

ASX Release

27 October 2014

DIRECTORS

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Executive Chairman

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Non-Executive Director

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Mr Chris Watts

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Quarterly Activities Report September Quarter 2014

Newera Resources Limited (ASX: NRU) ("Newera") is pleased to present the following report on its activities for the September 2014 quarter.

Activity during the period has concentrated on continuing exploration of the Ulaan Tolgoi J/V licence in southern Mongolia, raising capital and researching potential new projects.

Ulaan Tolgoi Project: The northern sector of the Ulaan Tolgoi licence was recently covered by a ground magnetics ("GM") survey, resulting in the interpreted identification of two substantial sedimentary sub-basins and six interpreted coal prospective areas within the two sub-basins.

Subsequently in order to refine the target areas and locate the best fit drill hole collar locations Newera contracted geophysical contractors Logantek Mongolia LLC to undertake Inversion modelling of the GM data to produce a 3D model of the magnetic contours. The inversion modelling has now produced detailed imagery of the magnetic response contours underlying the GM survey area (Figure's 4. and 5.).

GM Interpretation Highlights:

- Logantek modelling appears to confirm work by Geo Oron LLC in identifying two potential coal bearing sub-basins.
- Logantek modelling suggests a maximum depth to basement within the potential coal bearing sub-basins of 200 metres.
- Coal discovered recently in adjacent licence 12990X produced a core from a 100m deep hole wherein a combined thickness of up to 16 metres of coal was observed by Newera's geological consultants.
- Interpretation of the Logantek inversion model also indicates a relatively extensive belt of magnetic highs near the northern boundary of the Ulaan Tolgoi licence.
- The indicated magnetic highs lie under an area of extensive cover where basement is interpreted to be at approximately 70 metres depth.



Figure 1: Newera Resources Ltd, Mongolian coal project location plan showing the Ulaan Tolgoi project location, the interpreted limits of the Permian coal prospective South Gobi Basin along with transport infrastructure and Chinese coal usage facilities.

The complexity of the magnetic contours underlying the northern sector of the Ulaan Tolgoi licence area has led to Logantek hypothesising that a series of intrusions may be responsible for a number of the magnetic highs produced as a result of this GM program. The Logantek VRMI work appears to outline clear intrusive centres.

Logantek has further hypothesised that these multi-phase intrusions may be prospective for copper. It was noted that hydrothermal alteration was sighted by Logantek and Newera's geological consultants in the central intrusive area at Ulaan Tolgoi. Rare copper mineralisation was recently observed in drill core in the licence to the immediate north of the Ulaan Tolgoi licence.

