

ASX Release

30 April 2015

DIRECTORS

Mr Martin Blakeman
Executive Chairman

Mr Andrew Richards
Executive Director

Mr Chris Watts
Non-Executive Director

Chief Executive
Mr Will Dix

COMPANY SECRETARY
Mr Chris Watts

**PRINCIPAL PLACE OF BUSINESS AND
REGISTERED OFFICE**

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Quarterly Activities Report March Quarter 2015

Newera Resources Limited (ASX: NRU) ("Newera") is pleased to present the following report on its activities for the March 2015 quarter.

Following the announcement on 22 December 2014 that the Company had executed a binding Heads of Agreement to acquire Arena Resources Pty Ltd ("Arena"), an unlisted Australian private company that holds the rights to acquire up to a 90% interest in the Plomosas high-grade zinc project located in northern Mexico, an aggressive due diligence program was completed late in the March Quarter.

The positive outcomes of the due diligence led the Company to proceed with the acquisition and exercise its option to purchase 51% of the Plomosas Project (subject to Shareholder approval). This was announced to the market on 24 March along with the following highlights from the technical due diligence work completed by SRK Consulting (US) Inc, a well known international mining services group and ARC Resources Pty Ltd:

- the style of mineralisation and tenor of grades have been confirmed along with the prospectivity for identifying significant additional high grade mineralisation;
- targets for immediate drilling and resource definition programs have been identified which are immediately accessible;
- there is moderate capital requirement to refurbish the mine infrastructure which includes production and ventilation shafts and many kilometres of underground mine development.
- underground mine ground conditions and geotechnical requirements have been identified as good and manageable;
- the existing processing plant can be refurbished to treat ore up to a rate of 200 tonnes per day for potential early production but will need to be largely replaced if or when production is increased to 500 – 1,000tpd; been of high quality and in high demand for blending with ore from other operations in the region;



- Capital and operating costs are anticipated to be low on a global comparison and in line with other operations in the immediate region however further work will be required through scoping and feasibility studies to confirm and quantify these estimates.

The legal and commercial due diligence similarly provided a level of comfort as to the status and good standing of the Plomosas tenements and ownership and the framework of operating in Mexico.

Next Steps and Capital Raising

An Extraordinary General Meeting is planned for the first week of June, subject to regulatory clearance. This will present a number of resolutions and proposals the details of which will be forwarded to Newera shareholders in due course.

Newera has also completed the full Share Sale Agreement (SSA) with the vendors of Plomosas through Arena Exploration Pty Ltd and, subject to ratification at the EGM the Company will own 51% of the project and be responsible for funding and managing exploration and development.

Concurrently with negotiating the SSA, and in order to fund both the acquisition and future work programs, the Company has been active in identifying and communicating with a number of potential investors and funding partners. As announced in the 24 March release, the Company has been able to secure a \$1.25M convertible note through the Copulos Group who are the current major shareholder of the Company. This will be converted at a future capital raising that will be undertaken to fund the forthcoming work programs that will include:

- Continued underground mapping and sampling;
- Underground exploration drilling and sampling
- Completion of environmental permitting
- Metallurgical testwork
- Resource and scoping study works

The Company continues to be excited by the mineralisation, prospectivity and early stage production opportunities offered at Plomosas and is committed to delivering value to Shareholders through effective and efficient exploration and considered strategic decisions.

During the quarter, the Company announced that it had successfully raised \$583,000 via a \$300,000 Placement and via its Share Purchase Plan which closed oversubscribed raising \$283,000.

Plomosas Project - Background

The Plomosas Project covers 11 Exploration and Exploitation Concessions totalling 3,019Ha in area with an extensive history of exploration and development in base metal operations. Plomosas is located in the northern Mexican state of Chihuahua, which neighbours Texas, USA, and is accessed by a two hour flight from Dallas.

The shallow dipping (10° - 40°) Plomosas mineralisation itself has been mined in several stages since 1943 down to 270 metres below surface via room and pillar stopes using traditional air leg drill and blast techniques. The mineralisation continues at depth and there is over 6 km strike of prospective stratigraphic horizon within the tenement package providing for excellent exploration potential and drill targeting.



Figure 1:

Project concessions are on the NE flank of the Sierra Monillas range and 5km from a sealed highway.

Plomosas - Geology

The high grade Plomosas base metal mineralisation appears to comprise predominantly intrusive-related hydrothermal replacement of limestone rich sedimentary units within a well-defined stratigraphic horizon, similar in style to Mississippi Valley Type (MVT) deposits.

