NEWPORT MINING LIMITED

ANNOUNCEMENT TO THE AUSTRALIAN SECURITIES EXCHANGE: 18 JUNE 2010

SIGNIFICANT SURFACE PHOSPHATE MINERALISATION RETURNED FROM MATA DA CORDA PHOSPHATE PROJECT, BRAZIL

Highlights:

- ***Mapping, rock chip sampling and traverses of soil sampling has commenced at the Mata da Corda Phosphate Project ("MCPP") with initial results now received.***
- ***Rock chip sampling has returned grades of up to 20.0% P_2O_5 at the surface.***
- ***Mapping and soil sampling results have delineated a 2.7 kilometre long drilling target.***
- ***Scout Auger drilling has commenced targeting best soil and rock chip results.***
- ***Initial land position of approximately 10,000 hectares with additional areas identified, providing the potential to expand the exploration target.***

*The Board of Newport Mining Limited (**Newport**" or "**Company**") is pleased to announce the first set of exploration results for the MCPP, a highly prospective and potentially large-scale phosphate project located in Brazil.*

MCPP is located within the agricultural and industrialized heartland of the southeast region of Brazil in the state of Minas Gerais (English Translation = General Mining State) some 250km to the west of Belo Horizonte.

*Previous exploration activities including drilling and rock chip sampling completed by the National Bureau of Mines ("**DNPM**") in association with the Brazilian Geological Survey ("**CPRM**") has provided a solid platform to identify significant drilling targets.*

"We are extremely pleased with the progress made by Aguia since announcing the acquisition of the projects", said Mr Simon Taylor, Managing Director of Newport. "The outstanding surface results from an initial soil and rock chip sampling program have identified a high priority exploration target that will be further tested with auger drilling."

"Significantly, the mineralisation occurs at the surface and is hosted by topographical ridge top highs which is conducive to low strip, low cost mining. This target is one of numerous targets that have been identified by Aguia for follow up. There has been no significant phosphate exploration since the Brazilian Geological Survey completed their work in the late 1960's-70's."

An auger drilling rig has now been mobilised to site. Drilling will target a combination of the best soil and surface rock chip sampling results. Results from this drilling are expected in late June.

The Company expects a steady flow of results from the MCPP over the next 6 to12 months.

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Exploration Results

Rock Chip Sampling

Rock chip sampling has returned some outstanding results with high-grade phosphate returned from surface including best grades of 20.0% and 18.15% P_2O_5. ***Refer Table 1- Rock chip results***.

Phosphate mineralization is associated with epiclastic rocks of the Capacete Formation that bear elevated Fe_2O_3, TiO2 and rare earth elements suggesting a carbonatite source. Interestingly the three largest phosphate mines in Brazil are located within 100 to 150 kilometres to the west and southwest and are all hosted by carbonatites. Initial results are encouraging with respect to CaO/ P_2O_5 ratios suggesting that apatite is the dominant the phosphate source.

MATA DA CORDA PROJECT - ROCK ASSAYS							
Sample	**UTM_E**	**UTM_N**	**P_2O_5 (%)**	**CaO (%)**	**Fe_2O_3 (%)**	**TiO_2 (%)**	**REO (%)**
1410	422,537	7,877,298	**20.00**	23.80	9.45	5.74	0.29
1411	422,637	7,877,503	**18.15**	16.20	10.00	5.83	0.39
1421	423,123	7,876,999	**6.00**	8.39	1.01	0.07	n.a.
1422	423,199	7,876,999	**5.37**	4.93	1.46	0.27	n.a.
1424	423,200	7,876,500	**8.46**	8.06	13.60	8.56	0.44
1425	423,200	7,876,500	**13.00**	15.75	14.50	8.15	0.28

Table 1 – Rock chip sample results, using a lower cut off of 5% P_2O_5.

