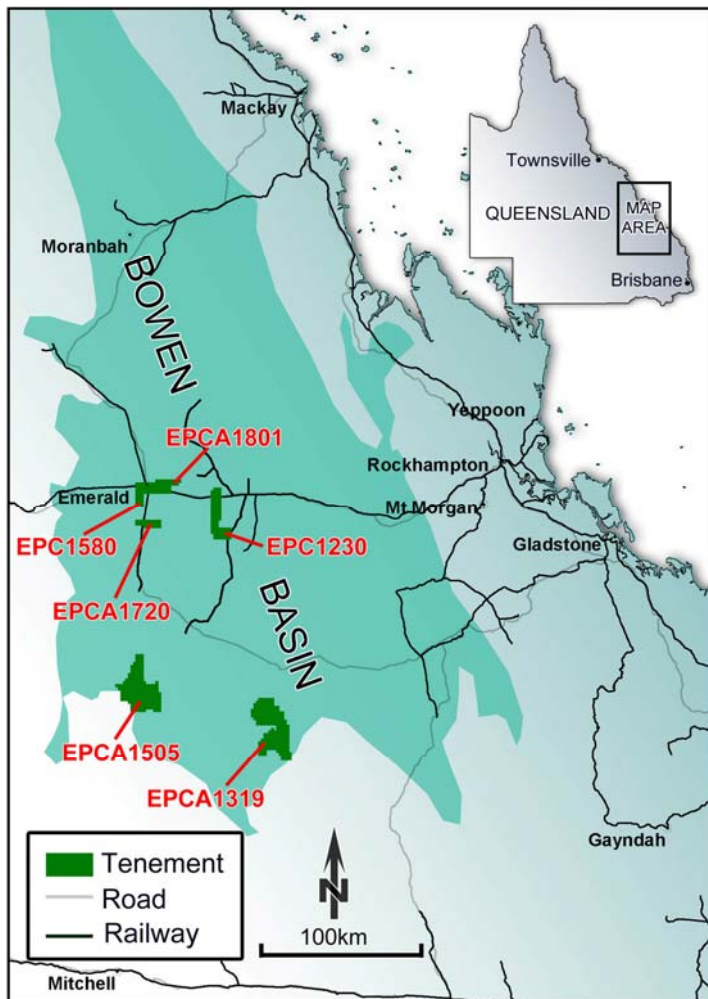


QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 30 JUNE 2010

During the quarter the Company announced that it had reached agreement to acquire six coal exploration tenements covering approximately 1,900 square kilometres in the world-class Bowen Basin region of Central Queensland from a privately owned resources group. The acquisition provides the Company an exciting development opportunity in the Bowen Basin coal province.



The tenement portfolio (comprising two granted Exploration Permits for Coal [EPCs] and four Exploration Permit for Coal applications [EPCAs]) is located in the Emerald - Blackwater - Rolleston region with two key tenements situated amongst several existing coking and export thermal coal mining operations with established access to existing rail and port infrastructure (Figure 1).

◀ *Figure 1*
Location of coal exploration permits (EPC) and applications (EPCAs), coal rail network and coal export terminals

	EPC 1230 Comet	EPCA 1319 Jack Creek	EPCA 1505 Spring Creek	EPC1580/ EPCA1801 Emerald	EPCA 1720 Cullin La Ringo
Area (km ²)	268.0	684.8	636.8	236.2	86.0
Target coal sequences	Burngrove, Fair Hill, German Creek, Crocker-Reids Dome	Bandanna (Rangal)	Bandanna (Rangal), Reids Dome	Rangal, Burngrove, Fair Hill, German Creek, Reids Dome	Burngrove, Fair Hill, German Creek, Crocker-Reids Dome
Target Seams	9	4	3+	3	8
Coal Type	Coking & Thermal	Thermal	Thermal	Thermal	Thermal
Depth	0 - 700m+	600m+	0 - 600m+	0 - 300m+	0 - 500m+
Status	Granted	Application	Application	Granted	Application
Potential	Surface & Underground	Underground	Surface & Underground	Surface & Underground	Surface & Underground
Infrastructure	Existing road and rail on tenement	Existing road, 60km to Rolleston	30km to Rolleston line	Existing rail on tenement	Existing rail on tenement

Table 1 – Summary of key geological and infrastructure attributes for the acquired EPCs and EPCAs

Following settlement of the acquisition, Newland will embark on an aggressive exploration program to identify significant JORC compliant coking and thermal coal resources accessible by surface and underground mining methods.

