newera uranium LIMITED

NEWERA

Annual Report 2009

Newera Uranium Limited

Corporate Directory

DIRECTORS

Mr Martin Blakeman - Executive Chairman
Mr Winton Willesee - Non-Executive Director
Mr Eric de Mori - Non-Executive Director

COMPANY SECRETARY

Mr Winton Willesee

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Suite 5 / 2 Centro Avenue
SUBIACO, WA 6008

CONTACT DETAILS

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Email: info@nru.com.au
ph: + 61 (8) 9382 3100
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Postal: P.O. Box 668
SUBIACO WA 6908

SOLICITORS TO THE COMPANY

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Level 4, Next Building
16 Milligan Street
PERTH WA 6000

SHARE REGISTRY

Security Transfer Registrars Pty Ltd
Alexandria House Suite 1
770 Canning Hwy
APPLECROSS WA 6153
ph: +61 (8) 9315 2333
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AUDITORS

Bentleys
Level 1
12 Kings Park Road
WEST PERTH WA 6005

STOCK EXCHANGE

Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth, Western Australia 6000

(ASX: NRU)

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Directors' Report

Your Directors present their report on Newera Uranium Limited ("Newera" or "the Company") for the year ended 30 June 2009.

DIRECTORS

The names of the Directors in office at any time during or since the end of the year are:
Mr Martin Blakeman
Mr Eric de Mori (appointed 18 March 2009)
Mr Winton Willesee
Mr Greg Miles (resigned 6 March 2009)

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

COMPANY SECRETARY

Mr Winton Willesee

PRINCIPAL ACTIVITIES

The Company is an exploration Company focussing on uranium exploration.

Other than the implementation of prudent cost controls, a downsizing of staff levels and a rationalisation of projects to focus on the most prospective projects in the context of the economic climate prevalent during the year, there were no significant changes in the nature of the economic entity's principal activities during the financial year.

OPERATING RESULTS

The loss of the Company after providing for income tax amounted to $5,229,671 (2008: ($614,831))

DIVIDENDS PAID OR RECOMMENDED

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

REVIEW OF OPERATIONS

Newera Uranium Limited was incorporated with the primary objective to build a uranium exploration and mining company at a time when the global demand for the commodity is increasing.

Newera Uranium has pursued this goal by:

- exploring its existing projects;
- maintaining a watching brief over the uranium sector in Australia (and overseas) and pursuing uranium development and acquisition opportunities; and
- assembling a team of experienced uranium and mining industry professionals to develop its exploration assets.

The Company initially secured a portfolio of tenements, across what was considered highly prospective ground in Western Australia and the Northern Territory, with the Lake Way Project being situated just 1.5 kilometres north of Toro Energy's Lake Way uranium deposit. Since listing the Company has secured interests in additional and complementary projects At Jailor Bore and Pells Range in Western Australia and at White Lady in the the Northern territory

Directors' Report

Previous exploration within Newera's project areas had identified uranium mineralisation in a variety of host rock settings from calcrete-hosted mineralization at Lake Way and Jailor Bore, sandstone hosted roll-front mineralization at Pells Range to granitic pegmatite hosted uranium-REE mineralization at Quartz Hill in the Northern Territory. The project areas remain under-explored with the potential to host significant uranium mineralisation.

During the 2008/09 operational year, the Company, following a protracted process to gain heritage clearances on prospects at its Pells Range and Jailor Bore projects, was able to complete a drilling program testing one uranium target Pells Range and four targets within the Jailor Bore project area.

The results of this program enabled the Company to outline an Exploration Target of 1 million pounds of Uranium at the Giant prospect within the Jailor Bore project area. Also at the Relief Well prospect within Jailor Bore, a new discovery was made where a two hole test program located uranium anomalism in a single intercept at the base of a black shale VTEM anomaly.

Drill testing of the Ben Hur prospect at Jailor Bore produced moderate uranium anomalism in a single hole and requires further analysis and testing . The Willi Creek prospect failed to produce significant uranium mineralisation and was down-graded.

In the Northern Territory the Company completed a Native Title heritage survey over the Quartz Hill project area but remained constrained in its ability to undertake serious on ground exploration due to several prospect areas being designated no-go areas following the heritage survey.

Following the appointment of a new exploration manager at the beginning of the period, the September quarter of 2008 became a period of review for the Company, with initial desk top reviews of all Newera's project areas, based upon their perceived uranium prospectivity, and the potential for access to undertake exploration in the near term.

The desk top review process was followed by reconnaissance field trips to the Northern Territory to field check areas previously considered prospective for uranium mineralisation. Prospect areas were checked and samples taken within the Amadeus, Brumby, White Lady and Quartz Hill project areas.

The outcome of those reviews and sampling has led to the down grading the majority of the previously identified prospect areas as having limited potential for significant uranium resources and/or serious Native Title Heritage access issues.

During the period, management had to adjust its outlook and expenditure due to the prevailing economic climate. Following internal review, it was determined that in order to conserve limited funds, the Company needed to rationalise its tenement portfolio and reduce its staffing levels.

The decision was taken to withdraw its six applications previously lodged in the Canning Basin of Western Australia, and withdraw from both the Amadeus and Brumby option agreements in the Northern Territory.

At the end of the period, management remained confident that despite the rationalisation of the Company's tenement portfolio, that with the remaining three "alive" prospect areas at Pells Range and Jailor Bore (Giant, Relief Well and Pells Range Well) and the recent identification of a further eight prospective uranium targets at Jailor Bore in the Gascoyne basin of WA, that the Company's prospects of defining a significant uranium resource remained sound.

Directors' Report

Figure 1: plan of Australia indicating general location of Newera Uranium Ltd's project areas.

WESTERN AUSTRALIA - Jailor Bore Project – E 09/1194, E 09/1298, E09/1575 and E 09/1434

JAILOR BORE PROJECT DRILLING PROGRAM

Newera contracted the services of Kalgoorlie based Kennedy Drilling to undertake a targeted reverse circulation drilling program to test the Giant, Ben Hur, Willi Creek and Relief well prospects within Newera's Jailor Bore project area

The RC drill program was planned to test the previously identified Radiometric targets at the Giant (figure 2)and Ben Hur (figure 5) prospects seeking uranium mineralisation associated with outcropping uranium trap sites consisting of favourable porous calcareous sediments which dip at ~ 25o to the west. These uranium trap sites present as a wide, outcropping, limestone stratigraphic unit believed to be the basal unit of the Carnarvon Basin which lap on to "hot "granites to the east.

