board of Directors is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the full board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid/payable to the external auditors during the year:

	2013	2012
	$	$
Taxation and other services	6,100	13,850
	6,100	13,850

Directors' Report

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2013 has been received and is included within this annual report.

Signed in accordance with a resolution of the Board of Directors.

WINTON WILLESEE
Director

DATED this 23rd day of September 2013

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CORPORATE GOVERNANCE STATEMENT

The Company is committed to implementing high standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines.

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2013.

BOARD COMPOSITION

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the Director's Report.

The names of independent directors of Newera Resources Limited are:

- Mr Winton Willesee
- Mr Eric de Mori

Independent Directors have the right to seek independent professional advice in the furtherance of their duties as directors at the Company's expense.

The Board sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations.

RECOMMENDATION		NEWERA RESOURCES LIMITED CURRENT PRACTICE
1.1	Companies should establish the functions reserved for the board and those delegated to senior executives and disclose those functions.	Satisfied. Board Charter is available at www.nru.com.au in the Corporate Governance Statement.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Satisfied. Board Performance Evaluation Policy is available at www.nru.com.au in the Corporate Governance Statement.
1.3	Companies should provide the information indicated in the Guide for reporting on Principle 1.	Satisfied. The Board Charter is available at www.nru.com.au in the Corporate Governance Statement. Whilst the performance of management is appraised on an ongoing basis. During the year no formal appraisal of management was conducted.
2.1	A majority of the board should be independent directors.	Satisfied. Both Mr de Mori and Mr Willesee are independent.
2.2	The chair should be an independent director.	Not Satisfied. Due to the size of the Group and its operations Mr Martin Blakeman who is an Executive Director is considered appropriate for the office of Chairman.
2.3	The roles of chair and Chief Executive Officer should not be exercised by the same individual.	Not Satisfied. Due to the size of the Company and its operations Mr Martin Blakeman is both Executive Director and the Chairman.
2.4	The board should establish a nomination committee.	Not satisfied. The Board consider that given the current size of the board (3), this function is efficiently achieved with full board participation. Accordingly, the Board has not established a separate nomination committee.

Corporate Governance Statement

RECOMMENDATION		NEWERA RESOURCES LIMITED CURRENT PRACTICE
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	Satisfied. Board Performance Evaluation Policy is available at www.nru.com.au in the Corporate Governance Statement.
2.6	Companies should provide the information indicated in the guide to reporting on Principle 2.	Satisfied. Whilst the performance of the Board is appraised on an ongoing basis, during the year no formal appraisal was conducted.
3.1	Companies should disclose a code of conduct and disclose the code or a summary of the code as to: ▪ The practices necessary to maintain confidence in the Company's integrity ▪ The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders ▪ The responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Satisfied. The Code of conduct is available at www.nru.com.au in the Corporate Governance Statement.
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	Not Satisfied. The Board is currently developing a diversity policy for adoption.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.	The Board is currently developing a diversity policy for adoption. Once adopted the Company will be in a position to disclose the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	All three board members are male. There are no other employees of the Company. The Company engages external geological consultants on an as needs basis, of which one is female.
3.5	Companies should provide the information indicated in the Guide to reporting on Principle 3.	Satisfied. The Board is currently developing a diversity policy for adoption which will be made available at that time.
4.1	The board should establish an audit committee.	Not satisfied. The Board consider that given the current size of the board (3), this function is efficiently achieved with full board participation. Accordingly, the Board has not established an audit committee.
4.2	The board committee should be structured so that it: ▪ Consists only of non-executive directors ▪ Consists of a majority of independent directors ▪ Is chaired by an independent chair, who is not chair of the board ▪ Has at least three members	Not satisfied. The full board fulfils the role of the audit committee and accordingly the Company has adopted a policy which includes Executive Directors acting as audit committee members.
4.3	The audit committee should have a formal charter.	Satisfied. Audit Committee charter is available at www.nru.com.au in the Corporate Governance statement.
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4.	Satisfied.

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Corporate Governance Statement

RECOMMENDATION		NEWERA RESOURCES LIMITED CURRENT PRACTICE
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	Satisfied. Continuous disclosure policy is available at www.nru.com.au in the Corporate Governance statement.
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5.	Satisfied.
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of their policy.	Satisfied. Shareholders communication strategy is available at www.nru.com.au in the Corporate Governance statement.
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6.	Satisfied.
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Satisfied. Risk management program is available at www.nru.com.au in the Corporate Governance statement.
7.2	The board should require management to design and implement the risk management and internal control system to manage the Company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the Company's management of its material business risks.	Satisfied. The Board, including the Executive Chairman, routinely consider risk management matters.
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Satisfied. The Board has received a section 295A declaration pursuant to the 2013 financial year.
7.4	Companies should provide the information indicated in the Guide to reporting on Principle 7.	Satisfied.
8.1	The board should establish a remuneration committee.	Not Satisfied. The Board consider that given the current size of the board (3), this function is efficiently achieved with full board participation. Accordingly, the Board has not established a remuneration committee.
8.2	The remuneration committee should be structured so that it: • consists of a majority of independent directors • is chaired by an independent chair • has at least three members.	Not Satisfied. The Board consider that given the current size of the board (3), this function is efficiently achieved with full board participation in its current form.
8.3	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	The structure of directors' remuneration is disclosed in the remuneration report of the annual report.
8.4	Companies should provide the information indicated in the Guide to reporting on Principle 8.	Remuneration committee charter is available at www.nru.com.au in the Corporate Governance statement.

