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**ASX Release**

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**QUARTERLY ACTIVITIES REPORT  
March Quarter 2014**

**Newera Resources Limited (ASX: NRU)** is pleased to provide the following report on its activities for the March quarter 2014:

***Ulaan Tolgoi Project - Mongolia***

Newera reports that during the period it completed a Phase 1 drilling program testing the seismic reflectors interpreted to exist within the southern and far northeastern sectors of the licence by seismic consultants Logantek LLC.

The Phase 1 program initially called for two c. 300m deep diamond drilling holes designed to penetrate through the interpreted late Permian P2 sequence into basement.

Due to the recognition of strongly weathered basement in the drill core higher up in the sequence than anticipated, the program was varied to provide an adequate test of the interpreted seismic reflectors and the number of holes was increased to 5.

The program commenced with drill hole UTPDH01 which failed to intersect any late Permian strata and was terminated at 152.6 metres. UTPDH01 was followed by UTPDH02, 03, 04 and 05.

Hole ID	UTM* Easting	UTM Northing	RL (m)	Seismic Line	Logantek ID	Total Depth	PCD (m)	HQ (m)
UTPDH01	4729720	466350	1368	A (south)	PDH01	152.6	50	102.6
UTPDH02	4729200	478230	1372	B	PDH03	200	85	115
UTPDH03	4742809	486635	1581	C	NA	92.6	77.6	15
UTPDH04	4729381	477235	1390	E	NA	150	150	0
UTPDH05	4731450	466350	1374	A (north)	PDH07	230	230	0
Total m						825.2	592.6	232.6

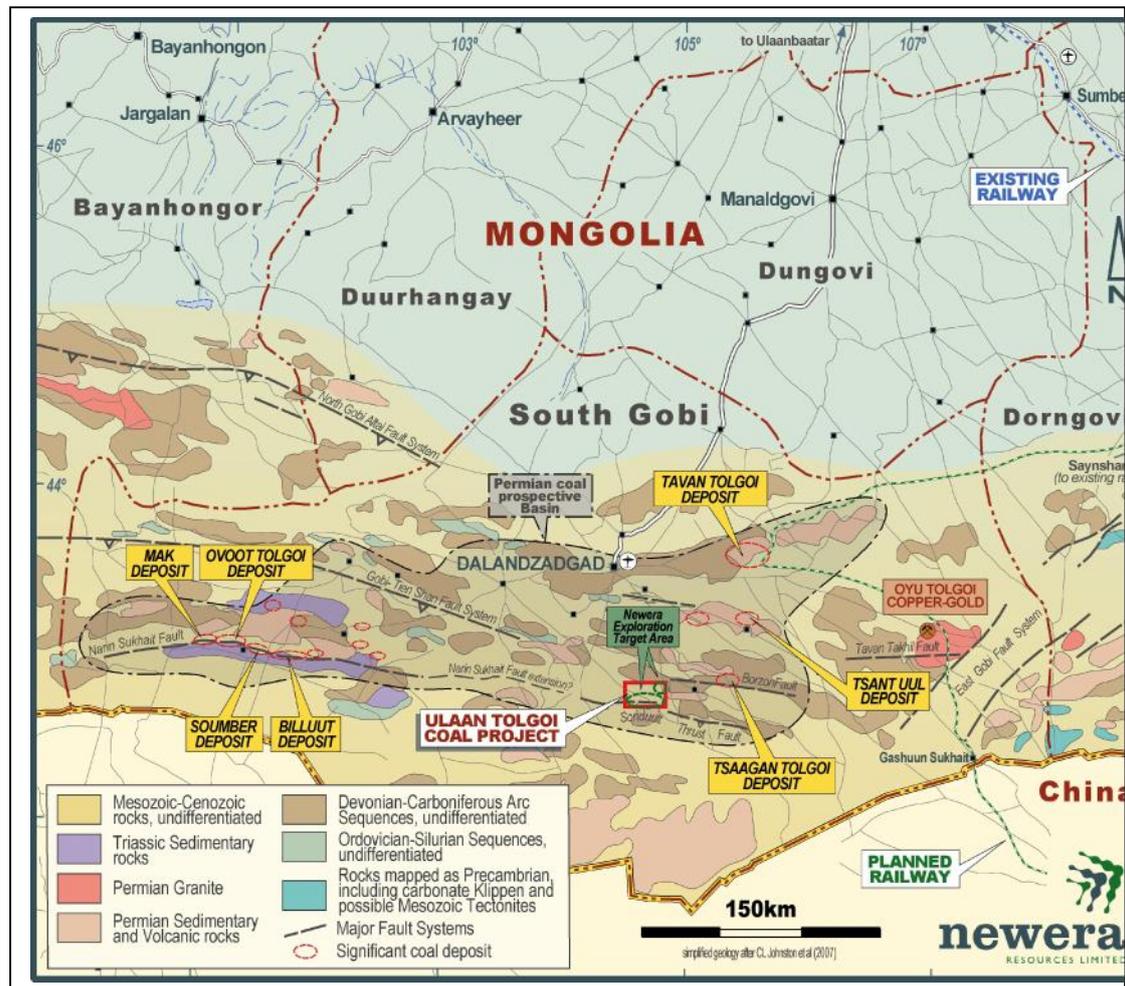
UTPDH02 intersected a 85m thick sequence of unconsolidated Quaternary - Tertiary sand and gravel, underlain by semi-consolidated to consolidated Cretaceous fluvio-lacustrine conglomerate, sandstone, siltstone and claystone with common molluscan shells. UTPDH03 uncovered a 77.6m thick unconsolidated sequence dominated by pebbly sand, underlain by thin (1.05m) Cretaceous clast-supported conglomerate unit. Weathered Silurian-Carboniferous volcanic basement was intersected at 78.55m. UTPDH04 intersected a 150m thick unconsolidated – semi-consolidated Tertiary-Cretaceous sequence characterised by pebbly sand, aeolian sand, and fine-grained floodbasin deposits. UTPDH05 uncovered a 230m thick unconsolidated sequence strongly dominated by well sorted fine-grained aeolian sand.

