



ABN 27 118 554 359

**Interim Financial Report**

**For the Half Year Ended**

**31 December 2013**

# Newera Resources Limited

ABN 27 118 554 359

## Interim Financial Report 2013

### Table of Contents

Corporate Directory .....	1
Statement of Comprehensive Income .....	8
Statement of Financial Position .....	9
Statement of Changes in Equity .....	10
Statement of Cash Flows .....	11
Notes to the Financial Statements .....	12
Directors' Declaration .....	15
Independent Auditor's Review Report .....	16

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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

Winton Willesee

## PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Suite 5, 2 Centro Avenue  
Subiaco WA 6008

## CONTACT DETAILS

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Subiaco WA 6008

PO Box 668  
Subiaco WA 6904

## SOLICITORS TO THE COMPANY

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Level 4, Next Building  
16 Milligan Street  
Perth WA 6000

## SHARE REGISTRY

Security Transfer Registrars Pty Ltd  
Alexandria House  
Suite 1, 770 Canning Highway  
Applecross WA 6153  
Ph: +61 (8) 9315 2333  
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## AUDITORS

RSM Bird Cameron Partners  
8 St Georges Terrace  
Perth WA 6000

## STOCK EXCHANGE

ASX Code: NRU  
Australian Securities Exchange  
Exchange Plaza  
2 The Esplanade  
Perth WA 6000

Your directors submit the financial report of Newera Resources Limited and its subsidiaries (the "Group") for the half-year ended 31 December 2013.

### Directors

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

Mr Martin Blakeman  
Mr Eric de Mori  
Mr Winton Willesee

All directors were in office for the entire period.

### Results

The loss of the Group for the half-year ended 31 December 2013 after providing for income tax amounted to \$1,083,360 (31 December 2012: \$896,898).

### Review of Operations

During the six month period to 31 December 2013, the Company's key focus was on Mongolia and in particular the Shanagan and Ulaan Tolgoi coal projects. Concurrently the Company progressed its Swedish portfolio and narrowed its focus in Australia to the most prospective of its Australian-based portfolio.

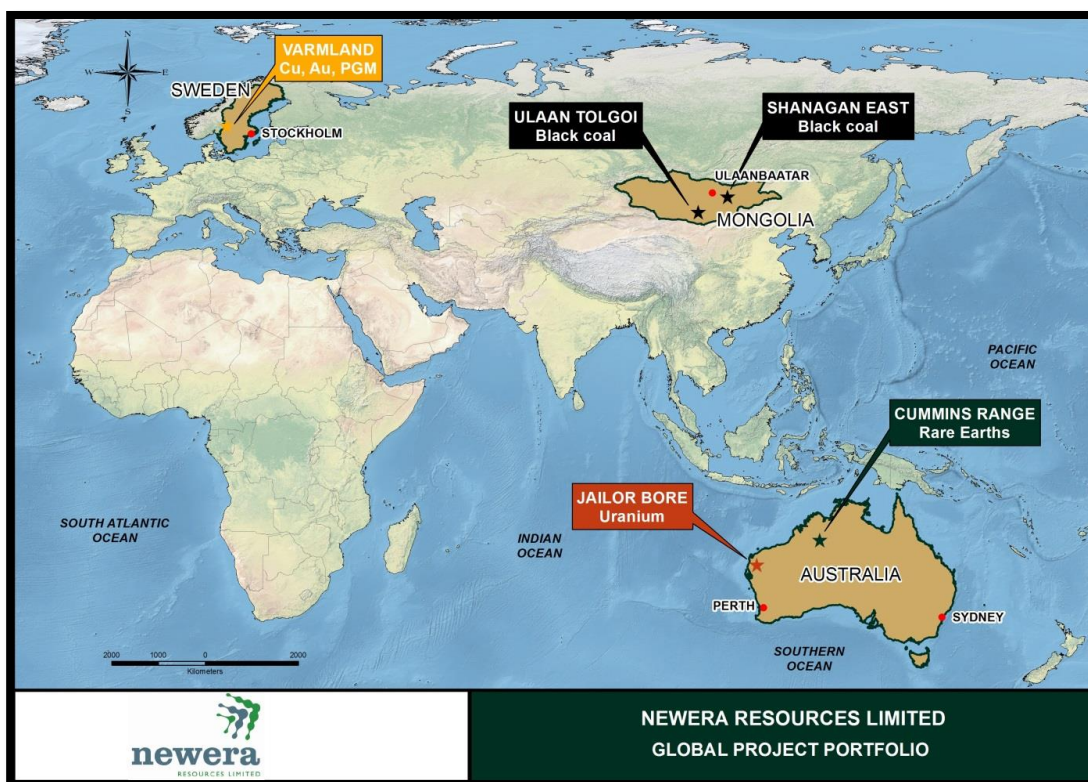


Figure 1: Newera Resources Limited global project portfolio plan.