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Corporate Governance Statement

Other Information

Further information relating to the Company's corporate governance practices and policies has been made publicly available on the Company's website at www.nru.com.au.

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Newera Resources Limited for the year ended 30 June 2013, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

TUTU PHONG
Partner

Perth, WA
Dated: 23 September 2013

Liability limited by a scheme approved under Professional Standards Legislation

Major Offices in:
Perth, Sydney, Melbourne, Adelaide and Canberra
ABN 36 965 185 036

RSM Bird Cameron Partners is a member of the RSM network. Each member of the RSM network is an independent accounting and advisory firm which practises in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Certified System Quality ISO 9001

Consolidated Statement of Comprehensive Income

for the year ending 30 June 2013

	Note	2013 $	2012 $
Interest revenue		31,483	83,023
Realised gains on financial assets		-	82,931
Unrealised gain/(loss) on financial assets		(161,000)	(96,600)
Administrative expenses		(80,654)	(108,421)
Consultancy and legal expenses		(112,794)	(105,505)
Compliance and regulatory expenses		(162,340)	(93,586)
Communication expenses		(9,975)	(13,446)
Depreciation and amortisation		(468)	(41)
Director and employee related expenses		(184,012)	(195,796)
Occupancy related expenses		(63,465)	(55,744)
Exploration expenditure		(14,526)	(82,203)
Travel and accommodation related expenses		(48,074)	(38,878)
Exploration expenditure written off		(1,312,890)	(64,057)
Equity based payment expense		(293,065)	-
Loss before income tax expense		(2,411,780)	(688,323)
Income tax expense	4	-	–
Loss for the year		(2,411,780)	(688,323)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Gain on translation of foreign controlled entity		53,543	354
Total comprehensive loss for the year		(2,358,237)	(687,969)
Earnings per share			
Basic and diluted loss per share (cents)	5	(0.92)	(0.31)

The accompanying notes form part of these financial statements.

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Consolidated Statement of Financial Position

as at 30 June 2013

	Note	2013 $	2012 $
CURRENT ASSETS			
Cash and cash equivalents	6	392,170	1,673,411
Trade and other receivables	8	71,200	184,887
Financial assets	7	34,800	195,800
TOTAL CURRENT ASSETS		498,170	2,054,098
NON CURRENT ASSETS			
Plant and equipment	10	936	1,403
Exploration costs	11	1,845,177	2,212,369
TOTAL NON CURRENT ASSETS		1,846,113	2,213,772
TOTAL ASSETS		2,344,283	4,267,870
CURRENT LIABILITIES			
Trade and other payables	12	100,615	67,865
TOTAL CURRENT LIABILITIES		100,615	67,865
TOTAL LIABILITIES		100,615	67,865
NET ASSETS		2,243,668	4,200,005
EQUITY			
Issued capital	13	11,786,866	11,726,866
Reserves	14	720,460	325,017
Accumulated losses		(10,263,658)	(7,851,878)
TOTAL EQUITY		2,243,668	4,200,005

The accompanying notes form part of these financial accounts

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Consolidated Statement of Cash Flows

for the year ending 30 June 2013

	Note	2013 $	2012 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(685,181)	(630,710)
Interest received		31,483	83,023
Research and development rebate received		-	215,833
Payment for exploration expenditure		(833,626)	(975,751)
Net cash (used in)/provided by operating activities	17(b)	(1,487,324)	(1,307,605)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		-	(1,444)
Purchase of financial assets		157,246	(300,000)
Net cash (used in)/provided by investing activities		157,246	(301,444)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		48,837	1,247,344
Net cash (used in)/provided by financing activities		48,837	1,247,344
Net (decrease)/increase in cash held		(1,281,241)	(361,705)
Cash and cash equivalents at the beginning of the financial year		1,673,411	2,035,116
Cash and cash equivalents at the end of the financial year	17(a)	392,170	1,673,411

The accompanying notes form part of these financial accounts

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Consolidated Statement of Changes in Equity

for the year ending 30 June 2013

	Note	Issued Capital $	Accumulated Losses $	Option Reserve $	Foreign Currency Translation Reserve $	Total $
Balance at 1 July 2011		10,623,744	(7,163,555)	180,442	-	3,640,631
Loss for the year		-	(688,323)	-	-	(688,323)
Other comprehensive income		-	-	-	354	354
Total comprehensive loss for the year		-	(688,323)	-	354	(687,969)
Transactions with owners						
Shares issued during the year (net of capital raising costs)		1,103,122	-	-	-	1,103,122
Options issued during the year		-	-	144,221	-	144,221
Balance at 30 June 2012		11,726,866	(7,851,878)	324,663	354	4,200,005
Balance at 1 July 2012		11,726,866	(7,851,878)	324,663	354	4,200,005
Loss for the year		-	(2,411,780)	-	-	(2,411,780)
Other comprehensive income		-	-	-	53,543	53,543
Total comprehensive loss for the year		-	(2,411,780)	-	53,543	(2,358,237)
Transactions with owners						
Shares issued during the year (net of capital raising costs)		60,000	-	-	-	60,000
Issue of rollover options		-	-	48,837	-	48,837
Options issued – share based payment		-	-	293,063	-	293,063
Balance at 30 June 2013		11,786,866	(10,263,658)	666,563	53,897	2,243,668

The accompanying notes form part of these financial accounts

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NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the financial statements and notes of Newera Resources Limited and its controlled entity (the "consolidated group" or "group").