Summary of Exploration Portfolio

The acquired tenements are interpreted to contain up to five principal coal-bearing stratigraphic sequences (Figure 2) at depths ranging from surface to several hundred metres (Table 1).

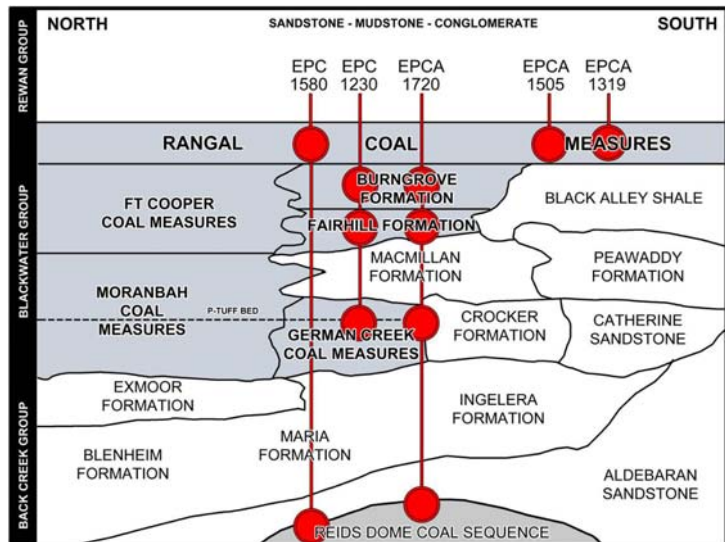


Figure 2. ▶
Simplified north-south section of Bowen Basin coal sequences showing target horizons on each tenement

Description of Project Areas

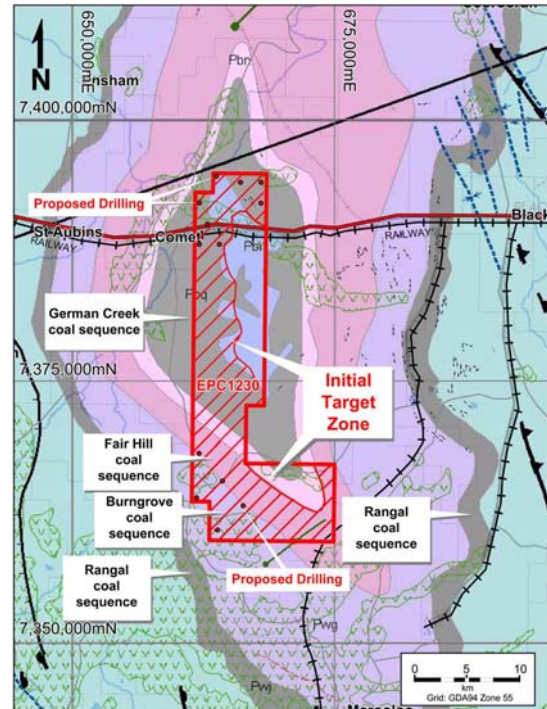
EPC 1230 – Comet

Exploration Permit (Coal) 1230 consists of 86 sub-blocks and was granted on 10 September 2008. The tenement covers a structural dome within the Comet Anticline interpreted to host coking and thermal coal measures in the Lower Permian Crocker, Fair Hill and Burngrove coal sequences within the Bowen Basin (Figure 3). It is a high priority target with the potential for coal resources amenable to surface and underground mining similar to Aquila Resources Washpool Project, Stanmore Coal’s McKenzie River Project and the adjacent Ensham, Jellinbah East, Blackwater and Curragh coal mines.