## MONGOLIA

During the period, the Company held interests in the following projects located in Mongolia:

- Ulaan Tolgoi Project (12323X); and
- Shanagan Project (14030X).

### *Ulaan Tolgoi*

Ulaan Tolgoi is Newera's flagship project in Mongolia, and is comprised of a joint venture covering one exploration licence with an area of approximately 43,000 hectares in the coking coal prolific South Gobi region of Mongolia, c. 100km north of the Chinese border, 115 km south of the giant +6Bn tonne Tavan Tolgoi coking coal mine and 150km west of the giant Oyu Tolgoi copper mine.

During the period Newera commenced exploration within the Ulaan Tolgoi licence area by undertaking a mini seismic survey in an attempt to locate seismic reflectors that may indicate the presence of coal under pervasive quaternary cover.

The seismic survey produced encouraging results and has underpinned the determination of a series of "best fit" drill hole collars in preparation for a drilling program to commence during the first quarter of 2014, the timing of which will be dependent upon climatic conditions in the south Gobi region of Mongolia. It is intended that the drilling program will ultimately comprise a planned program of up to 2,000m of diamond core drilling (in two phases) to test interpretations from the seismic survey data.

### *Shanagan Project*

In May 2012 Newera entered into an Option agreement to acquire 80% of the Shanagan Project, which comprises one exploration license covering an area of approximately 2,223 hectares in a known coal bearing region, 140 kilometres southeast of Ulaanbaatar. The target commodity was coal.

Under the terms of the Option agreement Newera was given the option to acquire up to 80% of the Shanagan project within eighteen months of the execution date of the Option Agreement by paying \$1 million to the vendor on or before the expiry date of 28 November 2013.

During that eighteen month option period, Newera rapidly and systematically progressed the project through several phases of exploration, including:

- an initial desk top study;
- field mapping;
- three phases of drilling;
- a geophysical program and analysis and modelling of the geophysical survey results;
- determination of an exploration target; and
- washability testing and coal quality analysis.

On 21 October 2013 Newera entered into negotiations with the vendor, Geomaster, with the intention of reaching an agreement on terms that would facilitate the roll over the Option expiry date until 28 November 2014 to give the Company a further 12 months to progress work on the Shanagan Project.

Newera management subsequently advised that it was unable to reach a reasonable agreement with Geomaster. Mindful of the growing prospectivity of its new Ulaan Tolgoi project, the expected future difficulty in marketing a high ash coal and the financial resources available to Newera to meet the \$1 million Option Fee, it was determined that the Company would allow the Shanagan project option to lapse upon its expiry on 28 November 2013. Accordingly, Newera no longer holds an interest in the Shanagan Project licence.

## SWEDEN

The Company holds 100% interest in two Swedish exploration licences, Varmland 100 (V100) and Varmland 101 (V101) located in Sweden, northwest of the capital Stockholm and adjacent to the Sweden/Norway border. The licences 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.

During the period Newera engaged SRK Geology (SRK) to complete two reconnaissance field sampling exercises over V100 and V101.

During the reconnaissance field sampling exercises, selected individual and composite samples were collected and lodged for analysis.

Late in the period Newera received from Southern Geoscience geophysical consultants, a hand drafted structural interpretation of the geological structures and rock units existing within the two Varmland project licences. The intent is to digitise the hand drawn draft and then attempt to correlate the results of the recent reconnaissance rock chip sampling exercise with known structures and rock units.

## AUSTRALIA

During the period the Company held interests in the following projects:

- Jailor Bore Project; and
- Cummins Range Project.

### ***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.

During the period a Program of Work ("POW") application was lodged with the relevant government department for the Jailor Bore project.

The application included provision for limited reconnaissance scout drilling within to test three separate potential palaeo-channels previously identified through gravity surveys previously undertaken by Newera within the Jailor Bore project area.