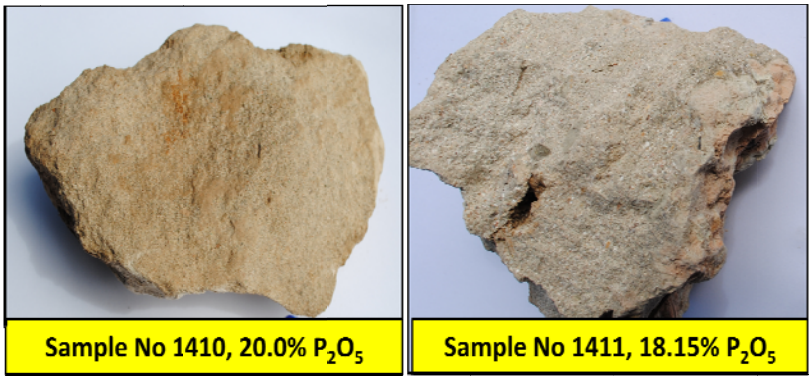

Figure 1: Photos of rock samples from Mata da Corda and phosphate (P_2O_5) grades

Soil Sampling

Soil sampling results and mapping has delineated an open ended phosphate-in-soil anomaly extending for over 2.7 kilometres that is up to 300 metres wide and includes peak values up to 1.86% P_2O_5. *Refer Figure 3.*

The phosphate–in-soil anomaly is hosted by topographical ridge top highs. Mineralisation exists at surface and is conducive to low strip, low cost mining. Refer Figure 4 - Cross-Section L76500N.