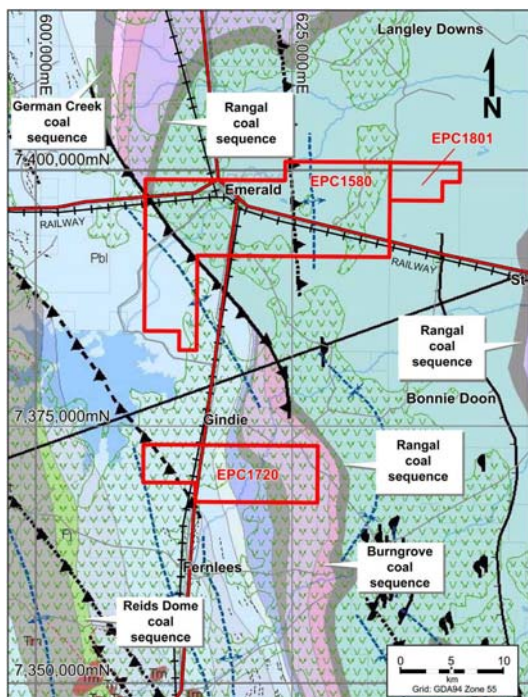
Initial exploration will focus on the outcropping Burngrove and Fair Hill coal sequences in the southern area of the tenement, where previous drilling by Ingwe Australia Pty Ltd (1996) intersected coal seams. The exploration target size is 200 million tonnes of coking and thermal coal.¹

The secondary focus will be the Crocker-German Creek coal sequence exposed at surface across the central part of the tenement. Drilling within, and peripheral to the northern half of the tenement indicate that the Crocker-German Creek coal sequence has potential for discovery of economic coal seams.

The Blackwater rail system traverses the northern part of the tenement, potentially providing access to the coal export terminals at the Port of Gladstone.



▲ Figure 3. Location of EPC 1230 tenement and initial exploration target in relation to 2008 Queensland Government map of Bowen Basin surface solid geology and major infrastructure. Proposed exploration drilling is shown.



▲ Figure 4: Location of EPC 1580, EPCA 1801 and EPCA 1720 tenements in relation to 2008 Queensland Government map of Bowen Basin showing surface solid geology and major infrastructure.

EPC 1580 & EPCA 1801 EMERALD

Exploration Permit (Coal) 1580 comprising 75 sub-blocks was granted on 3 July 2009. An application for the easterly adjoining EPCA 1801, comprising 7 sub-blocks, was lodged on 1 July 2009. The tenement is surrounded by existing mines (Ensham, Kestral and Minerva) and coal deposits (Valeria, Cullin la Ringo). Existing rail lines traverse the tenements and distance to the nearest port (Gladstone) is 340 kilometres.

Historical exploration results from seismic surveys and drilling on, and adjacent to these tenements, indicate that the Rangal Coal Measures extend over much of the central and eastern portions of these tenements at shallow to moderate depths. Seismic results indicate a major geological fault has uplifted the Reids Dome - Minerva Mine coal sequence on the western side of the area to shallow depths forming a substantial exploration target (Figure 4).

¹ The exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the determination of a mineral resource under the JORC Code.

EPCA 1720 - CULLIN LA RINGO

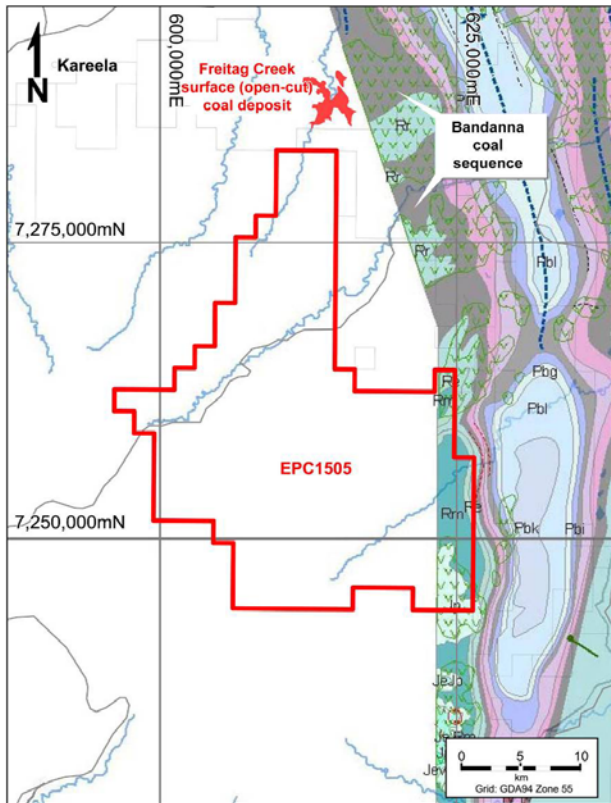
The EPC 1720 application comprises 27 sub-blocks overlying thermal coal targets in the Burngrove, Fair Hill, Crocker-German Creek and Reids Dome sequences which host the Minerva and Cullin la Ringo coal deposits (Figure 4). Historic coal exploration in the area comprising mapping, seismic and drilling across the tenement shows a number of coal sequences are present. The Burngrove-Fair Hill coal sequence sub-crops on the tenement and the stratigraphically lower Reids Dome coal sequence is a significant target across the west part of the tenement. Up to eight seams of thermal coal may exist in the exploration tenement area with an export coal quality inferred to be analogous to that of the Minerva Mine and Cullin la Ringo deposit. The Minerva Mine coal rail line traverses the tenement.