Rock chip samples from these porous calcareous units have produced a visible uranium related mineral, confirmed by an independent consultant mineralogist as being Carnotite.

Deeper co-incident VTEM targets at both Giant and Ben Hur were also to be tested as part of the same program

The Willi Creek prospect (figure 7) which was identified as a radiometric anomaly presents as a large flat top mesa rising 70 metres above the surrounding plain. The drill program for this prospect was designed to test a silcrete layer in the top seven metres of the mesa which had produced elevated spectrometer readings during reconnaissance field work, and a co-incident deeper target generated through the VTEM survey.

Directors' Report

The Relief Well prospect (figure 9) became a late inclusion in the drill program due to a last minute Native Title heritage clearance of the drill sites. The target at Relief well was identified through analysis of the VTEM survey data.

Analysis of the Jailor Bore VTEM "B field" data had highlighted an anomaly in the south west corner of area two of the survey as an exciting target.

This large anomaly has an aerial extent of approximately 4 kilometres long by one kilometre wide and has only been terminated in the south by the extent of the survey. It would appear to persist further into Newera's E09/1298 beyond the southern boundary of the survey. The drill program was extended by three days to allow the drilling of two holes to test this very large VTEM anomaly.

The Native Title Heritage clearance process was conducted in August 2008 with final clearances for all target areas to be drilled being received from the Yamatji Land and Sea Council on 3rd November 2008. Drill pads and grid lines on all prospects were cleared soon after the Heritage clearance was received.

Giant Prospect

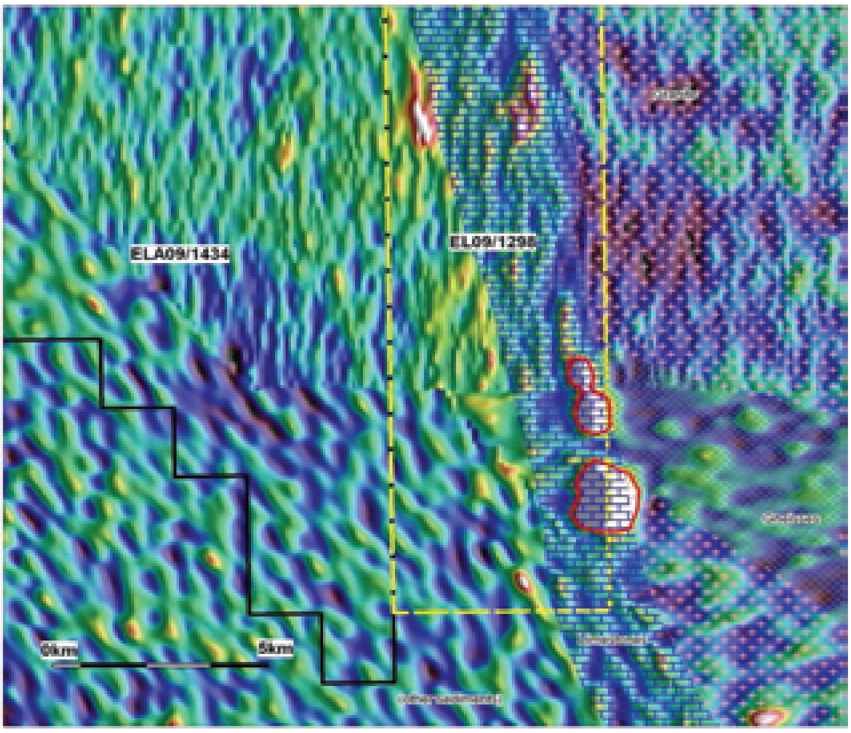

Figure 2: Part E09/1298 radiometric image highlighting the three pods of the Giant Prospect

Directors' Report

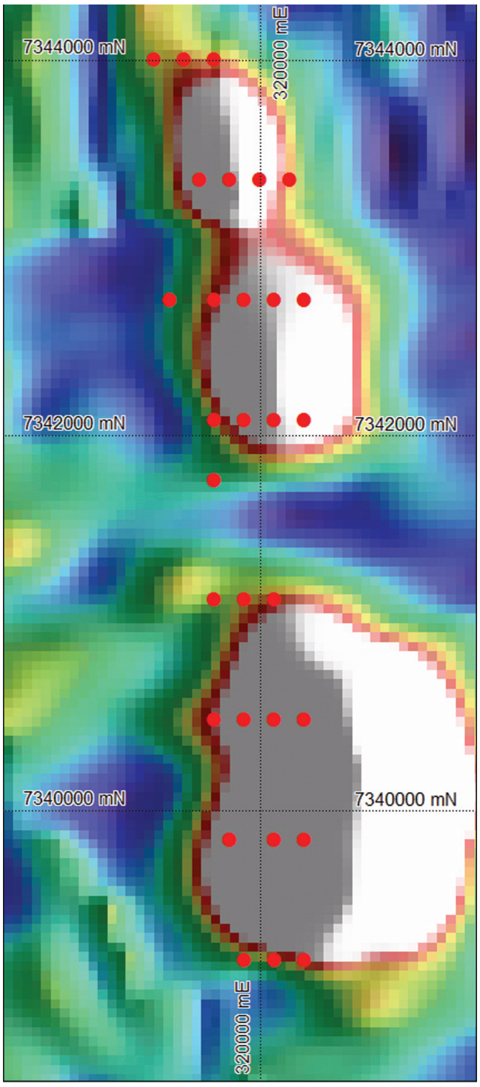

Figure 3: Uranium/Thorium Ratio from the Radiometric data and planned drill holes