The separate financial statements of the parent entity, Newera Resources Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue on 23rd September 2013 by the directors of the Company.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The financial report is presented in Australian dollars. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by IASB. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

Except for cash flow information, the financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Newera Resources Limited at the end of the reporting period. A controlled entity is any entity over which Newera Resources Limited has the ability and right to govern the financial and operating policies so as to obtain benefits from the entity's activities.

Where controlled entities have entered or left the Group during the year, the financial performance of those entities is included only for the period of the year that they were controlled. A list of controlled entities is contained in Note 9 to the financial statements.

In preparing the consolidated financial statements, all intragroup balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are reported separately within the equity section of the consolidated statement of financial position and statement of comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

b. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit of loss.

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Income Tax (continued)

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

c. Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis and therefore carried at cost less accumulated depreciation and any accumulated impairment. In the event the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to the estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over the assets useful lives to the Group commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	33%
Office equipment	33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

d. Exploration and Development Expenditure

Exploration, evaluation and development expenditures incurred are capitalised in respect of each identifiable area of interest. These costs are only capitalised to the extent that they are expected to be recovered through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

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NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Exploration and Development Expenditure (continued)

Costs of site restoration are provided for over the life of the project from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with local laws and regulations and clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

e. Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset – but not the legal ownership – are transferred to entities in the consolidated group, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the year.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the years in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

f. Financial Instruments

Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm’s length transactions, reference to similar instruments and option pricing models.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

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NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Financial Instruments (continued)

(i) Financial assets at fair value through profit or loss
Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iv) Available-for-sale financial assets
Available-for-sale investments are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with any re-measurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are expected to be sold after 12 months from the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial Liabilities
Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment
At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

g. Impairment of Assets
At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associates or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

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NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h. Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wages increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

Equity-settled compensation

The entity operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

i. Provisions

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

j. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of 12 months or less, and bank overdrafts. Bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

k. Revenue

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

l. Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO").

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

m. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

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NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

n. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Group's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, and are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

Key Judgements – Deferred exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1(c).

Key Judgements –Share based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 21.

o. Operating segments

Identification and measurement of segments – AASB 8 requires the 'management approach' to the identification measurement and disclosure of operating segments. The 'management approach' requires that operating segments be identified on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker, for the purpose of allocating resources and assessing performance. This could also include the identification of operating segments which sell primarily or exclusively to other internal operating segments.

p. Foreign Currency Transactions and balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Group companies

The financial results and position of foreign operations, whose functional currency is different from the Group's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

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NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

p. Foreign Currency Transactions and balances (continued)

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed of.

New, revised or amending Accounting Standards and Interpretations adopted

The consolidated group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated group.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2013. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

AASB 10 Consolidated Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2013. The standard has a new definition of 'control'. Control exists when the reporting entity is exposed, or has the rights, to variable returns from its involvement with another entity and has the ability to affect those returns through its 'power' over that other entity. A reporting entity has power when it has rights that give it the current ability to direct the activities that significantly affect the investee's returns. The consolidated entity will not only have to consider its holdings and rights but also the holdings and rights of other shareholders in order to determine whether it has the necessary power for consolidation purposes. The adoption of this standard from 1 July 2013 may have an impact where the consolidated entity has a holding of less than 50% in an entity, has de facto control, and is not currently consolidating that entity.

AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirement

These amendments are applicable to annual reporting periods beginning on or after 1 July 2013, with early adoption not permitted. They amend AASB 124 'Related Party Disclosures' by removing the disclosure requirements for individual key management personnel ('KMP'). The adoption of these amendments from 1 July 2014 will remove the duplication of information relating to individual KMP in the notes to the financial statements and the directors report. As the aggregate disclosures are still required by AASB 124 and during the transitional period the requirements may be included in the Corporations Act or other legislation, it is expected that the amendments will not have a material impact on the consolidated entity.

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of $2,411,780 and had net cash outflows from operating activities of $1,487,324 for the year ended 30 June 2013.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report, after consideration of the following factors:

- The ability of the Group to raise capital by the issue additional shares under the *Corporation Act 2001*;
- The potential to dispose of interests in exploration and evaluation assets for cash or for assets readily convertible into cash; and
- The ability to curtail administration and operational cash out flows as required.

NOTE 2. KEY MANAGEMENT PERSONNEL COMPENSATION

Names and positions held of the entity's key management personnel in office at any time during the financial year are:

Martin Blakeman	Executive Chairman
Eric de Mori	Non-Executive Director
Winton Willesee	Non-Executive Director and Company Secretary

Number of Shares Held by Key Management Personnel

30 June 2013

Key Management Person	Balance 1.7.2012	Received as Compensation	Options Exercised	Net Change Other	Balance on Resignation	Balance 30.6.2013
Martin Blakeman	18,659,785	-	-	19,353	-	18,679,138
Winton Willesee	3,066,667	-	-	-	-	3,066,667
Eric de Mori	2,222,223	-	-	-	-	2,222,223
	23,948,675	-	-	19,353	-	23,968,028

30 June 2012

Key Management Person	Balance 1.7.2011	Granted as Compensation	Options Exercised	Net Change Other	Balance on Resignation	Balance 30.6.2012
Martin Blakeman	13,994,841	-	-	4,664,944	-	18,659,785
Winton Willesee	2,300,000	-	-	766,667	-	3,066,667
Eric de Mori	1,666,667	-	-	555,556	-	2,222,223
	17,961,508	-	-	5,987,167	-	23,948,675