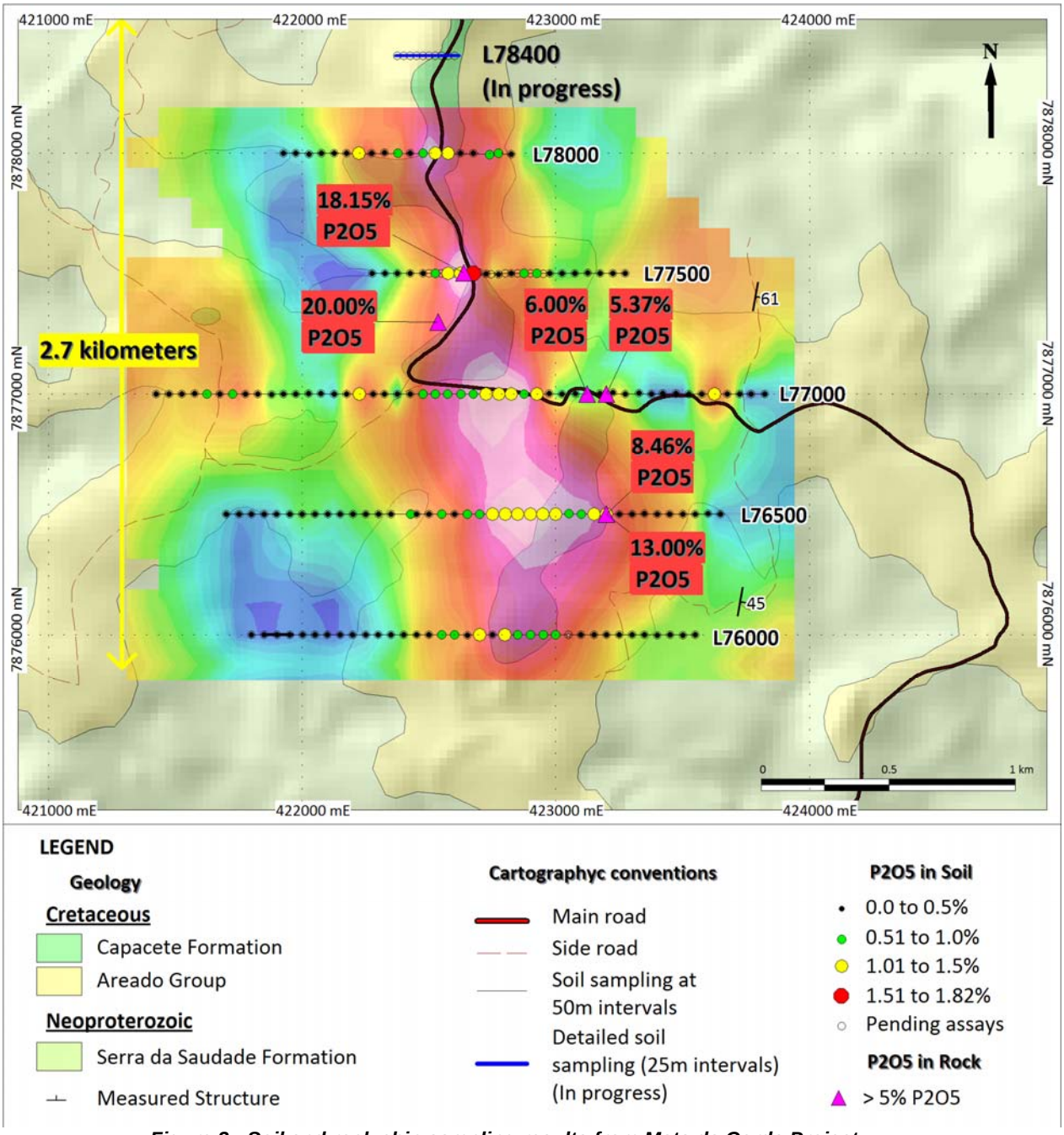

Figure 2: Soil and rock chip sampling results from Mata da Corda Project.