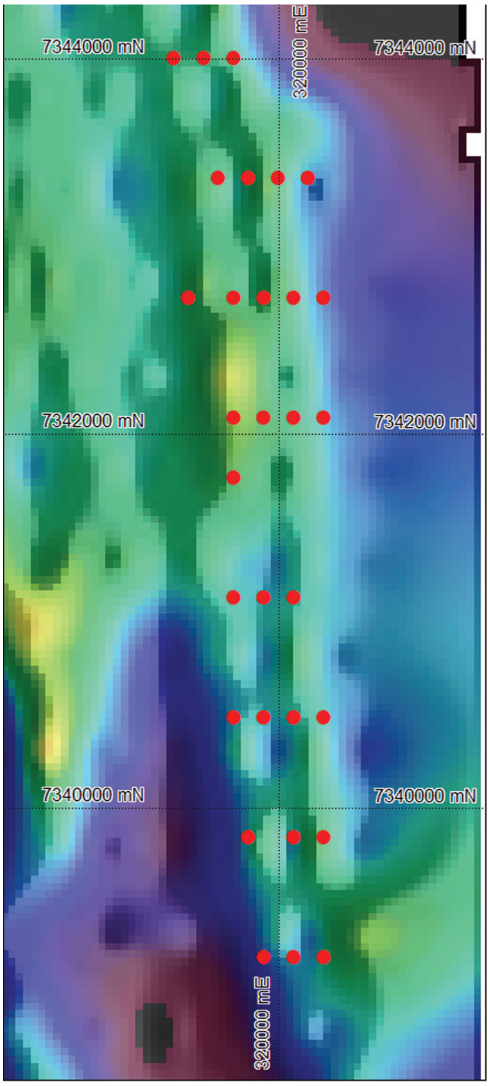

Figure 4: 80m depth VTEM slice and planned drill holes

The Giant Prospect was also initially identified through its strong radiometric signature (Figure 2). Field work located a wide, outcropping, limestone stratigraphic unit believed to be the basal unit of the Carnarvon Basin which laps on to granites to the east.

Rock chip sampling produced visible carnotite at surface within the prospect area. Newera subsequently flew a VTEM survey which identified a large elongate geophysical target coincident with but at depth to the radiometric anomaly (Figure 6).

The drilling at Giant was designed to test both the surface radiometric anomaly and the VTEM anomaly at depth for uranium mineralisation.

Directors' Report

Ben Hur Prospect

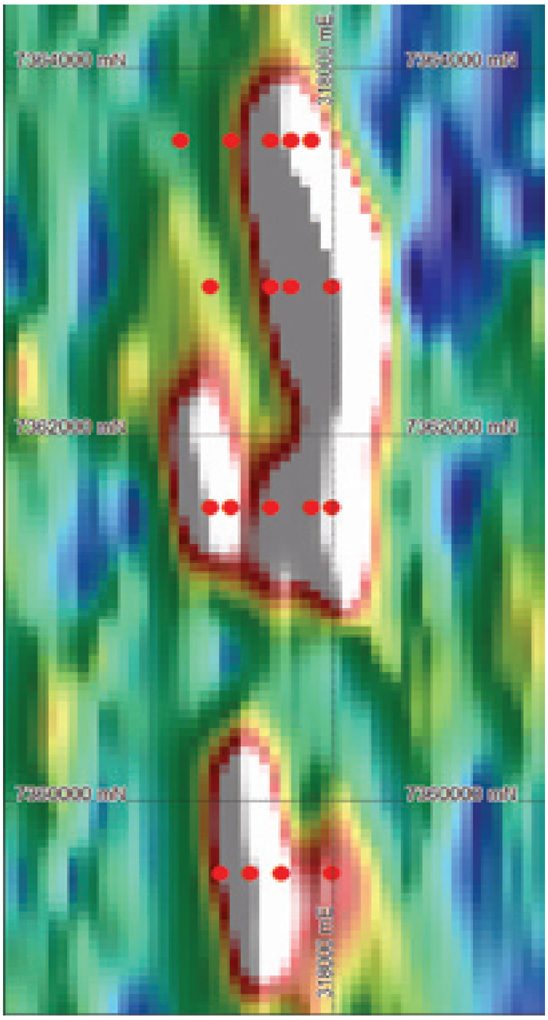

Figure 5: Drill hole locations over Uranium /Thorium ratio radiometrics image.

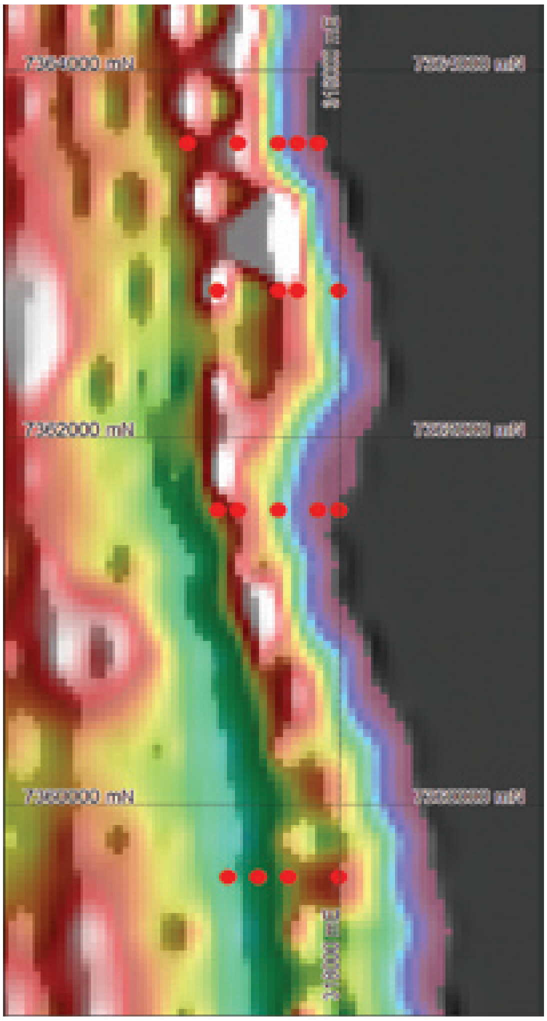

Figure 6: Drill hole locations over 80m depth VTEM slice image

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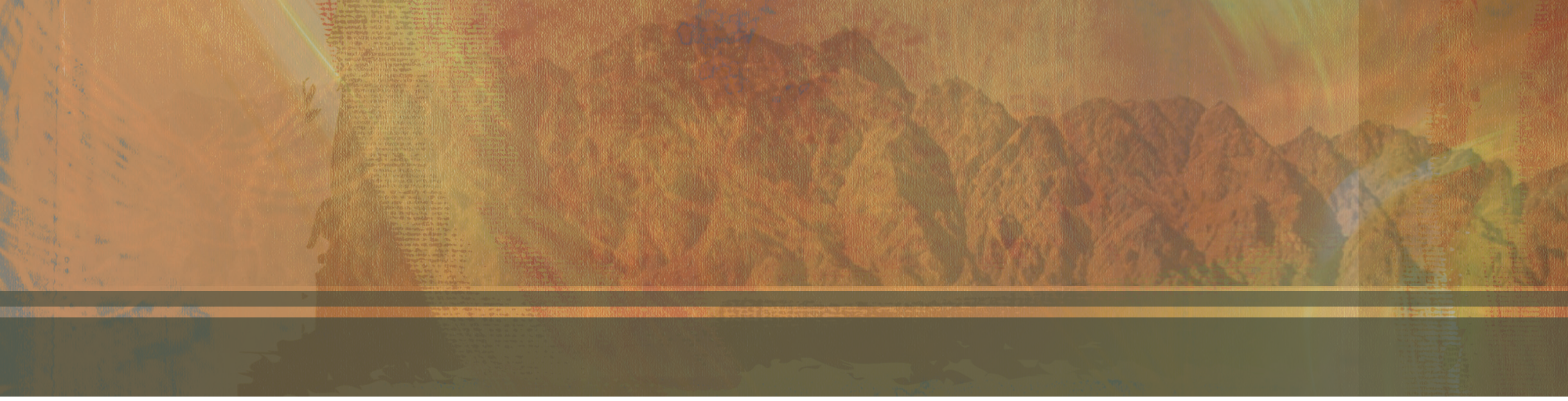
The Ben Hur Prospect was initially identified through its strong radiometric signature (Figure 5). Field work located a wide, outcropping, limestone stratigraphic unit believed to be the basal unit of the Carnarvon Basin which laps on to granites to the east.

