



18 October 2010

ASX ANNOUNCEMENT  
ASX Code: NRL

Company Announcements Office  
ASX Limited  
Level 8  
Exchange Plaza  
2 The Esplanade  
PERTH WA 6000

## SETTLEMENT OF BOWEN BASIN COAL ACQUISITIONS

Newland Resources Limited (ASX: NRL) is pleased to announce that it has completed the settlement for the Queensland Coal Tenement acquisition (being two granted coal exploration tenements (EPCs) and four coal exploration tenement applications (EPCAs) covering approximately 1,900 square kilometres in the world-class Bowen Basin region of Central Queensland) as approved by Shareholders on Friday, 8 October 2010.

Attached to this announcement is an Appendix 3B covering the shares, performance shares and options issued in respect of this acquisition.

The Company will now proceed to fast track the appointment of a new management team to lead the Company during this exciting development phase. An exploration program on the granted tenements to identify significant coking and thermal coal resources accessible by surface mining methods is expected to commence in the near future.

## DISPOSAL OF NON-CORE ASSETS - UPDATE

As previously notified to the market, the Company intends to divest non-core assets and focus on resource development. The Company has now received an offer from an unrelated party to acquire its holding of 52,705 shares in Grafton Resource Investments Ltd. This offer is subject to the satisfactory completion of due diligence by the Purchaser. The Board of Newland has indicated its intention to accept the offer at the completion of the due diligence process. The Company will provide further information in the near future.

## REPAYMENT OF LOAN FUNDING

Using the funds raised through the recent placement, Newland has repaid a short-term loan facility of \$700,000 plus interest. The Company is now debt free.

## SECTION 708A(5) NOTICE

On Monday, 18 August 2010, Newland issued the following securities:

### **Placement to Institutional and Sophisticated Investors (as announced 18 October 2010)**

265,000,000 ordinary fully paid shares; and

### **Acquisition of Coal Tenements (as approved in General Meeting 8 October 2010)**

- 34,000,000 ordinary fully paid Vendor Shares (subject to 12 months voluntary escrow)
- 65,000,000 Vendor Options exercisable at 5 cents, expiring 23 June 2015 (subject to vesting conditions)
- 25,000,000 "A" Class Performance Shares subject to A Class Milestone
- 5,000,000 "B" Class Performance Shares subject to B Class Milestone
- 10,000,000 Argonaut Options exercisable at 5 cents, expiring 17 October 2014

This notice is given under paragraph 5(e) of Section 708A of the Corporations Act 2001 (Cth) (Corporations Act).

Accordingly the Company gives notice under section 708A(5)(e) of the Corporations Act that:

1. the securities were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
2. as at the date of this notice, the Company has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
  - (ii) Section 674 of the Corporations Act; and
3. as at the date of this notice there is no information to be disclosed which is "excluded information" as defined in subsection 708A(7) of the Corporations Act.

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 Mr Michael Mulroney, B.App.Sc.(Geol), MBA, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Mulroney is a consultant to Newland Resources Limited 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 Exploration Results, Mineral Resources and Ore Reserves". Mr Mulroney consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.*

# 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

Newland Resources Limited (ASX Code: NRL)

ABN

13 009 092 068

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   | Ordinary Fully Paid Shares   |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | <ul style="list-style-type: none"> <li>a) 34,000,000 ordinary fully paid shares</li> <li>b) 65,000,000 options exercisable at 5 cents, expiring 23 June 2015</li> <li>c) 25,000,000 "A" Class Performance Shares subject to A Class Milestone</li> <li>d) 5,000,000 "B" Class Performance Shares subject to B Class Milestone</li> <li>e) 10,000,000 Argonaut Options exercisable at 5 cents, expiring 17 October 2014</li> </ul> <p>Approved in General Meeting on 8 October 2010</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) | <ul style="list-style-type: none"> <li>a) Pari passu with existing ordinary shares (subject to 12 months voluntary escrow)</li> <li>b) options exercisable at 5 cents, expiring 23/6/15 (vesting conditions apply)</li> <li>c) upon satisfaction of A Class Milestone prior to expiry date 23/6/14, each A Class Performance share converts into one ordinary fully paid share</li> <li>d) upon satisfaction of B Class Milestone prior to expiry date 23/6/14, B Class Performance shares convert into number of shares equal to \$5m, determined by dividing 5,000,000 by price per share (being greater of \$0.016 per share and the 10 day VWAP of the Company's Shares on the ASX immediately prior to the B Class Milestone being satisfied)</li> <li>e) 10,000,000 Argonaut Options exercisable at 5 cents, expiring 17 October 2014</li> </ul> |
| 4 | Do the +securities rank equally in all   | Ordinary fully paid shares - Yes   |

respects from the date of allotment with an existing +class of quoted +securities?

Options and performance shares are unlisted and constitute new classes of securities.

If the additional securities do not rank equally, please state:

- 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

5 Issue price or consideration

a)-d) issued for acquisition of coal tenements: EPC1230, EPC1580; and EPCA1319, EPCA1505, EPCA1720, EPCA1801  
e) \$0.001 per option (total \$10,000)

6 Purpose of the issue  
(If issued as consideration for the acquisition of assets, clearly identify those assets)

a)-d) issued for acquisition of coal tenements: EPC1230, EPC1580, EPCA1319, EPCA1505, EPCA1720, EPCA1801  
e) Arranger Options in relation to the coal tenement acquisition

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

18 October 2010

8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 & 38 if applicable)

| Code                | Ordinary Shares    | Options | Exercise Price | Expiry Date |
|---------------------|--------------------|---------|----------------|-------------|
| NRL                 | 732,955,142        |         |                |             |
| <b>Total Listed</b> | <b>732,955,142</b> |         |                |             |

9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2, not including the securities in clause 38, if applicable)

| Code                  | Ordinary Shares | Options           | Performance Shares | Exercise Price | Expiry Date | Escrow Release |
|-----------------------|-----------------|-------------------|--------------------|----------------|-------------|----------------|
| NRL Options           | 0               | 4,094,439         | 0                  | \$0.08         | 3/7/2011    | -              |
| NRL – TBA             | 0               | 65,000,000        | 0                  | \$0.05         | 23/6/2015   |                |
| NRL – A Class         | 0               | 0                 | 25,000,000         |                | 23/6/2014   |                |
| NRL – B Class         | 0               | 0                 | 5,000,000          |                | 23/6/2014   |                |
| NRL – TBA             | 0               | 10,000,000        | 0                  | \$0.05         | 17/10/2014  |                |
| <b>Total Unlisted</b> | <b>-</b>        | <b>79,094,439</b> | <b>30,000,000</b>  |                |             |                |

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

Unchanged

## Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?

N/A

+ See chapter 19 for defined terms.

- 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
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
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- 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
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements in full through a broker?
- 31 How do +security holders sell part of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

### 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  
**ONLY THE 34,000,000 ORDINARY FULLY PAID SHARES**
- (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

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+ See chapter 19 for defined terms.

- 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

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- 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

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

| Code | Ordinary Shares | Options | Exercise Price | Expiry Date |
|------|-----------------|---------|----------------|-------------|
|      |                 |         |                |             |
|      |                 |         |                |             |
|      |                 |         |                |             |
|      |                 |         |                |             |

**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:  .....

Company Secretary

Date: 18 October 2010

Print name: Liza Carpene

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+ See chapter 19 for defined terms.