Number of Options Held by Key Management Personnel

30 June 2013

Key Management Person	Balance 1.7.2012	Granted as compensation	Options Exercised	Net Change Other(i)	Balance 30.6.2013	Total Vested 30.6.2013	Total Exercisable 30.6.2013	Total Unexercisable 30.6.2013
Martin Blakeman	2,332,474	6,000,000	-	(2,332,474)	6,000,000	6,000,000	6,000,000	-
Winton Willesee	383,334	3,000,000	-	(383,334)	3,000,000	3,000,000	3,000,000	-
Eric de Mori	277,778	3,000,000	-	(277,778)	3,000,000	3,000,000	3,000,000	-
	2,993,586	12,000,000	-	(2,993,586)	12,000,000	12,000,000	12,000,000	-

(i) Net change in Directors Options Holdings relate to:
- Options issued to Directors as a participant in the rollover of unlisted options (refer Notice of Meeting dated 25 October 2012). The new options were issued on the same terms as all other participants in the rollover issue, and subsequently expired unexercised on 30 June 2013; and
- The expiry of Directors options holdings (3c, 30 June 2013) which expired unexercised during the year ended 30 June 2013.

30 June 2012

Key Management Person	Balance 1.7.2011	Granted as compensation	Options Exercised	Net Change Other(i)	Balance 30.6.2012	Total Vested 30.6.2012	Total Exercisable 30.6.2012	Total Unexercisable 30.6.2012
Martin Blakeman	916,667	-	-	1,415,807	2,332,474	-	2,332,474	-
Winton Willesee	750,000	-	-	(366,666)	383,334	-	383,334	-
Eric de Mori	833,333	-	-	(555,555)	277,778	-	277,778	-
	2,500,000	-	-	493,586	2,993,586	-	2,993,586	-

(i) Net change in Directors Options Holdings relate to the expiry of Directors options holdings (3.6c, 30 June 2012) which expired unexercised during the year ended 30 June 2012.

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NOTE 2. KEY MANAGEMENT PERSONNEL COMPENSATION (continued)

	2013	2012
	$	$
Key management personnel remuneration has been included in the Remuneration Report section of the Directors Report.		
Short-term employee benefits	263,570	293,260
Share-based payments	193,064	-
	456,634	293,260

NOTE 3. AUDITORS' REMUNERATION

	2013	2012
	$	$
Remuneration of the auditor for:		
– Auditing or reviewing the financial report	28,000	26,321
– Taxation services and corporate services	6,100	13,850
	34,100	40,171

NOTE 4. INCOME TAX

	2013	2012
	$	$
Reconciliation of income tax expense to prima facie tax payable		
The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on operating profit at 30% (2012: 30%)	(723,534)	(206,497)
Add / (Less) Tax effect of:		
Non-deductible items	9,314	2,123
Other adjustments	-	-
Deferred tax asset not brought to account	714,220	204,374
Income tax attributable to operating loss	-	-

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward, amounts to approximately $7,997,168 (2012: $7,282,948) have not been brought to account at 30 June 2013 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;
ii. the Group continues to comply with conditions for deductibility imposed by law; and
iii. no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss and
iv. exploration expenditure

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NOTE 5. EARNINGS PER SHARE	2013	2012
	$	$
a) Loss used to calculate basic EPS	(2,411,780)	(688,323)
	Number of Shares	Number of Shares
b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	260,752,778	225,561,039

NOTE 6. CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	392,170	1,673,411

NOTE 7. FINANCIAL ASSETS		
Financial assets at fair value through profit and loss		
Held for trading listed shares	34,800	195,800

NOTE 8. TRADE AND OTHER RECEIVABLES		
Prepayments	53,908	4,998
Share Trading Account	707	157,953
Other	16,585	21,936
	71,200	184,887

NOTE 9. CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%)*	
		2013	2012
Subsidiaries of Newera Resources Limited:			
Newera Resources Mongolia LLC*	Mongolia	100	100

* this company was incorporated during the 2012 financial year

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NOTE 10. PLANT AND EQUIPMENT	2013 $	2012 $
PLANT AND EQUIPMENT		
Plant and equipment:		
At cost	60,743	60,784
Accumulated depreciation	(59,807)	(59,381)
Total plant and equipment	936	1,403

a. Movements in Carrying Amounts

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Plant and Equipment	2013 $	2012 $
Balance at beginning of year	1,403	-
Additions	-	1,444
Depreciation expense	(467)	(41)
Balance at end of year	936	1,403

NOTE 11. EXPLORATION EXPENDITURE

The value of Group interest in exploration expenditure is dependent upon the:

	2013 $	2012 $
Exploration expenditure	1,845,177	2,212,369
Opening balance	2,212,369	1,411,980
Exploration incurred during the year	945,698	864,446
Impairment	(1,312,890)	(64,057)
Exploration and evaluation phase expenditure capitalised	1,845,177	2,212,369

- the continuance of the economic entity rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploration of the areas of interest, or alternatively, by their sale.

The exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

Within the 2012 balance is a figure of $50,000 paid by Newera Resources Mongolia LLC (NRMLLC), to the vendor as reimbursement for past expenditure and paid in relation to the Mongolian Shanagan Project Licence 14030X. NRMLLC, upon signing of the Option Agreement (29/05/12), was granted six months to complete a due diligence. During the 2013 financial year, NRMLLC paid a further $50,000 to take a twelve month option to acquire 80% of the Shanagan Project Licence which expires on 28 November 2013. Should NRMLLC elect to acquire that 80% interest in the licence, NRMLLC will be required to pay the exercise fee of US$1,000,000 on or before 28 November 2013.