Rock chip sampling produced visible carnotite at surface within the prospect area. Newera subsequently flew a VTEM survey which identified a large elongate geophysical target coincident with but at depth to the radiometric anomaly (Figure 4).

The drilling at Ben Hur was designed to test both the surface radiometric anomaly and the VTEM anomaly at depth.



Directors' Report

Willi Creek Prospect

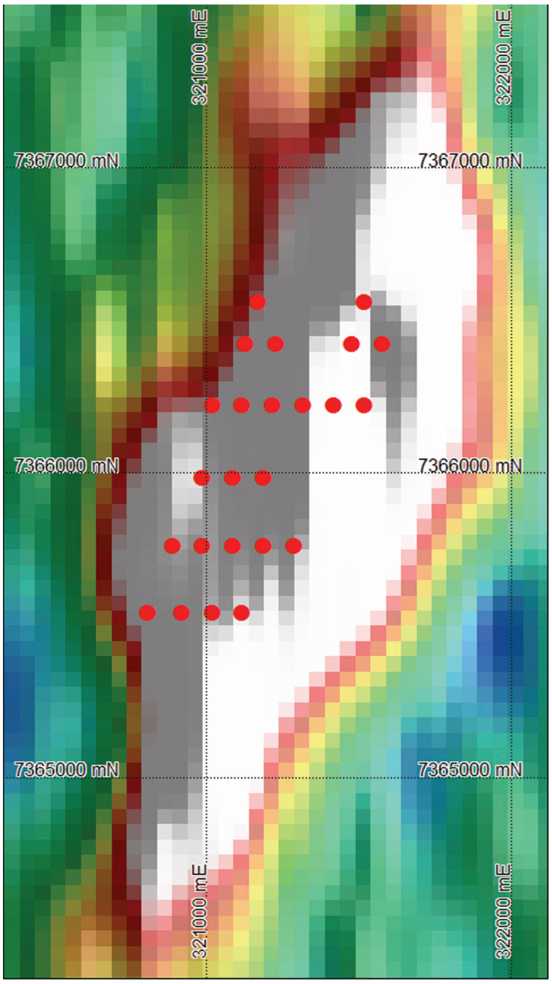


Figure 7: Drill hole location over Uranium /Thorium Ratio Radiometrics image

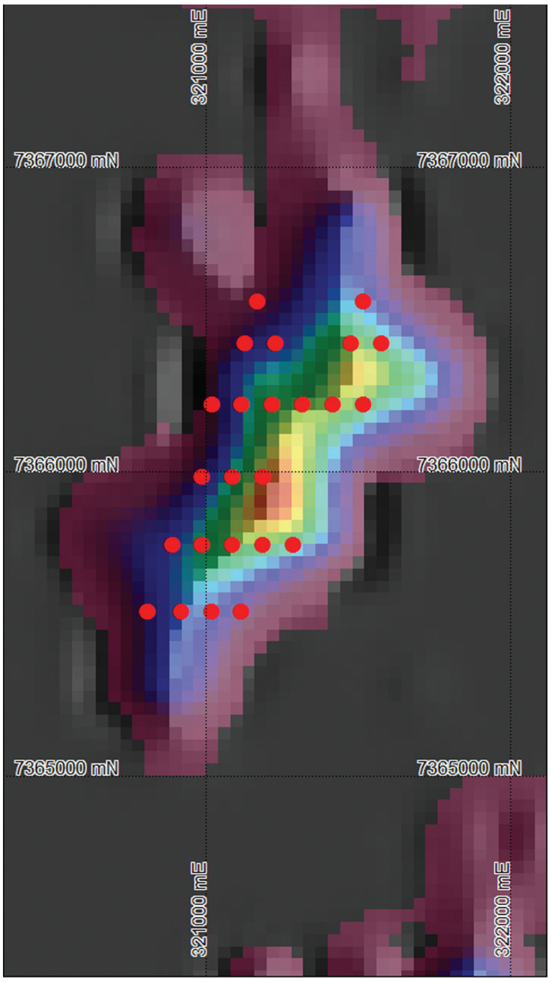


Figure 8: Drill hole locations over 40m depth VTEM slice image

A strong radiometric signature (Figure 7), followed by field reconnaissance work helped identify a large mesa as a uranium prospect. A band of perched calcrete from the surface of the mesa down to five metres depth had been identified as mildly uranium anomalous.

A subsequent VTEM survey had identified a strong conductor, coincident with the radiometric anomaly, but at 40 metres depth (Figure 8).

The drilling at Willi Creek was designed to test both the surface radiometric anomaly and the VTEM anomaly at depth for uranium mineralisation.

Directors' Report

Relief Well Prospect

The prospect is located towards the northern end of E09/1298 where a VTEM survey has located a large anomaly with a strike extent of approximately 4 kilometres long by one kilometre wide and has only been terminated at the southern end by the extent of the survey. The target at Relief well was identified through analysis of the VTEM survey data.

The Relief Well prospect became a late inclusion in the drill program due to a last minute Native Title heritage clearance of the drill sites. Two holes were designed to test the VTEM anomaly at a point where on-ground access was possible with minimal disturbance.

