

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

NEWPORT MINING LIMITED

ABN

84 128 256 888

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | A. Ordinary Shares
B. Class A Performance Shares
C. Class B Performance Shares
D. Ordinary shares
E. Incentive Options
F. Incentive Options
G. Incentive Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | A. 10,000,000
B. 20,000,000
C. 20,000,000
D. 10,000,000
E. 500,000
F. 500,000
G. 1,000,000 |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- | | |
|--|--|
| <p>3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p> | <p>A. Fully paid ordinary shares
 B. Class A Performance Shares *
 C. Class B Performance Shares *
 D. Fully paid ordinary shares
 E. Options exercisable at \$0.15 each on or before 30 June 2012, vesting after 6 months
 F. Options exercisable at \$0.20 each on or before 30 June 2013, vesting after 12 months
 G. Options exercisable at \$0.30 each on or before 31 December 2013, vesting after 24 months
 * See Annexure A</p> |
| <p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>A. Yes
 B. No
 C. No
 D. Yes
 E. No
 F. No
 G. No</p> |
| <p>5 Issue price or consideration</p> | <p>A to C – Part of agreement to acquire a 100% interest in Aguia Metals Ltda.
 D. \$0.15 each
 E to G – Incentive options issued following shareholder approval.</p> |
| <p>6 Purpose of the issue
 (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>To acquire a 100% interest in Aguia Metals Ltda, to provide incentive options to Mr Taylor and to provide working capital.</p> |
| <p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p> | <p>23 June 2010</p> |

+ See chapter 19 for defined terms.

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	52,750,001	Ordinary shares

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	1,600,000	Unlisted options exercisable at \$0.25 each on or before 31 December 2011
	1,200,000	Unlisted options exercisable at \$0.35 each on or before 31 December 2011
	3,000,000	Unlisted options exercisable at \$0.25 each on or before 31 January 2012
	1,000,000	Unlisted options exercisable at \$0.25 each on or before 31 January 2012
	20,000,000	Class A Performance Shares
	20,000,000	Class B Performance Shares
	500,000	Unlisted options exercisable at \$0.15 each on or before 30 June 2012
	500,000	Unlisted options exercisable at \$0.20 each on or before 30 June 2013
	1,000,000	Unlisted options exercisable at \$0.30 each on or before 31 December 2013

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has +security holders who will not be sent new issue documents
Note: Security holders must be told how their entitlements are to be dealt with.
Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

20 Names of any underwriters

21 Amount of any underwriting fee or commission

+ See chapter 19 for defined terms.

22	Names of any brokers to the issue	Not applicable
23	Fee or commission payable to the broker to the issue	Not applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	Not applicable
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	Not applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable
28	Date rights trading will begin (if applicable)	Not applicable
29	Date rights trading will end (if applicable)	Not applicable
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Not applicable
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not applicable
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	Not applicable
33	⁺ Despatch date	Not applicable

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

+ See chapter 19 for defined terms.

<p>40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Not applicable</p>
---	-----------------------

<p>41 Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	<p>Not applicable</p>
---	-----------------------

	Number	+Class
<p>42 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)</p>	<p>Not applicable</p>	<p>Not applicable</p>

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 23 June 2010
(~~Director~~/Company secretary)

Print name: MARK PEARCE

== == == == ==

+ See chapter 19 for defined terms.



Notice under Section 708A

23 June 2010

Newport Mining Limited (“Company”) has today issued fully paid ordinary shares.

The issued securities are in a class of securities quoted on the Australian Securities Exchange.

The Company gives this notice pursuant to Section 708A(5)(e) of the Corporations Act.

The securities were issued without disclosure to investors under Part 6D.2, in reliance on Sections 708 and 708A(5) of the Corporations Act.

The Company, as at the date of this notice, has complied with:

- (a) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
- (b) Section 674 of the Corporations Act.

There is no excluded information for the purposes of Sections 708A(7) and (8) of the Corporations Act.

Annexure “A”

Terms and Conditions of Performance Shares

1. Definitions

In these terms and conditions, unless the context otherwise requires:

30Mt Resource Milestone means an independently calculated Mineral Resource of not less than 30,000,000 tonnes with a grade of not less than 10% P₂O₅, or an Equivalent Total Amount of P₂O₅, being determined within either or both of the MCPP or LPP.

70Mt Resource Milestone means an independently calculated Mineral Resource of not less than 70,000,000 tonnes with a grade of not less than 10% P₂O₅, or an Equivalent Total Amount of P₂O₅, being determined within either or both of the MCPP or LPP.

Águia means Águia Metais Ltda.

ASX means ASX Limited ACN 98 009 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

A Class Performance Share means a A Class Performance Share issued as consideration under the SSA.

B Class Performance Share means a B Class Performance Share issued as consideration under the SSA.

Company means Newport Mining Limited ACN 128 256 888 and its Related Bodies Corporate.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors mean the directors from time to time of the Company.