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NOTE 12. TRADE AND OTHER PAYABLES	2013 $	2012 $
Trade creditors	61,724	26,356
Other payables and accruals	38,891	41,509
Trade and other payables	100,615	67,865

Trade creditors are expected to be paid on 30 day terms.

NOTE 13. ISSUED CAPITAL	2013 $	2012 $
261,411,682 (2012: 258,411,682) Fully paid ordinary shares	11,786,866	11,726,866

The Group has issued capital amounting to 261,411,682 (2012: 258,411,682) with no par value.

a) Ordinary Shares	2013 Number of Shares	2013 $	2012 Number of Shares	2012 $
At the beginning of the year	258,411,682	11,726,866	191,958,761	10,623,744
Shares issued during the year				
5 July 2011 - Option exercise	-	-	100,000	3,600
4 September 2011 - Option exercise	-	-	1,000,000	36,000
15 November 2011 - Shares issued as consideration for Thundelarra acquisition	-		750,000	30,000
30 December 2011 – Placement @ 2 cents per share	-	-	64,602,921	1,292,058
Various – Shares issued in lieu of consulting fees @ 2 cents per share	3,000,000	60,000	-	-
Share issue costs	-	-	-	(258,536)
At the end of the year	261,411,682	11,786,866	258,411,682	11,726,866

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NOTE 13. ISSUED CAPITAL (continued)

b) Capital management

The working capital position of the Group as follows:

	2013	2012
	$	$
Cash and cash equivalents	392,170	1,673,411
Financial assets	34,800	195,800
Trade and other receivables	71,200	184,611
Trade and other payables	(100,615)	(67,865)
Working capital position	397,555	1,985,957

NOTE 14. RESERVES

	2013	2012
	$	$
a) **Option Reserve**		
Balance at the beginning of the year	324,663	180,442
Rollover options issued during year	48,837	144,221
Options issued during year	293,063	-
Options expired during year	-	-
Balance at the end of the year	666,563	324,663

The option reserve records items recognised on valuation of share options issued to employees, directors and consultants as part of their remuneration. Refer to Note 21.

b) **Foreign Currency Translation reserve**		
Balance at the beginning of the year	354	-
Movement during the year	53,543	354
Balance at the end of the year	53,897	354

The foreign currency translation reserve is created on the consolidation of the Mongolian subsidiary as this is accounted for in US dollars and converted at balance date to AU dollars.

NOTE 15. COMMITMENTS

a) The Group has tenements rental and expenditure commitments of:

Payable:		
– not later than 12 months	67,486	104,753
– between 12 months and 5 years	-	-
– greater than 5 years	-	-
	67,486	104,753

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NOTE 15. COMMITMENTS

b) Operating Lease

The Group has an office equipment lease due to expire in the next 12 months. The Group has a non-cancellable premises lease through to 31 Dec 2013.

Payable:		
– not later than 12 months	29,337	29,633
– between 12 months and 5 years	-	-
	29,337	29,633

Further to the above, the Company's Mongolian subsidiary, NRMLLC, currently holds an option to acquire an 80% interest in the Shanagan Project licence which is due to expire in November 2013. Should NRMLLC elect to exercise this option, it will require a payment of US$1,000,000. Refer to Note 11 above for further disclosures in this regard.

NOTE 16. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or assets.

NOTE 17. CASH FLOW INFORMATION	**2013**	**2012**
	$	**$**
a) **Reconciliation of Cash**		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash	392,170	1,673,411
b) **Reconciliation of Cash Flow from Operations with Operating Loss after Income Tax**		
Operating loss after income tax	(2,411,780)	(688,323)
Non-cash flows in loss after income tax		
Share-based payment	293,065	-
Depreciation and amortisation	468	41
Net (gain) on sale of financial assets	-	(82,931)
Gain on foreign translation	-	354
Unrealised loss on sale of financial assets	161,000	96,600
Non-operating activities included in debtors	1,471	157,952
Exploration written down	1,312,891	-
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(41,951)	57,072
(Increase) in other assets	(833,626)	(800,389)
Increase/(decrease) in trade and other payables	31,139	(47,981)
Net Cash Flow (used in) Operating Activities	(1,487,324)	(1,307,605)
c) Non Cash Financing and Investing Activities		
Issue of options relating to brokerage fees	100,000	144,221

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NOTE 18. RELATED PARTY TRANSACTIONS

Other than remuneration disclosed in note 2 and the remuneration report section of the Directors report, there have also been cash fees on arms-length terms for capital raising and corporate advisory services along with 10,000,000 listed options issued to Cygnet Capital, an entity in which Mr de Mori has an interest. Mr de Mori has not received any of those cash fees or options.

These transactions have been entered into on normal commercial terms and conditions no more favourable than those available to other parties.

NOTE 19. FINANCIAL INSTRUMENTS

a) **Financial Risk Management**

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for the Group's operations.

Derivatives are not currently used by the Group for hedging purposes. The Group does not speculate in the trading of derivative instruments.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2013 $	2012 $
Financial Assets			
Cash and cash equivalents	6	392,170	1,673,411
Financial assets at fair value through profit or loss			
- Held for trading	7	34,800	195,800
Trade and other receivables	8	71,200	184,611
Total Financial Assets		498,170	2,053,822
Financial Liabilities			
Trade and other payables	12	100,615	67,865
Total Financial Liabilities		100,615	67,865

i. Treasury Risk Management

The full board meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks

The Group's financial instruments consist mainly of deposits with banks, short-term investments, and accounts receivable and payable. The main risks the Group is exposed to through its financial instruments are interest rate risk, liquidity risk, credit risk, and market risk (being equity price risk).