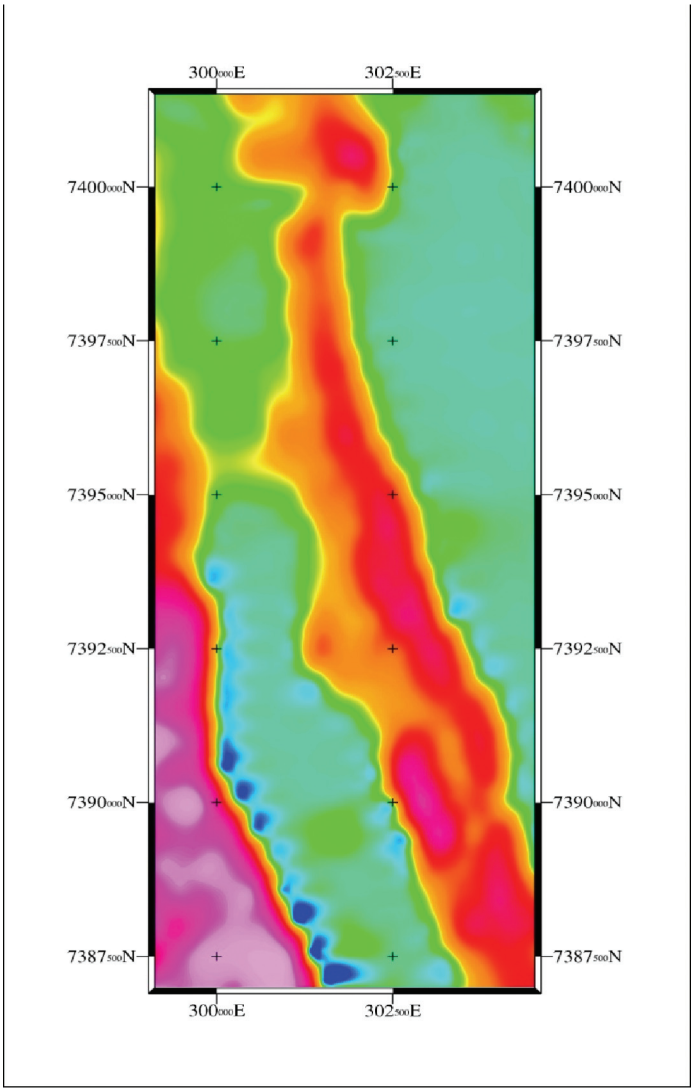


Figure 9: Relief Well VTEM Image showing large anomaly at lower left

Directors' Report

JAILOR BORE DRILL PROGRAM RESULTS

Giant Prospect

Drilling at Giant has confirmed the presence of significant uranium mineralization, coincident with airborne radiometric anomalies. Based on the extent of the radiometric anomalies striking up to 5km by approximately 400m wide, with mineralization demonstrated to average 2m in thickness, a conceptual exploration target of between 900,000 to 1,100,000lbs grading 120 – 150ppm U3O8 has been defined. There is currently insufficient data to calculate a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

A total of 29 holes for 1600 metres were completed on the 7th December 2008. Sequences of inter-bedded calcareous siltstones and shales were common with some thin (up to 2 metres thick) carbonaceous shale horizons.

Three separate uranium anomalous pods corresponding to the uranium anomalism seen in the radiometrics image have now been tested in a limited first pass drill program and produced the following best intercepts.

Table 1: Significant Uranium Intercepts at Giant prospect

Hole Id	East	North	Hole Depth (m)	Significant Intercepts of surficial mineralisation (XRF Kalassay Lab.)
GTRC004	319686	7343343	70	2m @ 157 ppm U3O8 from 1m
GTRC005	319849	7343358	110	2m @ 229 ppm U3O8 from 1m
GTRC007	320161	7343364	100	1m @ 129 ppm U3O8 from 6m
GTRC015	320086	7342075	40	4m* @ 93 ppm U3O8 from surface
GTRC019	320085	7340486	20	2m @ 158 ppm U3O8 from 2m
GTRC020	320238	7340492	20	1m @ 103 ppm U3O8 from 2m

Note *: 4m composite sample
All samples analysed by pressed powder XRF at Kalassay Laboratories in Perth

Directors' Report

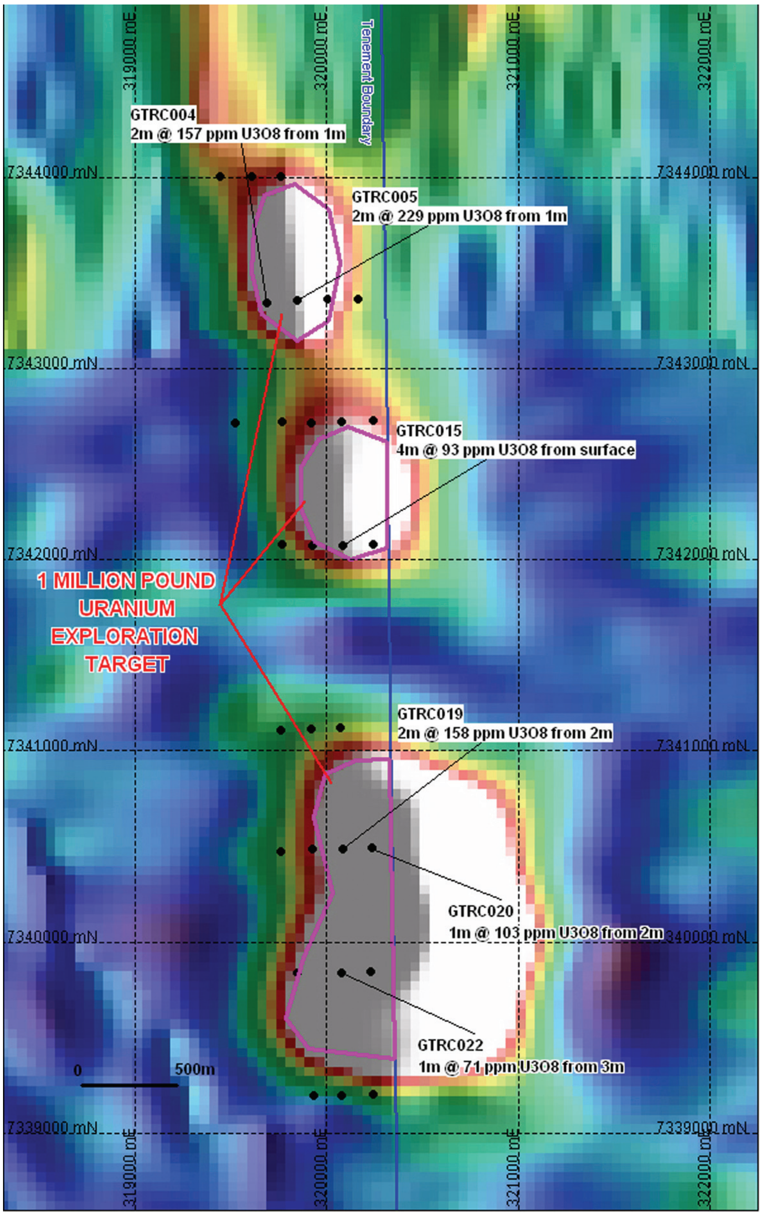


Figure 10: Giant prospect drill holes , intercepts and Exploration Target outline over uraniumradiometric image.