EPCA 1505 – SPRING CREEK

EPC 1505 application comprises 199 sub-blocks located some 35 kilometres south west of Xstrata’s Rolleston Coal Mine, is a future high priority exploration target.

The tenement is situated immediately south of MacArthur Coal’s Freitag Creek Deposit, located on the Springsure Shelf, west of the Springsure Anticline (Figure 5). The Freitag Creek thermal coal seams occur within the Bandanna coal sequence and are interpreted to dip south directly into and across EPCA 1505.

*Figure 5: ►
Location of EPCA 1505 tenement in relation to 2008 Queensland Government map of Bowen Basin surface solid geology and drainage. Regional exploration broadly shows the Bandanna coal sequence underlies the entire tenement area.*



The principal exploration target is the flat-lying to gently dipping Late Permian Bandanna coal sequence–west of the Springsure Anticline, along whose western flank is thought to be the surface expression of the Merivale Fault, traditionally regarded as the western edge of the Denison Trough and the Southern Bowen Basin.

Drilling at the Freitag Creek deposit has defined 4 seams (A, B, C, and D seams) with typically 7.5 metres of coal occurring over a 13.7 metre interval. The B, C and D seams approach near-coalescence in the east where the cumulative coal can be 10 metres over a 14 metre interval. Published coal quality information indicates the Freitag Creek deposit coal is similar to the Rolleston export thermal coal. A raw coal blend appears ideally suited to domestic power with a washed B, C, and D seam product suitable for export.

Parts of the tenement are covered by a veneer of Tertiary Basalt mesas underlain by the Triassic Rewan Formation and the Permian Bandanna coal sequence, which are expected to be closest to surface in heavily dissected valleys that traverse the tenement area.

EPC 1505 is considered to have excellent potential for the discovery of very large thermal coal resource which is ideally located approximately 30 kilometres from the existing Rolleston rail line.

EPCA 1319 - JACK CREEK

The Jack Creek Application comprises 214 sub-blocks located southeast of Rolleston Mine and is interpreted to overlie the Bandanna (Rangal) Coal Measures (Figure 6) with similar seam characteristics. A number of historic gas exploration wells in the area confirm the presence of the coal sequence with a shallowest depth to target of approximately 600 metres.

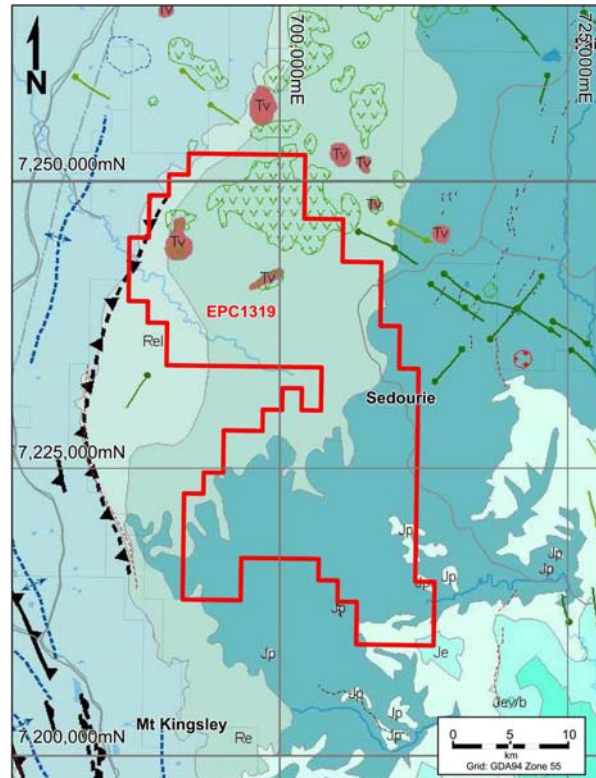


Figure 6: ▶
Location of EPCA 1319 tenement in relation to 2008 Queensland Government map of Bowen Basin surface solid geology and structure. The Bandanna coal sequence occurs at depth across the entire area.