The POW application also contained provision to undertake limited reconnaissance scout drilling within E09/1298 to test recently identified potential uranium targets.

The Company also advises that late in the period, Newera received copies of six Applications for Forfeiture – Form 35A (plaints), covering Newera's Jailor Bore project licences E09/1194, E09/1298, E09/1340, E09/1434, E09/1575 and E09/1788. The plainting party is listed as Robin Christopher Cooper. Newera is currently attending to these matters.

### ***Cummins Range Project:***

The Cummins Range project consists of E80/4308 and E80/4632 and 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.

As Exploration Licence E80/4308 was approaching the end of its life and its prospectivity was seen as limited, during the period a decision was made to narrow the Company's focus in Australia to its most prospective of its Australian portfolio and consequently E80/4308 was voluntarily relinquished.

## FUNDING

During the period, the Company entered into a series of convertible loans with various parties with a total value of \$500,000 (Loans). In accordance with the various loan agreements the Loans were to convert, subject to shareholder approval, to Convertible Notes with a face value of \$1,000 each (Notes).

The Company convened a general meeting of Shareholders on 6 March 2014 to seek approval for the issue of Notes at which all resolutions were approved by shareholders.

The Board sees this as an attractive option to access sufficient capital to meet the ongoing programs of the Company in a way that limits the dilution to existing shareholders at this time.

The key terms of the Notes are as follows:

- The Notes will mature 12 months from the date of issue and can be converted any time following the first subsequent capital raising to the issue of the Convertible Notes;
- The conversion price will be the lesser of 0.4 cents per ordinary share, or 80% of the subscription price per ordinary share under the Company's next capital raising (Conversion Price);
- For each share issued on conversion, the Note holder will be issued with 1 free option to subscribe for an additional ordinary share in the Company exercisable not less than 3 years from the date of issue at an exercise price no more than a 100% premium to the Conversion Price per share (Options). It is the intention of the Directors that the Options be listed however it is not guaranteed that this will ultimately be the case;
- The Notes will accrue interest at a rate of 12% per annum; and
- The Notes will be unsecured.

The Convertible Notes will be issued to sophisticated and institutional investors under sections 708(8), 708(10) and 708(11) of the Corporations Act 2001 (Cth) (the Act), without disclosure to investors under Part 6D.2 of the Act.

The Board advises that related parties of the Company have participated in the issue, details of which are set out in the Notice of General Meeting which was released to the ASX on 3 February 2014.

The capital raised will be applied to both the current working capital requirements of the Company and the development of its Ulaan Tolgoi project in Mongolia.

## CORPORATE STRATEGY

Newera's corporate strategy for growing the Company is to continue to advance its own projects through judicious exploration, while simultaneously searching out and evaluating new projects both within Australia and overseas.

Newera has and will continue to aggressively pursue contacts and project leads within Mongolia and elsewhere.

### Competent Person Statements

#### Australia and Scandinavia

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 2012 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 2012 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.

**Auditor's Independence Declaration**

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 for the half-year ended 31 December 2013 is included within this financial report.

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



**Winton Willesee**  
**Director**

Perth, 7<sup>th</sup> of March 2014

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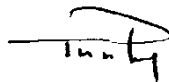
**RSM Bird Cameron Partners**  
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### AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Newera Resources Limited for the half-year ended 31 December 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 review; and
- (ii) any applicable code of professional conduct in relation to the review.

*Rsm Bird Cameron Partners*  
RSM BIRD CAMERON PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 7 March 2014

**Statement of Comprehensive Income**  
for the half-year ended 31 December 2013

**Consolidated**

	Notes	31 December 2013 \$	31 December 2012 \$
Revenue	3	1,088	23,348
Realised gain on financial asset	3	26,000	-
Unrealised gain/(loss) on financial asset		2,400	(65,800)
Audit and related services fees		(17,593)	(22,800)
Other accounting fees		(11,120)	(6,889)
Insurance		(6,180)	(19,180)
Consultant fees		(54,731)	(64,925)
Director and employee benefits expense		(86,675)	(95,086)
Depreciation		(157)	(236)
Tenement management fees		(1,909)	(13,531)
Occupancy expenses		(42,892)	(35,699)
Legal and corporate compliance fees		(16,489)	(63,644)
Other expenses		(34,502)	(42,924)
Equity-based payments		-	(293,065)
Exploration written down		(840,600)	(196,467)
Loss before income tax		(1,083,360)	(896,898)
Income tax		-	-
Net loss for the period		(1,083,360)	(896,898)
<b>Other comprehensive income</b>			
<i>Items that may subsequently be reclassified to profit or loss</i>			
Translation difference on foreign exchange		30,071	(7,477)
Total comprehensive income for the period		(1,053,289)	(904,375)
<b>Overall Operations</b>			
Basic and diluted loss per share (cents per share)		(0.40)	(0.36)