Directors' Report

RELIEF WELL PROSPECT

As access to the prospect was restricted until late in the program, only 2 RC holes for 169 metres were drilled into the EM anomaly (Figure 2). A thick sequence of paleo-channel sediments were intersected in both holes with up to 50 metres of sooty carbonaceous shale present from approximately 10 metres depth.
Hole RWRC001 intersected 2m @ 175ppm U from 58m depth in carbonaceous shale. The intercept occurred towards the base of the shale unit.

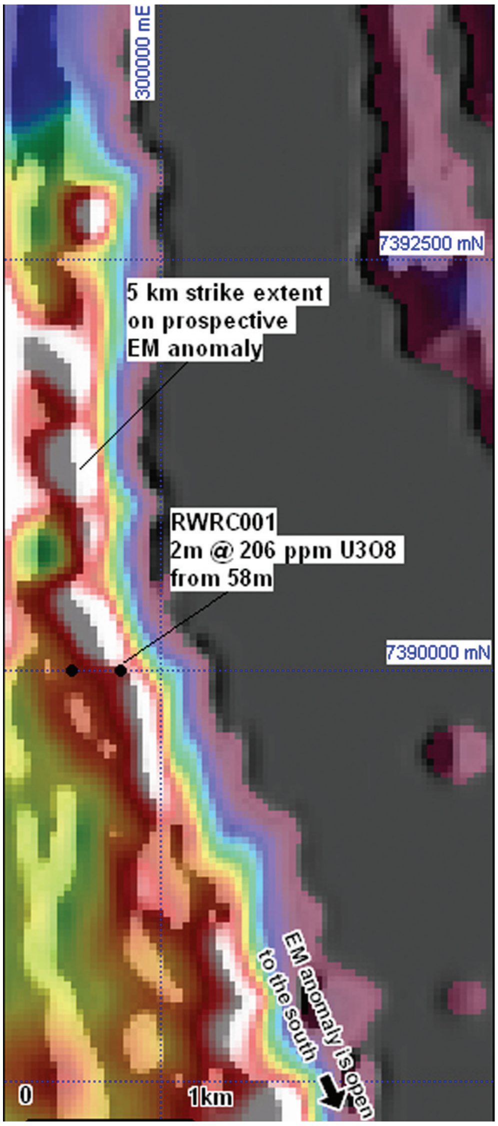


Figure 11: Relief Well prospect - Drill hole locations over VTEM image

The Relief Well VTEM anomaly is a very large anomaly with uranium mineralisation demonstrated to be present. Greater analysis is required to attempt to determine where further significant accumulations of Uranium may occur.

Directors' Report

Ben Hur Prospect

A 19 hole RC program commenced on the 25th November with 1060 metres completed The program was designed to assess potential surficial mineralisation associated with outcropping limestone units of the Gneudna Formation as well as test targets generated by the VTEM to depths to 100 metres.

Sequences of interbedded calcareous siltstones and shales were commonly intercepted with some thin (up to 2m thick) carbonaceous shale horizons.

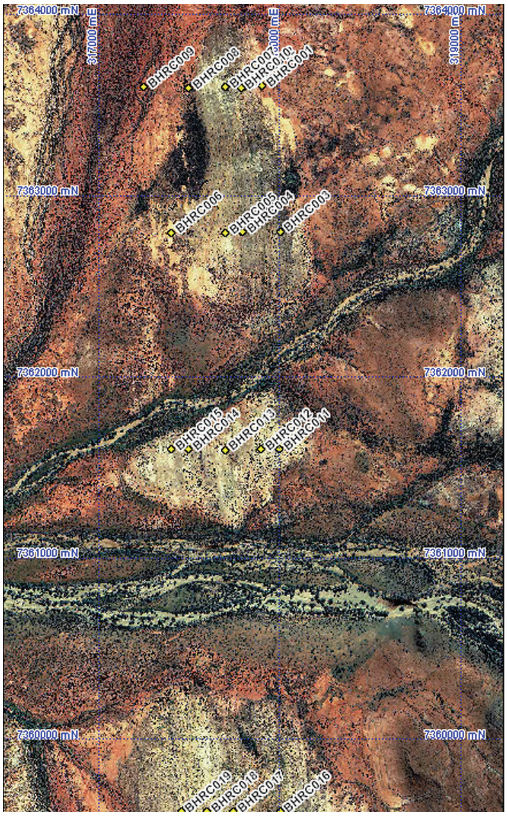


Figure 12: Drill Hole Locations at Ben Hur Prospect

Assay results were generally disappointing for this prospect and further investigation was not warranted. The best intercepts were 4 m at 49 ppm U from 16m and 4 m at 44 ppm U from 0 m (Table 4).

Table 2: Ben Hur anomalous assay values.

Hole ID	Easting	Northing	Total Depth (m)	From (m)	To (m)	U (ppm)
BHRC002	317800	7363600	20	16	20	49
BHRC003	318002	7362803	20	0	4	44

Directors' Report

Willi Creek Prospect

The RC program was planned to assess the potential uranium mineralisation within a perched palaeo-calcrete which forms part of a river terrace along the banks of the Willaraddie Creek (figure 13). A substantial radiometric U/Th ratio anomaly exists in the calcretes where the Willaraddie Creek follows the granite - sediment contact downstream from the existing, Jailor Bore Uranium Deposit.

Drilling was planned to test possible surficial mineralisation associated with outcropping calcretes, and well as a VTEM target at approximately 40 metres depth. Drilling commenced on the 20th November 2008 with a total of 15 RC holes drilled for 580 metres (Table 2).