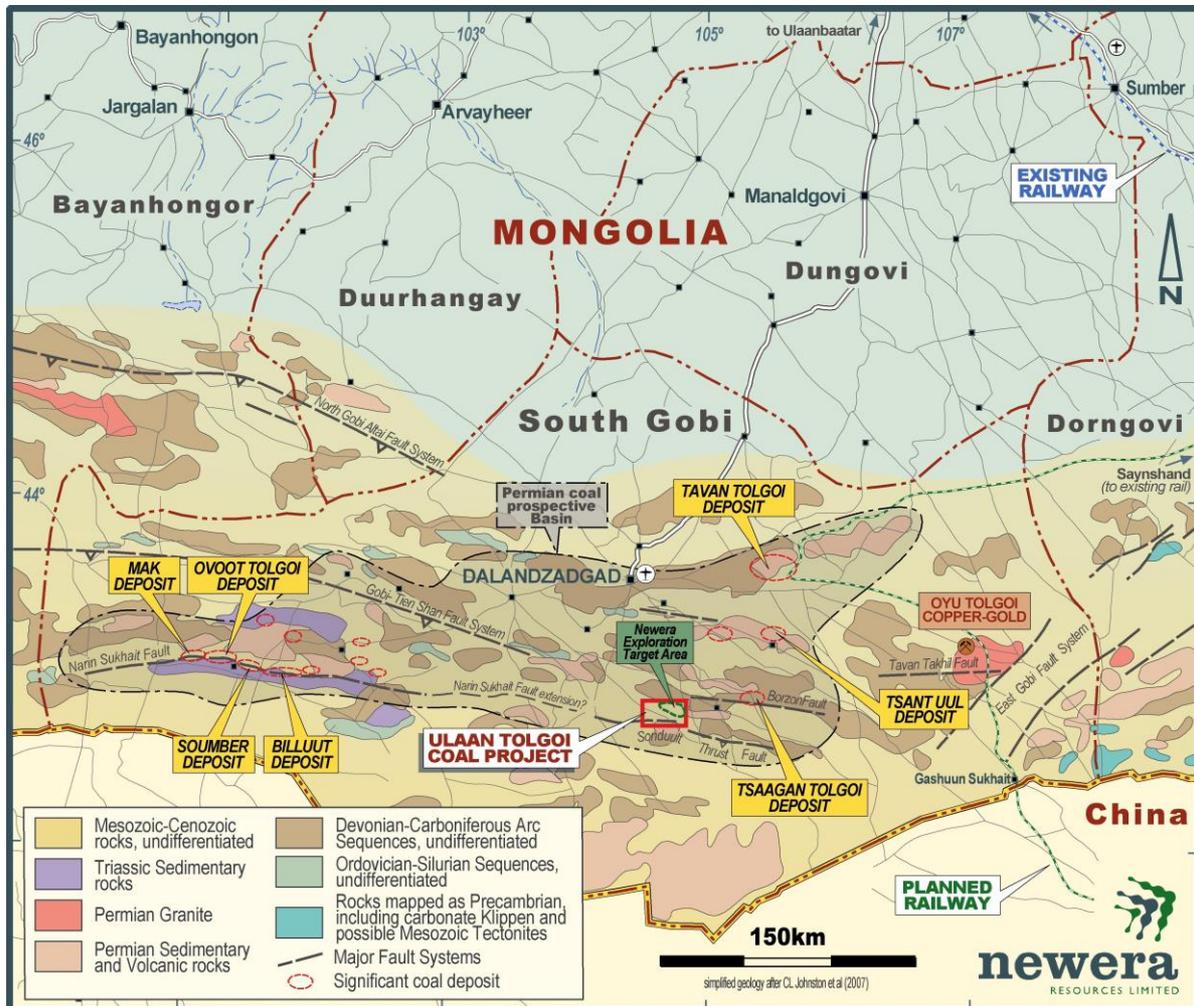


Figure 2: Ulaan Tolgoi licence area within South Gobi regional geology map – showing interpreted boundary of the late Permian coal prospective South Gobi Basin – the Nariin Sukhait and Sonduult thrust faults indicated. Relevant major coal projects indicated. Ulaan Tolgoi current exploration target area indicated.