Interest rate risk

The Group does not have any debt that may be affected by interest rate risk.

Sensitivity analysis

At 30 June 2013, if interest rates had changed by -/+ 75 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Group would have been $2,361 lower/higher (2012 - $12,550 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

NOTE 19. FINANCIAL INSTRUMENTS (continued)

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk by preparing forward looking cash flow analysis in relation to its operational, investing and financing activities and monitoring its cash assets and assets readily convertible to cash in the context of its forecast future cash flows. The Group continually monitors its access to additional equity capital should that be required, maintains a reputable credit profile and manages the credit risk of its financial assets.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

	Note	2013	2012
		$	$
Cash and cash equivalents	6	392,170	1,673,411
		392,170	1,673,411

Market Risk – Equity/Securities Price Risk

The Group is also exposed to securities price risk on investments held for trading or for medium to longer terms. Such risk is managed through diversification of investments and by seeking the advice of suitably qualified specialist advisers.

b) **Fair value estimation**

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group and the parent entity at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current bid price.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

The following table represents a fair value hierarchy:

2013	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets				
Financials assets at fair value through profit or loss:				
- Investments – held for trading	34,800	-	-	34,800

2012	Level 1 $	Level 2 $	Level 3 $	Total $
Financial Assets				
Financials assets at fair value through profit or loss:				
- Investments – held for trading	195,800	-	-	195,800

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets have been based on the closing quoted bid prices at reporting date, excluding transaction costs.

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NOTE 19. FINANCIAL INSTRUMENTS (continued)

Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

	Floating Interest Rate		Fixed Interest Rate				Non-Interest Bearing		Total		Weight Effective Interest Rate	
			1 Year or Less		1 to 5 Years							
	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $	2013 $	2012 $	2013 %	2012 %
Financial Assets												
Cash	392,170	1,673,411	-	-	-	-	-	-	392,170	1,673,411	2.25	3.00
Investments held for trading	-	-	-	-	-	-	34,800	195,800	34,800	195,800		N/A
Trade and other receivables	-	-	-	-	-	-	71,200	184,611	71,200	184,611		N/A
Total Financial Assets	392,170	1,673,411	-	-	-	-	106,000	380,411	498,170	2,053,822		
Financial Liabilities												
Trade and other payables	-	-	-	-	-	-	100,615	67,865	100,615	67,865		N/A
Total Financial Liabilities	-	-	-	-	-	-	100,615	67,865	100,615	67,865		

NOTE 20. OPERATING SEGMENTS

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of business category and geographical areas. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Segment assets

Where an asset is used across multiple segments, the asset is allocated proportionately to the applicable segments based on its use. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables.

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NOTE 20. OPERATING SEGMENTS

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The consolidated entity operates as a single segment which is mineral exploration.

The consolidated entity is domiciled in Australia. All revenue from external parties is generated from Australia only. Segment revenues are allocated based on the country in which the party is located.

Segment assets are allocated to countries based on where the assets are located. Refer to table below for allocations.

Assets by geographical region

The location of segment assets by geographical location of the assets is disclosed below:

	2013	2012
Australia	818,125	3,702,550
Sweden	294,777	253,053
Mongolia	732,275	308,232
Total assets	1,845,177	4,263,835

NOTE 21. SHARED-BASED PAYMENTS

During the year 12,000,000 options were issued as share based payments. (2012: 10,000,000)

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Group with full dividend and voting rights. Details of the options granted can be found below;

	2013		2012	
	Number of options	Weighted average exercise price cents	Number of options	Weighted average exercise price cents
Outstanding at the beginning of the year	42,301,526	3.0	25,000,000	3.6
Granted – share based payment to Directors	12,000,000	5.0	-	-
Granted – share based payment to consultants	10,000,000	3.0	10,000,000	3.0
Granted – rights issue	24,418,374	3.6	32,301,526	3.0
Forfeited	-	-	-	-
Exercised	-	-	-	
Expired	(76,719,900)	3.0	(25,000,000)	3.6
Outstanding at year-end	12,000,000	5.0	42,301,526	3.0
Exercisable at year-end	12,000,000	5.0	42,301,526	3.0

a) **Expenses arising from share-based payment transactions**

There were $293,063 (2012: $144,221) in expenses arising from share-based payment transactions recognised during the year, comprising options issued to Directors ($193,063) and options issued to consultants ($100,000). The 2013 options issued to Directors expense has been calculated using Black Scholes as follows:

Weighted average exercise price	$0.05
Weighted average life of option	3.08 years
Expected share price volatility	100%
Risk-free interest rate	2.70%

The 2013 options issued to consultants expense has been determined by reference to the fair value of the listed option at the grant date.

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the historical exercise patterns which may not eventuate.

During the year 3,000,000 shares valued at $60,000 were issued to exploration consultants. These costs have been capitalised to exploration expenditure.