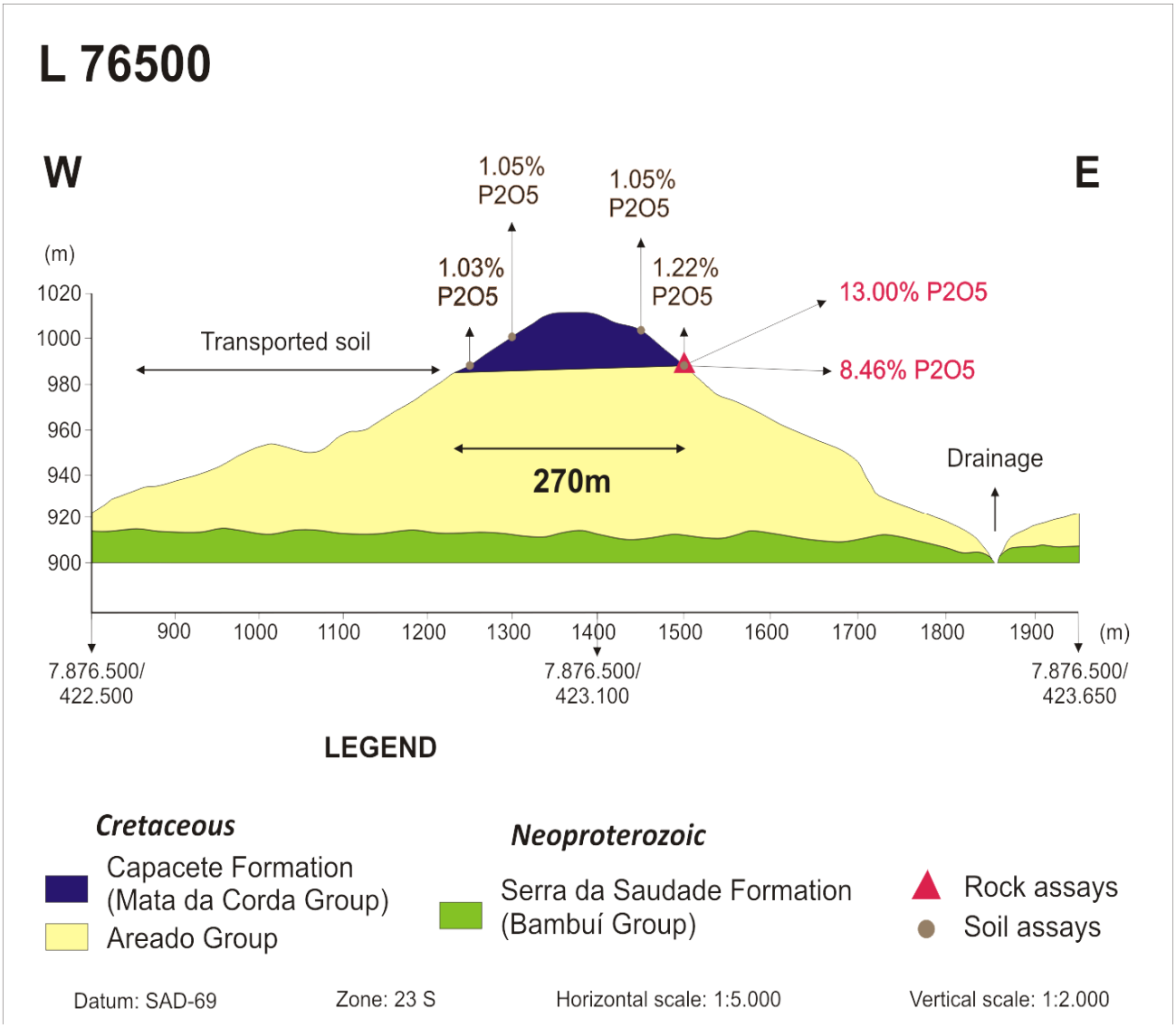

Figure 3: Cross- Section including soil and rock chip sampling results.

Drilling

An auger drilling rig has now been mobilised to site. Drilling will target a combination of the best soil and surface rock chip sampling results. Results from this drilling are expected in late June.

This target is one of numerous targets that have been identified by Aguia for follow up. There has been no significant phosphate exploration since the Brazilian Geological Survey completed their work in the late 1960's-70's.

About the Mata da Corda Phosphate Project

The Mata da Corda Phosphate Project ("**MCPP**") is located within 150km of the three largest phosphate mines in Brazil; Araxá – Vale (290Mt @ 14.88% P_2O_5), Tapira – Vale (744Mt @ 8.35% P_2O_5) and Catalão – Anglo/Vale (203Mt @ 8.80% P_2O_5). These three mines account for 95% of the phosphate rock production in Brazil. Within this existing transportation corridor there are 32 major bulk fertilizer blenders.