Exploration and Development Work Plan

Newland’s future exploration strategy aims to establish a pipeline of projects on the acquired tenements at various stages of maturity providing a clear pathway towards delineation of JORC resources and future production.

Following settlement, Newland plans to immediately commence exploration on EPCs 1230 and 1580 with geological and seismic programs to define the coal resources and quality.

An initial eight hole drilling program is planned for the northern area of the EPC 1230 to evaluate potential occurrence of coking and thermal coals in southern extensions of the German Creek Seams in the Crocker – German Creek coal sequence. A further five holes are planned to evaluate the Fair Hill and Burngrove Formations in the southern sector of the EPC immediately along strike from recent coal discoveries in Stanmore Coal’s McKenzie River Project. Additional focused exploration will be undertaken on EPCA 1720 and EPCA 1505 once they are granted, to define coal resources.

OTHER EXPLORATION

Georgina Basin (Qld) – 100% interest

As reported in the March Quarterly Report, all Georgina Basin tenements have been relinquished.

CORPORATE

Bowen Basin Tenements: Transaction Structure

The consideration to be paid to the Vendors is a combination of cash and equity structured in four tranches dependent on certain milestones being achieved.

Consideration	Cash	Equity
Tranche 1	\$2.5m (Paid)	56 million fully paid ordinary shares in Newland, voluntarily escrowed for 12 months (issued).
Tranche 2 (Payable upon settlement which will follow Shareholder approval of the transaction)	\$2.5m	34 million fully paid ordinary shares in Newland, voluntarily escrowed for 12 months; and The issue of 65 million options (Options) to acquire fully paid ordinary shares in Newland at an exercise price of \$0.05 each expiring 23 June 2015. The Options will vest upon the earlier of: <ul style="list-style-type: none"> ➢ Newland successfully defining a JORC compliant resource in excess of 500 million tonnes of export quality coal; or ➢ The completion of one or more transactions that derives a valuation of at least \$150 million for the Tenements.
Tranche 3* Upon the granting of at least 2 EPCAs (Tranche 3 Milestone)	Nil	25 million fully paid ordinary shares in Newland
Tranche 4* Upon Newland successfully defining a JORC compliant resource in excess of 200 million tonnes of export quality coal (Tranche 4 Milestone)	\$5.0m	The issue of further fully paid ordinary shares in Newland to the value of \$5.0 million (based on a 10 day VWAP price prior to the Tranche 4 Milestone being met)
* The Tranche 3 and Tranche 4 payments will be cancelled if the Tranche 3 and 4 Milestones have not been achieved within 48 months.		

Newland will seek Shareholder approval for the issue of the Tranche 2 shares and Options at a General Meeting to be convened in the near future.

In order to complete the cash component of Tranche 1, Newland entered into a short term agreement with Argonaut Equity Partners Pty Limited and Skye Equity Pty Ltd to borrow A\$700,000 on commercial terms.

Management

Newland is now seeking a suitably qualified Managing Director to provide leadership in the exploration and development of the Company's assets. In the interim, the Vendors have agreed to provide ongoing support to Newland with regard to exploration on the tenements, including negotiations with native title claimants, landowners and statutory authorities.

Other Business

The Company received backdated royalties and milestone payments from Kagara Limited in relation to its Mt Garnet Mines Deed to the value of \$692,835.

The Company continues to review other assets and work towards liquidation of non-core investments.

For further information contact:

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Competency Statement

The information in this report that relates to Exploration Results is based on information compiled by Dr Guy Le Blanc Smith BSc, PhD, who is a Member of the Australian Institute of Geoscientists (AIG). Dr Le Blanc Smith is a Director of Rock Knowledge Services Pty Ltd and has sufficient experience relevant to the style of mineralisation, 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 Mineral Resources and Ore Reserves". Dr Le Blanc Smith consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.