NOTE 22. PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australia Accounting Standards	2013 $	2012 $
Current Assets	433,913	1,794,865
Non-Current Assets	1,901,802	2,492,148
TOTAL ASSETS	2,335,715	4,287,013
Current Liabilities	92,046	67,865
TOTAL LIABILITIES	92,046	67,865
NET ASSETS	2,243,669	4,219,148
EQUITY		
Issued capital	11,786,866	11,726,866
Reserves	666,563	324,663
Accumulated losses	(10,209,761)	(7,832,381)
TOTAL EQUITY	2,243,668	4,219,148
STATEMENT OF COMPREHENSIVE INCOME		
Total Loss	(2,377,380)	(668,827)
Total Comprehensive Income	(2,377,380)	(668,827)

Newera Resources Limited does not hold any deed of cross guarantee for the debts of its subsidiary company as at 30 June 2013 (2012: Nil).

Newera Resources Limited has no contingent liabilities at 30 June 2013 (2012: Nil).

Newera Resources Limited has no commitments for the acquisition of property, plant and equipment as at 30 June 2013 (2012: Nil).

NOTE 23. GROUP DETAILS

The registered office and principal place of business of the Group is:

Suite 5 / 2 Centro Avenue
SUBIACO, WA 6008

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NOTE 24. EVENTS AFTER THE REPORTING DATE

Subsequent to 30 June 2013, the following events occurred:

Mongolia

Shanagan Project

The Mining contractors reported that they had completed the bulk sample extraction shaft, had completed the extraction of the coal bulk sample, had completed site rehabilitation and had transported the coal bulk samples to ALS Group LLC ("ALS") Laboratories in Ulaanbaatar.

ALS subsequently advised that they had received the Shanagan coal bulk sample and would commence wash testing of the Shanagn coal sample.

On the 9th September 2013 Newera announced that it had received the results of coal washability tests conducted on its Shanagan East Project coal bulk sample.

ALS Group LLC Laboratories in Mongolia advised that it had successfully concluded the detailed washability tests under a coal quality and test work plan supplied and overseen by Sedgman.

Points of interest arising from the wash testing of the Shanagan coal bulk sample include:

- Coal from the Shanagan Project coal bulk sample confirmed to be readily washable.

  Sizing and washability test work on the Shanagan Project coal bulk sample extracted from adjacent to drill hole SHDH14, has confirmed the coal was able to be washed through a standard and common coal handling and processing plant ("CHPP").

- Coal quality analysis confirms previous results indicating a semi-anthracite/low-vol bituminous type coal, low in moisture, high calorific value and high ash.

- Shanagan coal could potentially be mined to produce a lower energy product without washing.

- If used for power generation, the low volatile contents would mean lower quantities of flue gas would be generated, meaning less pollutants being released into the atmosphere (a clean coal).

- High ash deformation temperatures (>1400°C) allowing high temperature boiler operation, delivering greater efficiency and lower capital cost on any power plant construction.

- Normal sulphur (0.54% adb) and nitrogen (1.72% adb) levels.

- High hardgrove grindability index (>100) lowering power station pulverising requirements.

- Sedgman consider the range of potential specifications of both as-mined and washed products should allow flexibility going forward in the development of the resource as different potential customers and end users are considered.

Washability test results

A summary of the washability test results are set out in the table below and suggests that if the Shanagan Project coal is passed through a common CHPP, on balance, the washing process could be optimised to produce a yield in the region of 50% with a contained 30% ash. The full report is included as an addendum to this release.

NOTE 24. EVENTS AFTER THE REPORTING DATE (continued)

Washed/Raw	Ash % (adb)	Yield % (arb)	Total Moisture % (arb)	Fixed Carbon % (arb)	Vols % (arb)	Gross Calorific Value kcal/kg (arb)	Net Calorific Value kcal/kg (arb)
Raw	43.5	100	7.9	44.0	7.9	4430	4274
Washed	31.9	54.4	9.4	52.0	9.4	5230	5056
Washed	30.0	49.3	9.6	53.3	9.6	5365	5188
Washed	25.0	35.5	10.1	56.8	10.2	5716	5532
Washed	20.0	23.0	11.0	60.0	10.8	6037	5845
Washed	18.0	18.6	11.5	61.1	11.0	6150	5953

Table 1. Shanagan Project – Summary of washability test results

See ASX Announcement 04/07/2013 and 9/09/2013.

Ulaan Tolgoi Project

On 8 July 2013, Newera announced that it had formalised the joint Venture over the Mongolian Exploration Licence 12332X – the Ulaan Tolgoi Project.

On 18 September 2013, Newera announced that it had commenced a seismic survey seeking coal bed markers under cover, within the Ulaan Tolgoi joint venture area in the South Gobi region of Mongolia.

Sweden

Varmland Project

Newera announced that it has received from SRK Denmark, a final report, including highlight rock chip sample results from a field reconnaissance exploration program within Newera's Varmland 100 (V100) and Varmland 101 (V101) Exploration Licences located northwest of Stockholm adjacent to the Sweden/Norway border.

Points of interest arising from the V100 and V101 field reconnaissance exploration program:

- Copper mineralisation results to 4.6% Cu from reconnaissance rock chip sampling of old workings dumps in V100.
- A single iron mineralisation result at 47% Fe from reconnaissance rock chip sampling in V100
- Low order gold analysis results but significant areas recognised to have high alteration within V101
- Copper anomalism in V100 generally associated with magnetite making magnetics an effective future exploration tool.

Sample ID	Cu %	East_WGS	North_WGS
40361	**3.14**	373588	6644271
40363	**3.15**	372984	6643262
40367	**1.2**	372824	6645743
40368	**2.7**	372828	6645720
40370	**1.45**	360425	6657648
40383	**4.6**	373591	6644266
40386	**1.95**	373200	6644701
40387	**2.48**	372943	6645198
40394	**1.94**	370770	6648175

Table 1: Highlight V100 copper analysis results (9 out of a total 40 samples assayed).