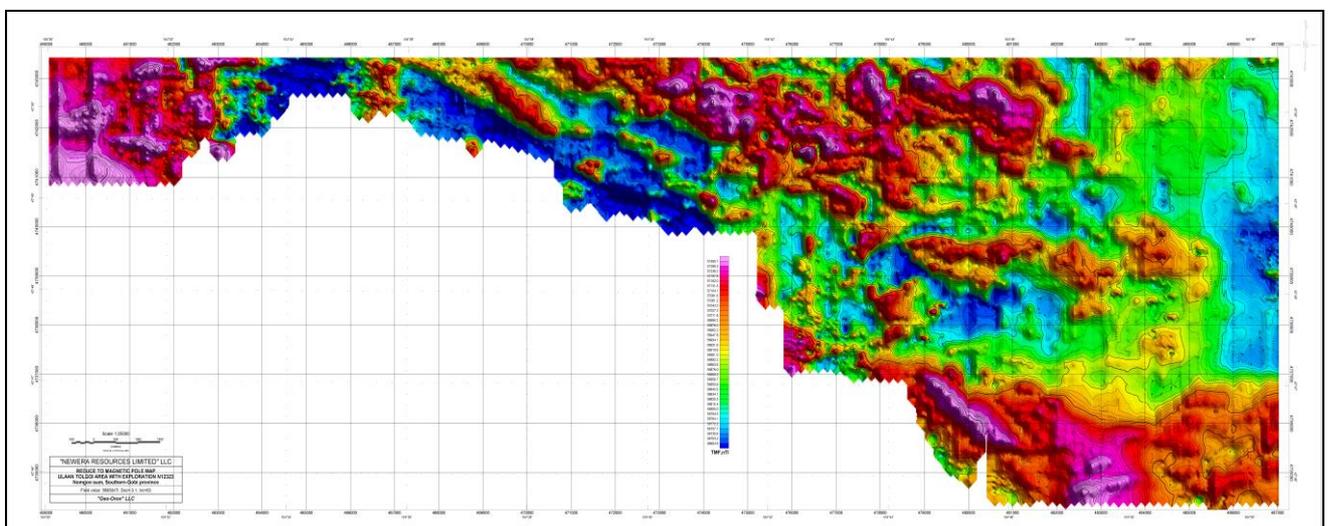


Figure 3: Ulaan Tolgoi licence – northern sector – Geo Oron LLC produced Total Magnetic Intensity image using colour differentiation – purple high, blue low.