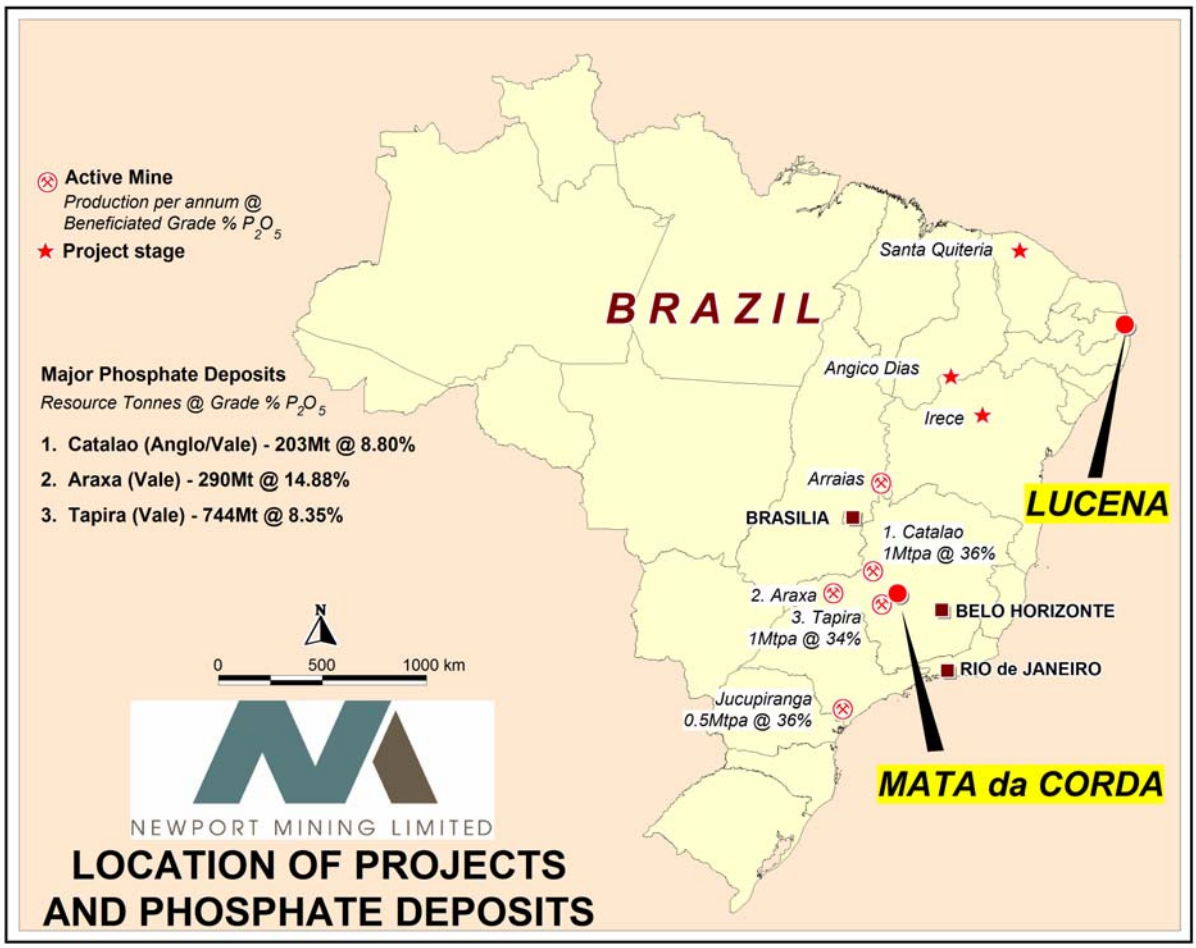

Figure 4: Location of the MCPP and LPP in Brazil

The MCPP covers approximately 10,000 hectares (100km^2) and sits in the middle of the agricultural and industrialized heartland of the southeast region of Brazil in the state of Minas Gerais (English Translation = General Mining State) some 250km to the west of Belo Horizonte.

The property was identified as potentially attractive to Aguia because of the historical phosphate occurrences reported by CPRM in the late 1960's and early 1970's. After an initial analysis of these occurrences, the geology and its distribution, Aguia staked the MCPP in August 2008. This triggered a staking rush in the area with Amazon Mining Ltd (late August 2008) and Vale (September 2008) staking to the north, south and west.

The MCPP is located next to excellent logistics and infrastructure (roads, water, railway, energy) and is near potential primary (agriculture) customers, fertilizer blenders and is on the main transportation route for the expanding agricultural districts of Mato Grasso Brazil.