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NOTE 24. EVENTS AFTER THE REPORTING DATE (continued)

See ASX announcements on 22/07/2013 and 28/08/2013.

Other than disclosed above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

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Directors' Declaration

The directors of the Company declare that:

(a) the financial statements and notes thereto are in accordance with the Corporations Act 2001 and;

  (i) comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards; and

  (ii) give a true and fair view of the Group's financial position as at 30 June 2013 and of its performance for the year ended on that date;

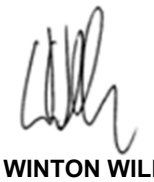
(b) In the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable;

(c) The directors have been given the declarations required by s 295A of the *Corporations Act 2001*; and

(d) As at the date of this declaration, in the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors:



WINTON WILLESEE
Director

DATED this 23rd day of September 2013

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RSM Bird Cameron Partners

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWERA RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Newera Resources Limited, which comprises the statement of financial position as at 30 June 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Major Offices in: Perth, Sydney, Melbourne, Adelaide and Canberra
ABN 36 965 185 036

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Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Newera Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Newera Resources Limited is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report contained within the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001.* Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion the Remuneration Report of Newera Resources Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.

Rsm Bird Cameron Partners

RSM BIRD CAMERON PARTNERS

Perth, WA
Dated: 23 September 2013

TUTU PHONG
Partner

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Shareholder Information

Additional information required by the Australian Securities Exchange Limited Listing Rules, and not disclosed elsewhere in this report.

SHAREHOLDINGS

The names of the substantial shareholders listed on the Company's register as at 9 September 2013:

Shareholder	Number	Percentage of issued capital held
Tonka Trading PL Jakessi S/F A/C	18,679,138	7.15

CLASS OF SHARES AND VOTING RIGHTS

The voting rights attached to the Fully Paid Ordinary shares of the Company are:

1. At a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

2. On a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

There are no voting rights attached to any Options on issue.

DISTRIBUTION OF SHAREHOLDERS (as at 9 September 2013)

Shares Range	No of Holders	Units	%
1 – 1000	114	35,577	0.01
1001 – 5000	229	681,279	0.26
5001 – 10000	286	2,305,664	0.88
10001 – 100000	527	20,133,323	7.70
100001 and above	280	238,255,839	91.14
Total	**1,436**	**261,411,682**	**100.00**

There are 1,085 holders of unmarketable parcels comprising a total of 16,525,679 ordinary shares.

There is not currently an on-market buy back in place.

There are currently no restricted securities on issue.

DISTRIBUTION OF OPTIONHOLDERS (as at 9 September 2013)

(i) Unlisted options exercisable at $0.05 on or before 31 December 2015

Options Range	No of Holders	Units	%
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	3[1]	12,000,000	100.00
Total	**3**	**12,000,000**	**100.00**

[1] 6,000,000 options are held by Tonka Trading Pty Ltd (The Jakessi Super Fund A/C), 3,000,000 options are held by Glamour Division Pty Ltd (The Hammer A/C) and 3,000,000 options are held by Azalea Family Holdings Pty Ltd (No 2 A/C).

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Shareholder Information

TWENTY LARGEST SHAREHOLDERS
(as at 9 September 2013)

	Name	Number of Shares	%
1	TONKA TRADING PL (JAKESSI S/F A/C)	18,679,138	7.15
2	CITICORP NOM PL	15,063,111	5.76
3	BANKS-SMITH KATRINA F	12,000,000	4.59
4	BOUTA PL (JB MARTEL PRACTICE)	9,930,586	3.80
5	BOUTA PL	8,331,213	3.19
6	LAY PAUL	6,140,567	2.35
7	MCMAHON JOHN HENRY A	4,908,326	1.88
8	PHAM DUNG	4,832,066	1.85
9	OUTBACK CAP PL (FFRF A/C)	4,700,000	1.80
10	PLAYER VICKI GAYE + S J (V G PLAYER S/F A/C)	4,470,329	1.71
11	PHAM BINH HUY	4,031,985	1.54
12	WANG YONGJIAN + HANG BO	4,015,000	1.54
13	LUCANO NICOLA	4,000,000	1.53
14	EMMETT CAP PL (EMMETT FAM A/C)	4,000,000	1.53
15	IRIS SYDNEY HLDGS PL	3,800,000	1.45
16	PLAYERCORP PL (SJ PLAYER FAM A/C)	3,658,288	1.40
17	CLIFFORD MICHAEL JOHN	3,200,000	1.22
18	YIP YUK YIM	3,100,001	1.19
19	AZALEA FAM HLDGS PL (NO 2 A/C)	3,066,667	1.17
20	MICHAELSEN P + TRUJILLO A	3,000,000	1.15
		124,927,277	**47.80**

TENEMENT SCHEDULE

Lease	Project	Lease Status
WA		
E09/1575	Jailor Bore	Granted
E09/1194	Jailor Bore	Granted
E09/1434	Jailor Bore	Granted
E09/1298	Jailor Bore	Granted
E09/1340	Jailor Bore	Granted
E09/1788	Jailor Bore	Granted
E80/4308	Cummins Range	Granted
E80/4632	Cummins Range	Granted
Sweden		
Varmland nr 100	Sweden	Granted
Varmland nr 101	Sweden	Granted

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