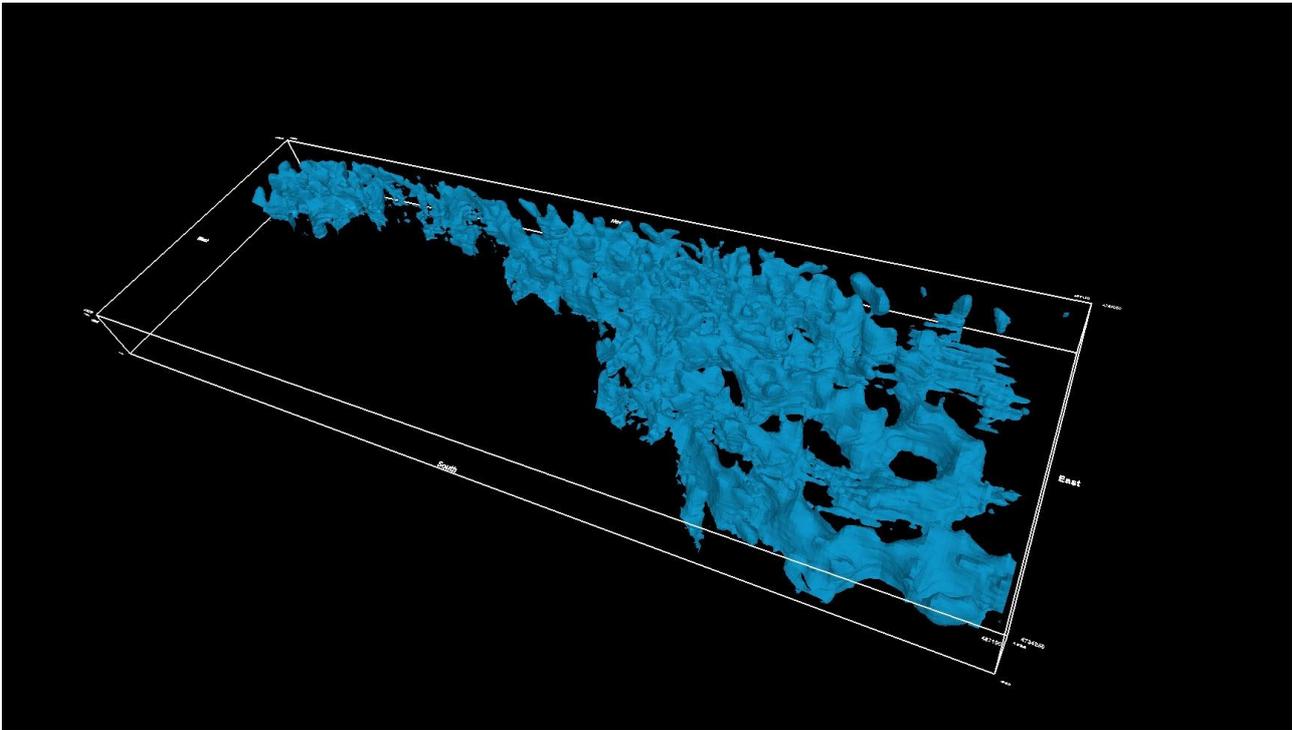


Figure 4. Ulaan Tolgoi licence – northern sector – Logantek Mongolia LLC produced 3D image of Total Magnetic Intensity (TMI) contours.

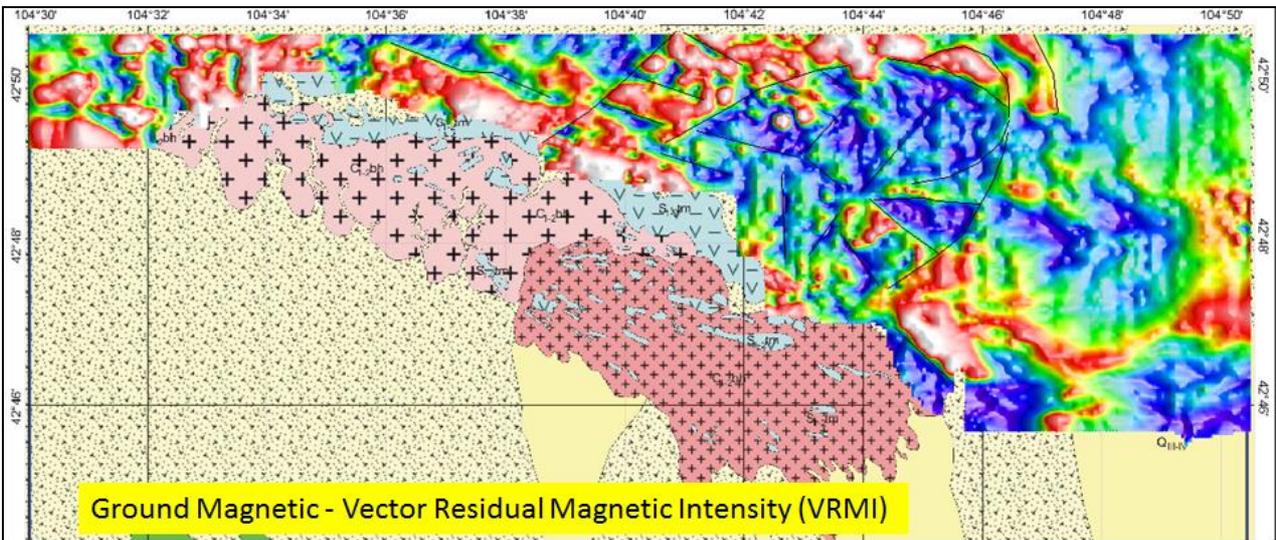


Figure 5: Ulaan Tolgoi licence – northern sector Logantek Ground Magnetics modelling with structural interpretation surrounding interpreted intrusion centres.