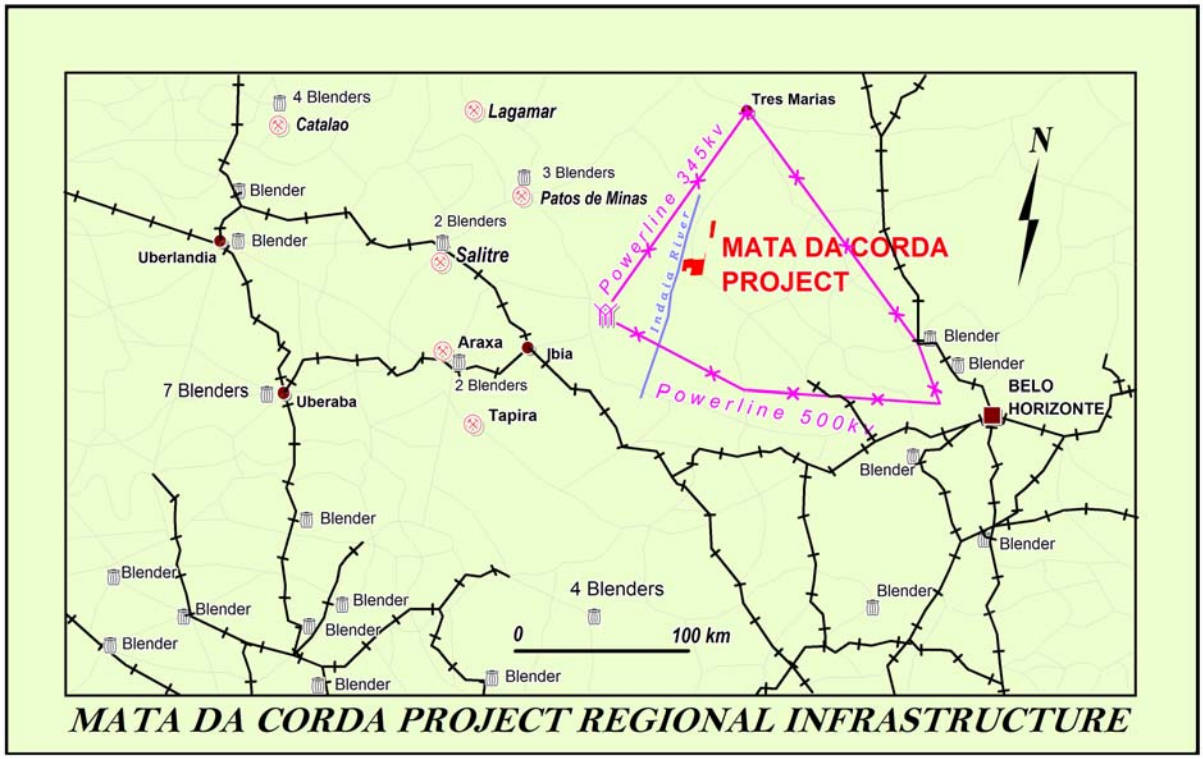

Figure 5: Location of the Mata da Corda Project relative to operating phosphate mines, major fertilizer bulk blenders and infrastructure including roads, railways, power and water.

Geology and Mineralisation

Tectonically the project area sits within the southernmost portion of the Neoproterozoic Brasilia Mobile Belt and includes a variety of highly deformed and metamorphosed rocks mostly of sedimentary origin.

The area comprises tightly folded slates and phyllites of the Serra da Saudade Formation (Neoproterozoic) which are overlain by Cretaceous rocks of the Areado and Mata da Corda Formation. The contact between the Neoproterozoic and the Cretaceous rocks is well defined by a discrete angular and erosive unconformity.

Phosphate mineralization in the MCPP region is related to a whitish to pale yellow rock displaying either a brecciated or more massive fabric. Historically work completed by CPRM identified that mineralization occurs as a horizontal bed along the unconformity zone, with a thickness that can vary from 1 to up to 15 meters. Phosphate was mined in the region in several artisanal quarries for local use as a direct application fertilizer.

However no systematic exploration was performed along the unconformity zone or on the overlying Cretaceous rocks of the Areado and Mata da Corda Formation.

Exploration Program

Aguia has identified that large areas of the overlying Creataceous rocks have never been systematically targeted for large tonnage phosphate resources.

An initial program of reconnaissance mapping, rock chip sampling and traverses of soil sampling have now been completed. The mapping and rock chip sampling was conducted to better understand the geological setting and target size whilst follow-up soil sampling was completed on traverses 500 meters apart with samples taken at 50 metre intervals.

Proposed New Director

The Board is also pleased to announce that Dr Fernando Tallarico has been invited to join the Board as a Technical Director.

Dr Tallarico brings over 19 years experience in exploration to the team and has played an integral part in acquiring the phosphate projects. He has previously held senior roles including Exploration Manager for BHP Diamond South America and completed project generation in Brazil for Noranda, Falconbridge, and was with CVRD for over 9 years working throughout Brazil.

The Company also intends to grant, subject to shareholder approval, the following incentive options to Dr Tallarico:

- 500,000 options exercisable at 40 cents within 2 years (vesting after 6 months service)
- 500,000 options exercisable at 50 cents within 3 years (vesting after 12 months service)
- 500,000 options exercisable at 60 cents within 3.5 years (vesting after 18 months service)

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Simon Taylor, who is a member of the Australian Institute of Geoscientists. Mr Taylor is a full-time employee of Newport Mining Limited. Mr Taylor has sufficient experience which is relevant to the style of mineralisation and 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 ("JORC Code"). Mr Taylor consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.