### Points of interest:

- Initial interpretation and modelling of the Ulaan Tolgoi seismic program results by Logantek indicated a number of strong seismic reflectors underlying lines A, E, B, F and D of the seismic survey.
- The terrain in the southern sector of Ulaan Tolgoi is a vast flat lying plain covered for the most part with deep quaternary sediments. There is no apparent outcrop.
- The seismic survey interpretation indicated a series of valid greenfields targets with the potential to intersect coal within what was interpreted to be potential late Permian P2 coal-bearing strata.
- Very limited historical data existed for the southern sector of the Ulaan Tolgoi licence area. The Newera driven exploration program was a greenfields exploration program based on an interpretation of the boundaries of the South Gobi basin and the results and interpretation of the Ulaan Tolgoi seismic survey.
- During the course of the drilling program in the southern sector of the Ulaan Tolgoi licence, Newera's consultant field geologist became aware of third party exploration activity within the exploration licence immediately north of, and abutting the northern boundary of the Ulaan Tolgoi licence.
- A number of field inspections determined that the third party had identified several outcrops of black Permian coal and were tracing the extent of the occurrence through the use of trenching, a ground magnetic survey and a limited drilling program which intersected Permian coal seams.
- Noting that the Ulaan Tolgoi licence is in excess of 40,000ha, and having conducted a limited drill test of the interpreted seismic reflectors located in southern and far northeastern sector of the Ulaan Tolgoi licence, without success, Newera still considers the Ulaan Tolgoi Licence holds some potential for the discovery of black coal in the northern sector.
- The next step for Newera is to consider a change of focus to the northern sector where c. 2km north of the Ulaan Tolgoi licence boundary, black coal has been discovered outcropping on the edges of erosion gullies within an elongated sub-basin which appear to intersect the northern boundary of the Ulaan Tolgoi tenement
- The Ulaan Tolgoi project is located in the South Gobi region 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 43,000 hectares in area.
- Visible in satellite imagery, striking east to west through the south of the licence is the Sonduult thrust fault. The Sonduult thrust fault is postulated to be an eastern extension of the Nariin Sukhait thrust fault which is a prominent structural feature further to the west.
- Minor coal outcrops and a number of water wells along the Nariin Sukhait thrust fault 300km to the west of Ulaan Tolgoi led to the discovery of the large MAK and Ovoot Tolgoi coking/thermal coal deposits.



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**Figure 1:** Ulaan Tolgoi licence area within South Gobi regional geology map showing interpreted boundary of the Permian coal prospective South Gobi Basin. The Nariin Sukhait and Sondult thrust faults indicated. Relevant major coal projects indicated.