Equivalent Total Amount of P₂O₅ means:

- (a) in relation to the 30Mt Resource Milestone, a contained P₂O₅ amount of not less than 3,000,000 tonnes, with a grade not less than 5% P₂O₅ and total tonnage not less than 20,000,000 tonnes; and
- (b) in relation to the 70Mt Resource Milestone, a contained P₂O₅ amount of not less than 7,000,000 tonnes, with a grade not less than 5% P₂O₅ and total tonnage not less than 45,000,000 tonnes.

Expiry Date means 3 years from the date of the issue of the Performance Shares.

JORC Code means the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as amended from time to time.

Listing Rules means the official listing rules of ASX, as amended, added to or replaced from time to time.

LPP means the claims comprising the Lucena Phosphate Project, located in the state of Paraiba, Brazil.

MCPP means the claims comprising the Mata da Corda Phosphate Project, located in the state of Minas Gerais, Brazil.

Mineral Resource means an inferred, indicated or measured mineral resource (or combination thereof) reported in accordance with the JORC Code.

P₂O₅ means phosphorus pentoxide.

Performance Shareholder means the holder of a Performance Share.

Performance Share means an A Class Performance Share or a B Class Performance Share.

Projects mean Águia's MCPP and LPP, located in Brazil.

Section 606(1) means section 606(1) of the Corporations Act.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of Shares.

SSA means the share sale agreement between the Company and Falcon dated 23 February 2010 to acquire shares in Águia as varied by an agreement between the Company and Falcon dated 6 April 2010.

2. Dividend

Performance Shareholders are not entitled to a dividend.

3. Conversion

(a) Conversion

The Performance Shares will convert into Shares in accordance with this clause 3.

(b) Conversion of A Class Performance Shares

Subject to clause 3(e), each A Class Performance Share will convert into one Share upon the satisfaction, prior to the Expiry Date, of the 30Mt Resource Milestone.

(c) Conversion of B Class Performance Shares

Subject to clause 3(e), each B Class Performance Share will convert into one Share upon the satisfaction, prior to the Expiry Date, of the 70Mt Resource Milestone.

(d) Conversion after Expiry Date

If the 30Mt Resource Milestone is not met by 5.00pm (Perth time) on the Expiry Date the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of A Class Performance Shares on issue into one Share.

If the 70Mt Resource Milestone is not met by 5.00pm (Perth time) on the Expiry Date the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of B Class Performance Shares on issue into one Share.

(e) Takeover Provisions

If the conversion of Performance Shares (or part thereof) under clauses 3(b) - 3(d) would result in any person being in contravention of Section 606(1) then the conversion of each Performance Share that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of Section 606(1).

The Performance Shareholders shall give notification to the Company in writing if they consider that the conversion of Performance Shares (or part thereof) under clauses 3(b) - 3(d) may result in the contravention of Section 606(1) failing which the Company shall assume that the conversion of Performance Shares (or part thereof) under clauses 3(b) - 3(d) will not result in any person being in contravention of Section 606(1).

The Company will (but is not obliged to) by written notice request the Performance Shareholders to give notification to the Company in writing within seven (7) days if they consider that the conversion of Performance Shares (or part thereof) under clauses 3(b) - 3(d) may result in the contravention of Section 606(1). If the Performance Shareholders do not give notification to the Company within seven (7) days that they consider the conversion of Performance Shares (or part thereof) under clauses 3(b) - 3(d) may result in the contravention of Section 606(1) then the Company shall assume that the conversion of Performance Shares (or part thereof) under clauses 3(b) - 3(d) will not result in any person being in contravention of Section 606(1).

(f) After Conversion

The Shares issued on conversion of any Performance Share will as and from 5.00pm (WST) on the date of allotment rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares upon the date of conversion. Shares issued on conversion of the Performance Shares must be free from all encumbrances, securities and third party interests. The Company must ensure that Shares issued on conversion of the Performance Shares are freely tradeable, without being subject to on-sale restrictions under section 707 of the Corporations Act, on and from their date of issue.

4. Issue of Shares for No Consideration

The Company shall allot and issue Shares immediately upon conversion of the Performance Shares for no consideration and shall record the allotment and issue in the manner required by the Corporations Act.

5. Reconstruction

In the event of any reconstruction, consolidation or division into (respectively) a lesser or greater number of securities of the Shares, the Performance Shares shall be reconstructed, consolidated or divided in the same proportion as the Shares are reconstructed, consolidated or divided and, in any event, in a manner which will not result in any additional benefits being conferred on the Performance Shareholders which are not conferred on the Shareholders.

6. Winding Up

If the Company is wound up prior to conversion of all of the Performance Shares into Shares then the Performance Shareholders will have no right to participate in surplus assets or profits of the Company on winding up.

7. Non-transferable

The Performance Shares are not transferable.

8. Copies of Notices and Reports

The Performance Shareholders have the same right as Shareholders to receive notices, reports and audited accounts and to attend general meetings of the Company but are only entitled to vote in the circumstances referred to in clause 9.

9. Voting Rights

The Performance Shareholders shall have no right to vote, subject to the Corporations Act.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Performance Shares and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Shares.

11. Quotation

The Performance Shares are unquoted. No application for quotation of the Performance Shares will be made by the Company.