

Newland Resources Ltd

ABN 13 009 092 068

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31 July 2006

Manager Announcements
Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir,

QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2006

The quarter to 30 June proved to be a little lacklustre as the resources market slowed on performance with interest rates and the Middle East crisis providing a dampening effect. The commodity prices varied during the quarter but we still believe that the sector is positioned for further rises.

Resources Investment Trust (REIT)

At the current net asset value the monthly fee is currently running at just over £800,000 (A\$2m) per annum. Pursuant to the notice period as previously announced, and assuming that this is effected, then there remain 19 monthly payments to be received. Depending upon the performance of the Trust as measured by its net asset value in relation to the benchmark, there may or may not be four performance fees receivable during the remainder of the notice period.

Ocean Resources Capital Holdings plc

This contract is for a limited period of time and Resources Services (BVI) Limited is remunerated as to 25% of any adjusted increase over 33p per share on the wind up of Ocean in June 2007 and 35% of any consideration above 50p per share. A realisation of 40p per Ocean share would give a fee of in excess of £1.7m (A\$4m) to Resources Services. A realisation of 50p per Ocean share would give a fee of in excess of £3.4m (A\$8m), and a realisation of 60p per Ocean share would give a fee of in excess of £6.3m (A\$15m).

Corporate

The Company's resources are in a healthy position with net cash of A\$4.19m, receivables (including fees and brokers' accounts) of A\$3.99m, and investments with a market value of A\$9.15m (cost of A\$10.85m).



The Board is taking steps to expand business in the financial services sector and to that effect the issue of a UK Financial Securities Authority Licence is now imminent. The Company has embarked on business investment opportunities in China, Africa and Asia with a view to expanding its funds-under-management businesses and is constantly seeking new opportunities for both the funds management as well as direct investments.

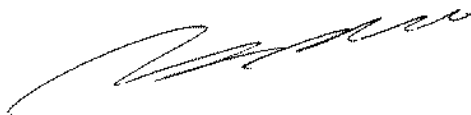
Minerals

Mt Garnet Mines NL

Newland Resources Ltd, through its wholly owned subsidiary, Mt Garnet Mines NL, has a residual interest in the Mt Garnet leases currently beneficially owned by Kagara Zinc Ltd. During the quarter, Newland did not receive any fees for its share in the residual interest.

Kagara Zinc have advised that they have ceased drawing ore from the Mt Garnet lease and will not be mining from Mt Garnet in the immediate future. It is not known when they will recommence drawing ore from the Mt Garnet lease.

Yours faithfully,
for **NEWLAND RESOURCES LTD**



Lindsay A Colless
Director

Appendix 5B

Mining exploration entity quarterly report

Name of entity

NEWLAND RESOURCES LTD

ABN

13 009 092 068

Quarter ended ("current quarter")

30 June 2006

Consolidated statement of cash flows

		Current Quarter \$A'000	Year to date (12 Months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	5248	6865
1.2	Payments for (a) exploration and evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) administration - general	(80)	(472)
	personnel	(122)	(315)
	professional fees	(611)	(1288)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	25	56
1.5	Interest and other costs of finance paid	-	(24)
1.6	Income taxes paid	-	(70)
1.7	Other UK VAT – net	181	(163)
	Performance fees paid	(1015)	(1015)
Net operating cash flows		3626	3574
Cash flows related to investing activities			
1.8	Payment for purchases of (a) prospects	-	-
	(b) equity investments	(6870)	(12948)
	(c) other fixed assets	-	-
1.9	Proceeds from sale of (a) prospects	-	-
	(b) equity investments	6457	11760
	(c) other fixed assets	-	-
1.10	Loans to other entities (note 3)	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	(17)
Net investing cash flows		(413)	(1188)
1.13	Total operating and investing cash flows (carried forward)	3213	2386

1.13	Total operating and investing cash flows (brought forward)	3213	2386
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	670
1.17	Repayment of borrowings	-	(670)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net Financing Cash Flows	-	-
	Net increase (decrease) in cash held	3213	2386
1.20	Cash at beginning of quarter/year to date	751	1469
1.21	Exchange rate adjustments to Item 1.20	224	333
1.22	Cash at end of quarter	4188	4188

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	1352
1.24	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Payments to companies associated with directors for:	\$'000
Administration & company secretarial fees - parent	12
Management consulting fees - parent	14
Salary and entitlements re investor relations & business development	34
Technical consulting	-
Management consulting fees – UK subsidiaries (incl creditor past quarters)	274
Performance fees	1015
Brokers commission	3
Finance fees on cash advance	-

Note that cash payments include payment of creditors from prior quarters.

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not included in the reported cash balance is some A\$3,346,200 held in trust by the Group's sharebrokers.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

add notes as necessary for an understanding of the position

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outlays for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
TOTAL	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the statement of cash flows) to the related items in the accounts is follows.

	Current Quarter \$A'000	Previous Quarter \$A'000
5.1 Cash on hand and at bank	4188	751
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item1.22)	4188	751

Changes in interests in mining tenements

	Tenement Reference	Nature of Interest [note (4)]	Interest at Beginning of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preferences securities <i>(description)</i>				
7.2 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks, redemptions				
7.3 Ordinary securities <i>Fully paid</i>	163,777,571	163,777,571		
7.4 Changes during quarter (a) increases through issues (b) decreases through returns of capital, buybacks				
7.5 Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) increases through issues (b) decreases through securities matured, converted				
7.7 Options			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				

7.11	Debentures <i>(totals only)</i>		
7.12	Unsecured notes <i>(totals only)</i>		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement ~~does not~~^{does not}* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: [signed] Date: 31/07/2006.....
(Director/Company Secretary)

Print name: L A COLLESS

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed
for the past quarter and the effect on its cash position. An entity wanting to disclose additional information
is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements
acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture
agreement and there are conditions precedent which will change its percentage interest in a mining tenement,
it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1
and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for
fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026:
Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for
foreign entities. If the standards used do not address the topic, the Australian standard on that topic (if any)
must be complied with.