

DIRECTORS

Mr Martin Blakeman
Executive Chairman

Mr Winton Willesee
Non-Executive Director

Mr Eric de Mori
Non-Executive Director

COMPANY SECRETARY

Mr Winton Willesee

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7th November 2011

MARKET UPDATE ON POSIT TRANSACTION

Newera Resources Limited (ASX: NRU) wishes to provide the market with an update on the previously announced proposal to consider a merger between Posit Resources Australasia Pty Ltd and Newera Resources Limited ("Newera").

Current position

Posit have advised that negotiations to secure a project in Kyrgyzstan have progressed, however the recent running of presidential elections in Kyrgyzstan has meant that there has been a period of Government inaction leading up to the elections.

Posit have advised that given this period of delay, that Posit is unlikely to have any certainty on the outcome of these project discussions with the Kyrgyzstani Government prior to the expiry of the current Newera / Posit Term Sheet.

Both parties have agreed that the most appropriate course of action would be to extend the expiry date of the new Term Sheet from 7th December 2011 to the 31st March 2012 and have therefore done so.

Newera's Corporate Strategy

Newera's strategy for growing the Company is to continue to advance its own projects within Australia through judicious exploration, while at the same time seeking new projects both within Australia and overseas.

To this end Newera has recently completed a drilling program within its Jailor Bore project, and has lodged a work program for Newera's Cummins Range project where the priority target is Rare Earths.

Over recent times, Newera has actively sought to research and secure new projects overseas with the initial focus on Kyrgyzstan. More recently Newera has researched projects in both Southern Africa (South Africa and Botswana) and Mongolia.

Recent negotiations to acquire a package of tenements within Mongolia were terminated by Newera when investigations into the tenure of the key tenement failed under the scrutiny of due diligence.

The Company continues to review projects both on and offshore, and will pursue in more detail, those projects identified as having potential to add value to Newera.

Further Information;
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