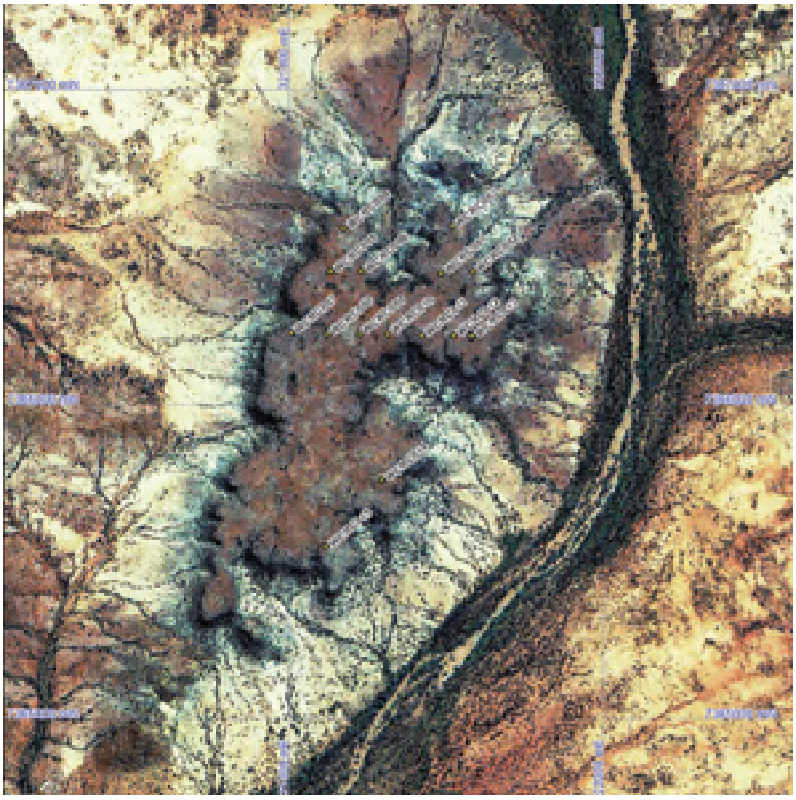


Figure 13: Willi Creek Prospect - Drill Hole Locations over aerial photograph

No significantly anomalous results were recovered from the Willi Creek prospect.

WESTERN AUSTRALIA – Pells Range Project – E 09/1193 and E 09/1386

Newera's Pells Range project comprises E 09/1193 and ELA 09/1386, and covers rocks that overly the prospective Lower Permian Moogooloo Sandstone unit and is situated in the Gascoyne Province, some 36 km ESE of Gascoyne Junction, Western Australia, 170 km E of Carnarvon and less than 10km from the Goldfields Gas Pipeline.

Directors' Report

The project tenements host historically identified uranium mineralisation discovered by Afmeco in the late 1970's when that Company was prospecting for sandstone hosted roll front type uranium deposits in the Carnarvon Basin. A mineralised zone of at least twice background radiation along a strike length of in excess of 25km has been delineated in the Moogooloo Sandstone with imperial mile spaced (approximately 1600m) percussion holes. Some infill to 400m centres was carried out by Occidental Minerals in JV with Afmeco from 1980.

Occidental drilled an additional 4 diamond holes to selectively assay anomalous zones, with results including 2.5kg/t U (XRF) from carbonaceous material at 54m depth in MOG 60 and 1.9kg/t U (XRF) from 47m in a carbonaceous silty sandstone in MOG23. Surface rock chip samples from the margins of channels grade up to 1.95kg/t U. These results were not followed up due to the collapse of the uranium exploration boom in the early 1980's

The main target within the Project is a roll-front sandstone hosted uranium deposit located within the Lower Permian Moogooloo Sandstone. Several similar deposits have been located along the eastern margin of the Carnarvon Basin adjacent to the Gascoyne Complex including the Manyingee Deposit, 85 km south of Onslow W.A.

AIRBORNE ELECTRO MAGNETIC SURVEY (EM)

Newera had previously contracted Geoforce Pty Ltd to carry out an aerial EM survey over 245km2 of Newera's Pells Range project (E09/1193) approximately 35km east of Gascoyne Junction in Western Australia, using Geoforce's Skytem system on a 200 m line spacing at 30 metre loop height.

The Survey was completed and geophysical specialists Southern Geoscience Corporation (SGC) were engaged to interpret the data.

Analysis of the EM survey data by SGC had produced a cohesive conductivity anomaly (figure 14) at the Pells Range Well prospect that extended over a strike length of 4.0 + kms and a width of 1.6 kms and at depths of between 40m in the south to 60 m in the north (being the limit of the survey's penetration) . This anomaly is therefore likely to extend further down-plunge to the north.

The conductivity target co-incides with carbonaceous material, which in widely spaced historic drill holes has produced results including 1m @ 2.5 Kg/t U and 1m @1.9 Kg/t.

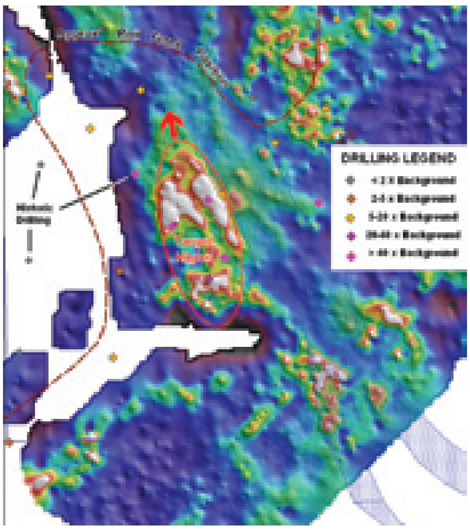


Figure 14: Newera Uranium Ltd – Pells Range Well prospect showing 60 metre depth slice of electro magnetic anomaly (EM)

Directors' Report

Pells Range Project RC Drill Program.

Newera contracted the services of Kalgoorlie based Kennedy Drilling to undertake a targeted reverse circulation drilling program to test the Pells Range Well prospect within Newera's Pells Range project (E09/1193).

The RC drill program was planned to test the previously identified Electro–magnetic (EM) target seeking uranium mineralisation associated with north west dipping graphitic black shales. A correlation was postulated between previously identified Uranium mineralisation in historic drill holes and the substantial EM target.

The Native Title Heritage clearance was conducted in August 2008 with final clearances being received from the Yamatji Land and Sea Council on 3rd November 2008. Drill pads and grid lines were cleared soon after the Heritage clearance was received.

The RC program was planned to drill one line 5 holes into the 40m depth target (Figure 15) and one line of six holes into the 60m depth target (figure16). Drill pads and grid lines were cleared soon after the Heritage clearance was received.

The Planned RC drilling program commenced on November 12th with eight holes for 511 metres being completed by November 18th, five into the southern (40m) target area and three into the northern (60m) target area.

