

Newland Resources Ltd

ABN 13 009 092 068

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27 July 2009

*[Shareholder name
Shareholder address]*

Dear Shareholder

Newland Resources Ltd – Renounceable Rights Issue

On 24 July 2009, Newland Resources Ltd ABN 13 009 092 068 (**Newland**) announced to ASX that it would be undertaking a renounceable rights issue of approximately 188,977,571 fully paid ordinary shares (**Rights Issue**).

Purpose

The purpose of the Rights Issue is to raise funds to carry out further evaluation of Newland's Georgina exploration project in Queensland and to provide additional working capital. The Rights Issue will raise gross proceeds of approximately \$1.9 million. There is no minimum subscription for the Rights Issue.

Basis of participation

Under the Rights Issue, persons who are shareholders as at 5.00pm (Perth time) on the record date of 5 August 2009 (**Record Date**) will be entitled to subscribe for one fully paid ordinary share at an issue price of \$0.01 per share for every one share they hold.

As this is a one-for-one issue no fractional entitlements will result.

The rights of Eligible Shareholders (as defined below) to subscribe for New Shares under the Rights Issue (**Rights**) is renounceable. This provides Eligible Shareholders who do not wish to subscribe for some or all of their Rights an opportunity to sell those Rights.

Trading of Rights will commence on ASX on 29 July 2009 and will cease on close of trading on 20 August 2009. Rights to which Eligible Shareholders are entitled may be sold on ASX between these dates should they choose not to accept their full entitlement.



New Shares

New shares issued under the Rights Issue (**New Shares**) will rank equally with Newland's existing fully paid ordinary shares from their date of issue.

The rights and obligations attaching to ordinary shares in Newland are set out in Newland's constitution (which is available on its website) and are, in certain circumstances, regulated by the Corporations Act, the ASX Listing Rules and the general law.

Foreign shareholders

Newland is making the Rights Issue to Eligible Shareholders only. An Eligible Shareholder is:

- a shareholder who holds shares on the Record Date and whose address (as registered on Newland's share registry) is in Australia or New Zealand; or
- an Eligible Foreign Shareholder.

An Eligible Foreign Shareholder is a shareholder who holds shares on the Record Date and whose address (as registered on Newland's share registry) is not in Australia or New Zealand but who resides in a jurisdiction in relation to which:

- (a) the receipt of the Rights Issue;
- (b) the sale of Rights;
- (c) the exercise of that shareholder's entitlement; and
- (d) the subscription for New Shares by that shareholder,

does not breach the securities laws applicable in that jurisdiction (**Foreign Conditions**). An Eligible Foreign Shareholder is responsible for ensuring that the Foreign Conditions do not breach the securities laws in the relevant jurisdiction. Return of a completed Entitlement and Acceptance Form will be taken by Newland to constitute a representation by such shareholder that there has been no breach of such laws.

Issue price

The issue price of \$0.01 per New Share under the Rights Issue represents a discount of 23% to the last sale price of \$0.013 recorded on 23 July 2009.

Underwriting

The Rights Issue will be fully underwritten by Taylorford Investments S.A. A summary of the terms and conditions of the underwriting agreement are set out in section 6.3 of the offer document. Details on the potential for the underwriter to acquire control of Newland on completion of the Rights Issue are set out in section 4.4 of the offer document.

No Prospectus/Shareholder approval

The Rights Issue is being made pursuant to section 708AA of the Corporations Act and Newland is not required to prepare a prospectus. Instead, Newland has lodged with ASX a notice in accordance with section 708AA(2)(f) of the Corporations Act and shareholders eligible to participate in the Rights Issue will receive an offer document containing details of the Rights Issue and how to take up their entitlements. **A copy of the offer document has been lodged with ASX and is available at ASX's website, www.asx.com.au.**

Shareholder approval is not required for the Rights Issue.

Timetable

The timetable* for the Rights Issue is set out below:

Event	Date
Announcement of Rights Issue	24 July 2009
Lodgement of appendix 3B, offer document and section 708AA(2)(f) notice with ASX	24 July 2009
Shares quoted on a ex entitlements basis	29 July 2009
ASX commences quoting a market in Rights	29 July 2009
Record Date	5 August 2009
Offer document (including entitlement and acceptance form) dispatched	11 August 2009
ASX ceases quoting a market in Rights	20 August 2009
Closing date – latest time and date for acceptances and payment of application monies	27 August 2009
Issue of New Shares	4 September 2009
Holding statements dispatched	4 September 2009

The timetable is indicative only and may change, subject to the requirements of the ASX Listing Rules and the Corporations Act.

Offer document and continuous disclosure

Eligible Shareholders should have regard to all publicly available information on Newland including all announcements made by Newland to ASX (which are available from its website, or from ASX's website, www.asx.com.au), as well as the offer document. Shareholders should consult their professional advisers before taking up all or any part of their entitlement.

Capital structure

The following table sets out the capital structure of Newland as at the date of this announcement and on completion of the Rights Issue. The exact number of New Shares cannot be determined until entitlements have been calculated on the Record Date.

Securities	Number
Fully paid ordinary shares on issue as at the date of this announcement	188,977,571
Total options on issue as at the date of this announcement *	4,094,439
New Shares to be issued under the Rights Issue	188,977,571
Total fully paid ordinary shares on issue immediately following completion of the Rights Issue	377,955,142
Total options on issue immediately following the Rights Issue *	4,094,439

* Assumes no options are exercised in the meantime

Appendix 3B

An appendix 3B for the Rights Issue has been lodged with ASX.

Enquiries

Enquiries about the Rights Issue should be made to:

Karen Brown, Company Secretary
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Email: info@newlandresources.com

Yours faithfully



L A Colless
Chairman
Newland Resources Ltd