The accompanying notes form part of these financial accounts

**Statement of Financial Position**  
as at 31 December 2013

	Note	Consolidated	
		31 December 2013	30 June 2013
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		186,057	392,170
Trade and other receivables		91,456	71,200
Financial assets		7,200	34,800
<b>TOTAL CURRENT ASSETS</b>		<b>284,713</b>	<b>498,170</b>
<b>NON CURRENT ASSETS</b>			
Plant and equipment		778	936
Exploration and evaluation expenditure		1,448,702	1,845,177
<b>TOTAL NON CURRENT ASSETS</b>		<b>1,449,480</b>	<b>1,846,113</b>
<b>TOTAL ASSETS</b>		<b>1,734,193</b>	<b>2,344,283</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		89,471	100,615
Borrowings	7	454,343	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>543,814</b>	<b>100,615</b>
<b>TOTAL LIABILITIES</b>		<b>543,814</b>	<b>100,615</b>
<b>NET ASSETS</b>		<b>1,190,379</b>	<b>2,243,668</b>
<b>EQUITY</b>			
Issued capital		11,786,866	11,786,866
Reserves		750,531	720,460
Accumulated losses		(11,347,018)	(10,263,658)
<b>TOTAL EQUITY</b>		<b>1,190,379</b>	<b>2,243,668</b>

The accompanying notes form part of these financial accounts

**Statement of Changes in Equity**  
for the half-year ended 31 December 2013

	Issued Capital \$	Accumulated Losses \$	Reserve \$	Foreign currency translation \$	Total \$
<b>Balance at 1 July 2012</b>	11,726,866	(7,851,878)	324,663	354	4,200,005
Loss for the year	-	(896,898)	-	-	(896,898)
Other comprehensive income	-	-	-	(7,477)	(7,477)
Total comprehensive income	-	(896,898)	-	(7,477)	(904,375)
Transaction with owner, directly recorded in equity:					
Shares issued, net of costs	60,000	-	-	-	60,000
Options issued, net of costs	-	-	341,903	-	341,903
<b>Balance at 31 December 2012</b>	<b>11,786,866</b>	<b>(8,748,776)</b>	<b>666,566</b>	<b>(7,123)</b>	<b>3,697,533</b>
<b>Balance at 1 July 2013</b>	11,786,866	(10,263,658)	666,563	53,897	2,243,668
Loss for the year	-	(1,083,360)	-	-	(1,083,360)
Other comprehensive income	-	-	-	30,071	30,071
Total comprehensive income	-	(1,083,360)	-	30,071	(1,053,289)
Transaction with owner, directly recorded in equity:					
Shares issued, net of costs	-	-	-	-	-
Options issued, net of costs	-	-	-	-	-
<b>Balance at 31 December 2013</b>	<b>11,786,866</b>	<b>(11,347,018)</b>	<b>666,563</b>	<b>83,968</b>	<b>1,190,379</b>

The accompanying notes form part of these financial accounts

**Statement of Cash Flows**  
for the half-year ended 31 December 2013

	Consolidated 31 December 2013 \$	Consolidated 31 December 2012 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Payments to suppliers and employees	(292,494)	(433,063)
Interest received	1,088	20,594
Payments for exploration expenditure	(421,707)	(545,520)
<b>NET CASH USED BY OPERATING ACTIVITIES</b>	<b>(713,113)</b>	<b>(957,989)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of equity investments	56,000	160,000
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>56,000</b>	<b>160,000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from equity issue	-	48,837
Proceeds from loans	451,000	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>451,000</b>	<b>48,837</b>
<b>NET DECREASE IN CASH HELD</b>	<b>(206,113)</b>	<b>(749,152)</b>
<b>Cash at the beginning of the financial period</b>	<b>392,170</b>	<b>1,673,411</b>
<b>Cash at the end of the financial period</b>	<b>186,057</b>	<b>924,259</b>

The accompanying notes form part of these financial accounts

## **NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Preparation**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the consolidated entity. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2013, together with any public announcements made during the half-year.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as disclosed below.