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

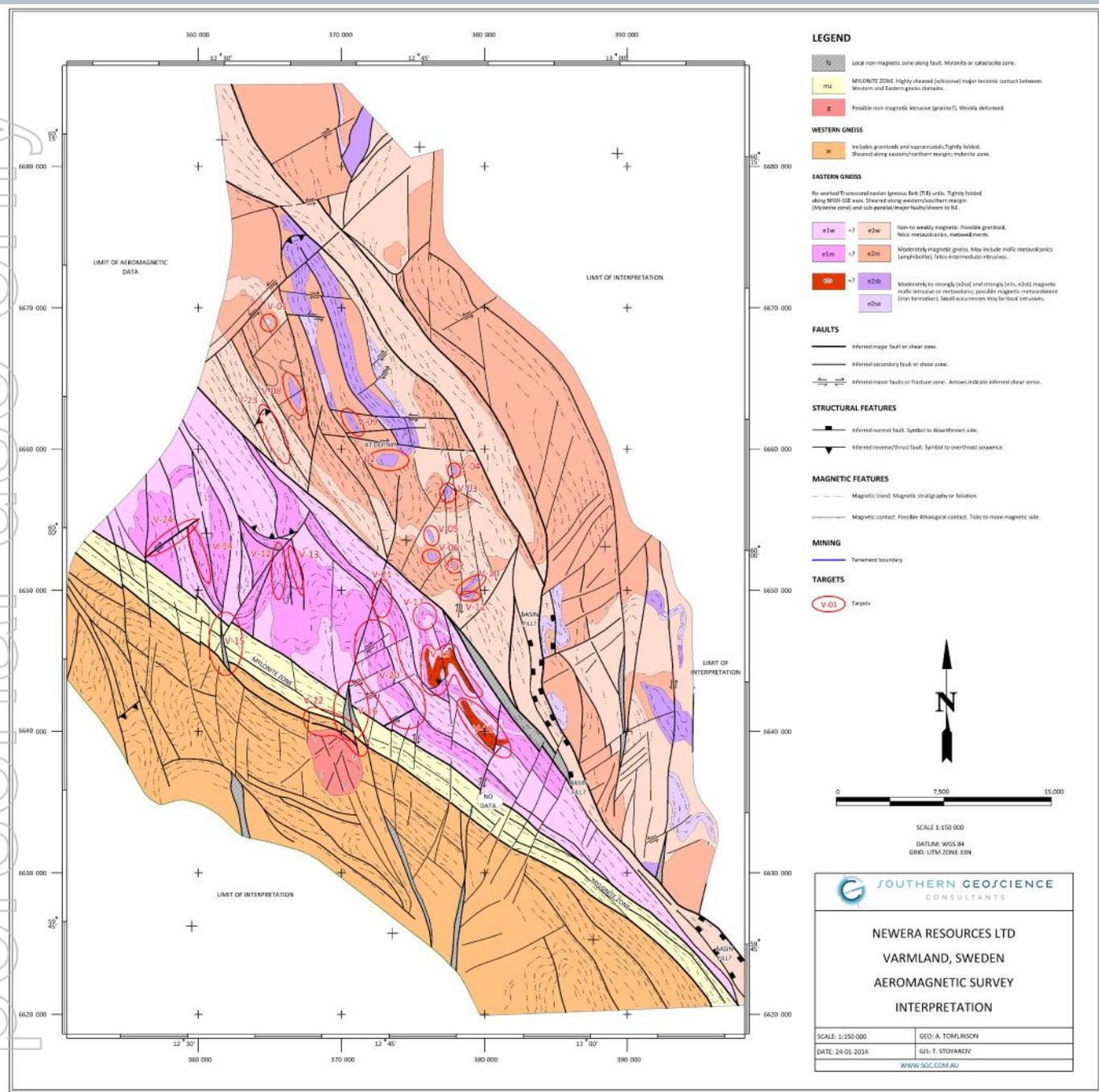
**Varmland Project – Sweden**

During the period Newera commissioned Southern Geoscience geophysical consultants to conduct a structural interpretation of the magnetics and geology underlying the Varmland project licences (V100 and V101).

As a result of the completion of the structural interpretation, numerous potential structural targets were identified for consideration. The next step in the process is to conduct a desk top review of all historical data and/or exploration results in an attempt to eliminate those indicated structural targets that are considered to have limited potential to produce gold or base metal prospects of a reasonable scale.

Following the desk top review and a prioritisation of the remaining targets, the next step in the process would be to have SRK Global - geological consultants (Denmark), conduct a field reconnaissance exercise to field check the priority targets and collect samples for analysis.