Mineralisation in the Plomosas district exists as strati form sheets of manto style mineralisation with cross cutting "chimneys" influenced by the location of crosscutting linking faults. The host rocks are predominantly limestone and shale with marbles present in areas including the hanging wall sequence. The hanging wall to the mineralisation is constrained by a zone of ductile-brittle deformation that is part of a larger 'horst' structure where a series of normal faults cross cut a sequence of folds and thrusts. This system of brittle deformation is evident along a series of normal sub vertical faults generally striking NW-SE.

At Plomosas, the average thickness of the manto style mineralisation is over 3m within a thicker sequence up to 25m thick containing limestone + shale ± marble that dips uniformly at low angles (10° – 40°) to the north east. Mining has extensively focused on the limestone units and shown the ore to be highly visible with sharp contacts.

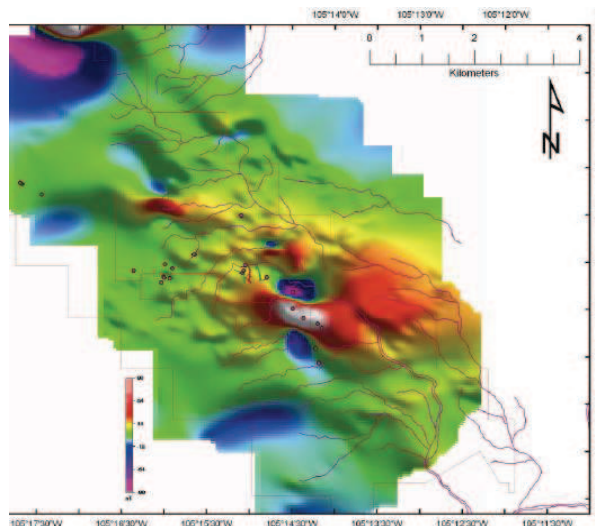


Figure 2: GMAG data over Plomosas area

NEWERA PROJECT PORTFOLIO:

Location	Project
Mexico:	Plomosas Project – Development/Prospective for Zinc.
Sweden:	Varmland Project (V100 and V101 Licences) – Prospective for Copper, Gold, Iron and PGE's.
Australia:	Jailor Bore Project – Prospective for Uranium.

Further Information:

Will Dix – Chief Executive Officer

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Competent Persons' Statement

The information in this report that relates to exploration results, data collection and geological interpretation is based on information compiled by Mr Andrew Richards BSc (Hons), Dip Ed, MAusIMM, MAIG, MSEG, GAICD who is a Member of the Australasian Institute of Mining and metallurgy (AusIMM) and Institute of Geoscientists (AIG). Mr Richards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (JORC Code). Mr Richards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Newera Resources Limited

ABN

27 118 554 359

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (9 months) \$A'ooo
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(266)	(366)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(131)	(407)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	6
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (Refund Eo9/1340 rent)	-	13
Net Operating Cash Flows		(396)	(754)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	(150)
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans with other entities	(1,079)	(1,204)
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(1,079)	(1,354)
1.13	Total operating and investing cash flows (carried forward)	(1,475)	(2,108)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,475)	(2,108)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	583	1,631
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	1,250	1,250
1.17	Repayment of borrowings	-	(25)
1.18	Dividends paid	-	-
1.19	Proceeds from borrowing not yet issued	-	-
1.19	Other (Costs of share issue)	(145)	(255)
	Net financing cash flows	1,688	2,601
	Net increase (decrease) in cash held	213	493
1.20	Cash at beginning of quarter/year to date	396	116
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	609	609

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	40
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 Consists of directors fees and consulting fees to related parties of the directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'ooo
4.1 Exploration and evaluation	300
4.2 Development	
4.3 Production	
4.4 Administration	232
Total	532

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	609	396
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	609	396

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	1,518,113,364	1,518,113,364	Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	150,000,000 148,947,336	150,000,000 148,947,336	\$0.002 per share \$0.0019 per share
7.5	+Convertible debt securities (description)	8	8	

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	12,000,000 10,000,000 343,750,000 467,002,196	- - - 467,002,196	<i>Exercise Price</i> 5.0 cents 1.0 cents 0.32 cents 0.5 cents	<i>Expiry Date</i> 31 Dec 2015 6 March 2017 6 March 2018 31 July 2016
7.8	Issued during quarter	145,000,000	145,000,000	0.5 cents	31 July 2016
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 30 April 2015
Director and Company secretary

Print name: CHRIS WATTS

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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