### **New, revised or amending Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

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

### **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 \$1,083,360 and had net cash outflows from operating activities of \$713,113 for the period ended 31 December 2013. As at that date, the consolidated had net current liabilities of \$259,101.

These factors indicate significant uncertainty as to whether the consolidated entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the consolidated entity will be able to continue as a going concern, after consideration of the following factors:

- The ability of the Group to raise capital by the issue of 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.

Accordingly, the Directors believe that the consolidated entity will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the consolidated entity does not continue as a going concern.

## **NOTE 2. 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 maker) in assessing performance and determining the allocation of resources.

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

## **NOTE 3. REVENUES**

	<b>Consolidated 31 December 2013</b>	<b>Consolidated 31 December 2012</b>
	<b>\$</b>	<b>\$</b>
The following revenue item is relevant in explaining the financial performance for the interim period:		
Interest received	1,088	23,348
Proceeds from sale of financial asset	26,000	-
	<b>27,088</b>	<b>23,348</b>

## **NOTE 4. DIVIDENDS**

No dividends have been paid or declared during the period.

## **NOTE 5. EVENTS AFTER THE BALANCE DATE**

On 24 February 2014 the Company reported its exploration contractors in Mongolia were on stand-by to commence drilling at Ulaan Tolgoi once weather conditions permitted.

Other than the aforementioned, there are no significant events subsequent to reporting date which may affect the financial position for Group.

## **NOTE 6. CONTINGENCIES ASSETS AND LIABILITIES**

There were no contingencies at reporting date.

**NOTE 7. BORROWINGS**

	Consolidated 31 December 2013	Consolidated 30 June 2013
	\$	\$
Borrowings – related parties	179,319	-
Borrowings – other	275,024	-
	<u>454,343</u>	<u>-</u>

During the period, the Company received loan funding or conversion of amounts owed of \$178,000 from related parties and \$273,000 from non-related parties with respect to the issuance of the Convertible Notes as announced 2 December 2013. Interest accrued on these funds amounted to \$3,343 as the reporting date. These notes were approved by shareholders at a general meeting held on 6 March 2014.

The key terms of the Notes are as follows:

- The Notes will mature 12 months from the date of issue and can be converted any time following the first subsequent capital raising to the issue of the Convertible Notes;
- The conversion price will be the lesser of 0.4 cents per ordinary share, or 80% of the subscription price per ordinary share under the Company's next capital raising (Conversion Price);
- For each share issued on conversion, the Noteholder will be issued with 1 free option to subscribe for an additional ordinary share in the Company exercisable not less than 3 years from the date of issue at an exercise price no more than a 100% premium to the Conversion Price per share (Options). It is the intention of the Directors that the Options be listed.
- The Notes will accrue interest at a rate of 12% per annum; and
- The Notes will be unsecured.



## Directors' Declaration

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The directors of the Company declare that:

1. The financial statements and notes are in accordance with the *Corporations Act 2001*:
  - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the Consolidated Entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s303(5) of the *Corporations Act 2001*.



**Winton Willesee**  
**Director**

Perth, 7<sup>th</sup> of March 2014.

**RSM Bird Cameron Partners**  
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**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
NEWERA RESOURCES LIMITED**

We have reviewed the accompanying half-year financial report of Newera Resources Limited which comprises the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, 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 half-year end or from time to time during the half-year.

*Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Newera Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Independence*

In conducting our review, 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 review report.

### *Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Newera Resources Limited is not in accordance with the *Corporations Act 2001*, including:

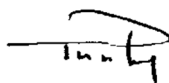
- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### *Emphasis of Matter*

Without qualifying our conclusion, we draw attention to Note 1 in the financial report, which indicates that the consolidated entity incurred a loss of \$1,083,360 and had net cash outflows from operating activities of \$713,113 for the half-year ended 31 December 2013. As at that date, the consolidated entity had net current liabilities of \$259,101. These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

*Rsm Bird Cameron Partners*

RSM BIRD CAMERON PARTNERS



TUTU PHONG  
Partner

Perth, WA  
Dated: 7 March 2014