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**Figure 3:** Plan of Newera's Varmland project (V100 & V101) with underlying geophysical (magnetics) interpretation and overlying structural interpretation of the magnetics. Priority structural targets outlined in red line boundaries.

**NEWERA PROJECT PORTFOLIO:**

<b>Location</b>	<b>Project</b>
Mongolia:	Ulaan Tolgoi J/V project – Prospective for Late Permian black coal.
Sweden:	Varmland Project (V100 and V101 Licences) – Prospective for Copper, Gold, Iron and PGE's.
Australia:	Jailor Bore Project – Prospective for Uranium.
	Cummins Range Project - prospective for Rare Earth Elements (REE's), Phosphate and Uranium.

**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.

Further Information;  
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Executive Chairman  
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**Competent Person Statement**

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Per Michaelsen, General Director of Nordic Geological Solutions and 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.*

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**APPENDIX 1: Tenement Schedule**

<b>Tenement</b>	<b>Location</b>	<b>Interest</b> (at beginning of the quarter)	<b>Interest</b> (at the end of the quarter)
<b>Australia</b>			
E09/1194	Jailor Bore WA	70%	70%
E09/1298	Jailor Bore WA	100%	100%
E09/1340	Jailor Bore WA	100%	100%
E09/1434	Jailor Bore WA	100%	100%
E09/1575	Jailor Bore WA	100%	100%
E09/1788	Jailor Bore WA	100%	100%
E80/4632	Cummins Range WA	100%	100%
<b>Mongolia</b>			
12323X	South Gobi	Earning in - 0%	Earning in - 51%
<b>Sweden</b>			
V100	Varmland Sweden	100%	100%
V101	Varmland Sweden	100%	100%

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# JORC Code, 2012 Edition – Table 1 – Drilling Program Ulaan Tolgoi Project April 2014

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to this drilling program as no samples obtained.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Drill holes # UTPDH01 - 03 were cored using a HQ3 size barrel, producing 61.1mm size core. Top sections of UTPDH01 – 03, and the entire length of UTPDH04 - 05 were open holes (PCD), as shown in Table 1 in the March Quarter Report. All 5 holes were drilled vertical.</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to this drilling program as no samples obtained.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>loss/gain of fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Chip samples were geologically logged, and drill core were geologically and geotechnically logged. The total length of logged drill core was 232.6m. Chips samples and drill core were photo-documented. All drill core was transported to NGS's secure office compound in Dalanzadgad where it is currently stored.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to this drilling program as no samples obtained.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to this drilling program as no samples obtained.</li> </ul>

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to this drilling program as no samples obtained.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• The geologist used a GARMIN handheld GPS to determine the borehole position before moving the drill rig. After the drill rig had arrived and rigged up the NGS geologist used the GPS to survey the position again to ensure the drilling rig was at the right position. Both survey results were recorded in the NGS database. Elevation recorded twice by GPS.</li> </ul>
Data spacing and distribution	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to this drilling program as no samples obtained.</li> </ul>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to this drilling program as no samples obtained.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to this drilling program as no samples obtained.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>• The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable to this drilling program as no samples obtained.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Ulaan Tolgoi exploration tenement (12323X) covers a total of 43,830 hectares. The license is held in a joint venture company (CMNM LLC) of which NRU's Mongolian subsidiary currently controls 51%.</li> </ul>
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Newera is not aware of any previous drilling or geophysical work within the tenement area. Previous drilling restricted to shallow water wells mainly along the extensive Sonduult Tolgoi Thrust Fault.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Ulaan Tolgoi exploration tenement is located within the southeastern sector of the coal-bearing South Gobi Basin, as documented in the front section of this Quarterly Report.</li> </ul>
Drill hole Information	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>A summary of the 5 drill holes is presented in the front section of the Quarterly Report.</li> </ul>
Data aggregation methods	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to this drilling program as no coal seams intercepted.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable to this drilling program as no coal seams intercepted.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Prior to the commencement of this initial drilling program, Logantek completed a 20 line km mini-sosie seismic survey within the exploration tenement area. The results of the survey strongly indicated the presence of faulted and gently folded Late Permian coal-bearing (or coaly siltstone-bearing) sequences.</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>A ground magnetic survey is currently planned for the the northern sector of Ulaan Tolgoi to test for Late Permian fault-bounded coal-bearing sub-basins.</li> </ul>