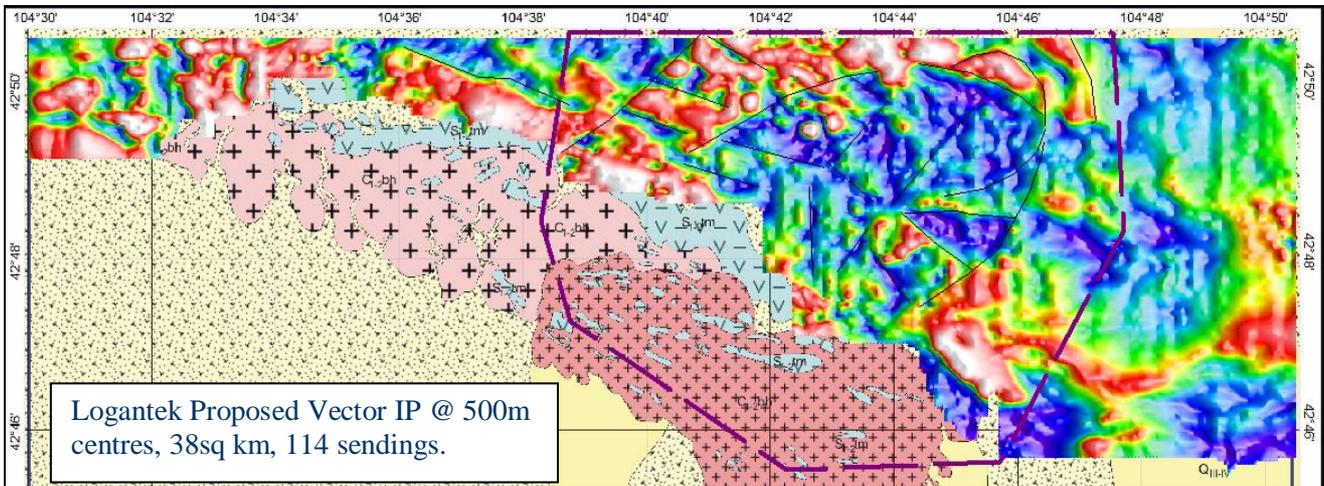


Figure 6: Ulaan Tolgoi licence – northern sector Logantek Ground Magnetics modelling with structural interpretation surrounding interpreted intrusion centres and an outline of a Logantek proposed vector IP survey.

Newera is currently assessing the risks associated with drilling green fields coal and or copper targets lying under extensive cover – as is the case at Ulaan Tolgoi.

Capital Raising:

In late July 2014, Newera appointed DJ Carmichael (“DJC”) to act as Lead Manager and Underwriter to assist Newera with a fully underwritten non-renounceable Right Issue to raise a total of up to circa \$1.05 million.

The rights issue was for the issue of four (4) new fully paid ordinary Shares for every five (5) existing Shares held at the record date at \$0.002 per Share to raise up to circa \$1.05 million and fully underwritten. Free attaching listed options will be offered on a 1:2 basis with a \$0.005 strike price and 31 July 2016 expiry date.

The Rights Issue sub underwriting was conducted pursuant to section 708 of the Corporations Act 2001 (Cth) to Institutional sophisticated, experienced or professional investors.

Based on the existing capital structure at the time of executing the Underwriting Agreement, the maximum number of Shares to be issued pursuant to the Rights Issue was 524,129,346. The Rights Issue was made pursuant to the Offer Document, which was lodged with the ASX.

All convertible notes issued covering convertible loans made to the Company in November of 2013 were converted to fully paid ordinary Shares prior to the record date of the Rights issue, to enable note holders to participate in the Rights Issue.

At the completion of the Rights Issue, Newera had raised a gross \$1,048,000 to meet the costs of the issue, deferred payments and future working capital.

NEWERA PROJECT PORTFOLIO:

Location	Project
Mongolia:	Ulaan Tolgoi J/V project – Prospective for Late Permian black coal and copper/gold
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.

New Projects:

Newera is actively researching new projects which should have the potential to add value to the Company through progression to production.

Further Information;
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Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Per Michaelsen, Consultant Geologist to Newera Resources Ltd who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Dr Michaelsen has sufficient experience, which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 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.

Refer Quarterly Activities Report dated 31 January 2014 for full details.

APPENDIX 1: Tenement Schedule

Tenement	Location	Interest (at beginning of the quarter)	Interest (at the end of the quarter)
Australia			
E09/1194	Jailor Bore WA	JV Earned 80%	JV Earned 80%
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%
Mongolia			
12323X	South Gobi	JV Earned- 51%	JV Earned- 51%
Sweden			
V100	Varmland Sweden	100%	100%
V101	Varmland Sweden	100%	100%