PELLS RANGE WELL PROSPECT

Figures 15 & 16 show the planned drill hole locations with respect to the EM targets at the Pells Range Well Prospect.

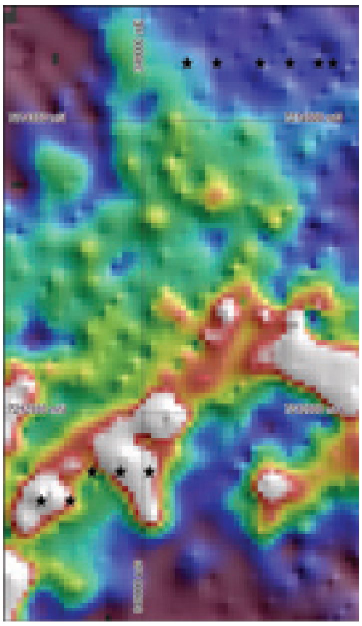


Figure 15: Drill hole locations over 40m Skytem EM depth slice image

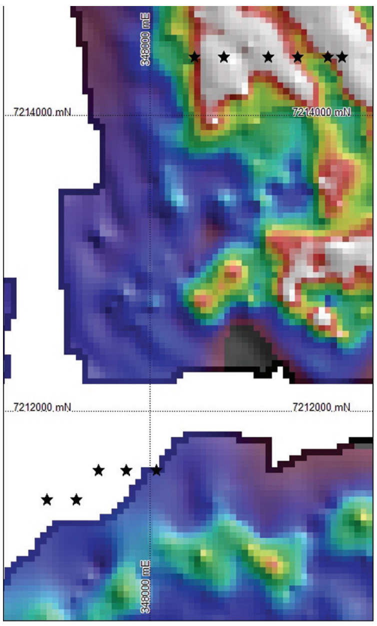


Figure 16: drill hole locations over 60m Skytem EM depth slice image

Directors' Report

PELLS RANGE DRILL PROGRAM RESULTS

Drilling at the Pells Range Well prospect intersected the target EM anomaly in all holes and produced a number of intercepts consistently in the 35 - 45 ppm U3O8 range (table 2). Whilst these individual intercepts are recognised as low grade, with further analysis, they may form vectors to higher grade concentrations of U3O8 within the Pells Range Well system.

Table 3: Significant Intercepts from Pells Range Drill Program.

Hole ID	East	North	Hole Depth (m)	Significant Intercepts of mineralisation (XRF Kalassay Lab.)
PRRC001	348503	7214406	98	4m @ 50ppm U3O8 from 71m
PRRC002	348803	7214398	74	10m @ 31ppm U3O8 from 60m
PRRC003	348300	7214440	89	5m @ 55ppm U3O8 from 69m
PPRC005	347839	7211600	50	16m @ 38ppm U3O8 from 32m
PPRC006	348037	7211602	50	4m @ 30ppm U3O8 from 28m
PPRC006	348037	7211602	50	8m @ 41ppm U3O8 from 32m
PPRC008	347300	7211397	50	4m @ 51ppm U3O8 from 40m

Carbonaceous shale with minor sulphides were encountered within the northern 3 drill holes PRRC001 – 003 over intervals of up to 50 metres and within the southern drill holes PRRC004 to 008, intervals of 3 to 4 metres of carbonaceous shale were intersected at the appropriate depths as inferred from the EM targets indicating the program had successfully tested the target formation.

With anomalous uranium results being reported in six of the drill holes in this program, more field work and planning is required to determine the level of significance of these results with regard to future programs.

NORTHERN TERRITORY

AMADEUS BASIN, BRUMBY, WHITE LADY AND QUARTZ HILL PROJECTS

During the period the Company employed a new Exploration Manager and as part of an orientation and familiarisation exercise, a field reconnaissance trip was undertaken in September 2008 by vehicle to review the Company's Brumby, White Lady and Quartz Hill project areas in the Harts Range, east of Alice Springs.

Particular attention was paid to attempting to locate and re-sample historical Pacific Nuclear Corporation (Japan) sample sites within EL25700 of the Brumby project, and systematic rock chip sampling of the Spartacus prospect within EL25296 of the Quartz Hill project.

15 Samples were collected from EL25700 and 17 samples were collected from the Spartacus prospect within EL25296. The samples were submitted for analysis of both Uranium and rare earths (REE).

A second field trip was undertaken in November 2008 utilizing helicopter to access more remote sites within the Amadeus Basin, Brumby and White lady project areas.

Directors' Report

AMADEUS BASIN PROJECT – E25488, E25487
AND APPLICATIONS E25500, E25502, E25503, E25572 AND E25680

The Eastern Amadeus Basin Project is located about 80km SSW of Alice Springs, along the Stuart Highway.

Prior to commissioning a detailed Magnetic and Radiometric survey over all of EL25487 (Block A) and sections of EL25488 (Blocks B and C) on the Company's Amadeus Basin Project area, Newera had commissioned a review of open file historical exploration data by independent geological consultants CSA Australia.

The reports concluded as follows:

- that limited exploration work had been undertaken on both licence areas,
- that work completed had been very preliminary in nature
- there was no mention of any targeted geophysical methods being used
- two major exploration companies (CRA and BHP BM's) had identified the area within EL25488 as prospective for SEDEX and strata bound copper mineralisation
- within EL25488, a large 10km x 5km stream sediment copper anomaly (at 40ppm) has been defined by Le Nickel
- A review of the NTGS magnetic data has identified what appears to be a sub basin within EL25488. The basin has a weak but coincident radiometric anomaly associated with it.
- Within EL25488 virtually no uranium exploration has been done despite the evidence of intra basin structure and the abundance of high quality source rocks surrounding the basin.
- Within EL25487 a prominent fold nose structure in the Stairway sandstone unit has strongly elevated radiometrics.
- The fold nose represents a strong target for uranium mineralisation and possibly phosphate.
- Geoscience Australia (BMR) has reported nodular phosphate occurrences locally in the Ordovician Stairway sandstone.

The detailed Magnetic and Radiometric survey was completed and a detailed analysis of the new geophysical data set is was undertaken.

AIRBORNE MAGNETICS AND RADIOMETRICS SURVEY

The detailed Airborne Magnetics and radiometrics survey was flown in July 2008 by Thompson Aviation. Two selected areas within E25488 were covered and all of E25487.

Survey parameters were; a flight height of 35 metres with a north-south line spacing of 150 metres, and 1500 metre east-west tie lines (Figure 17). Processing of the survey data was done by Southern Geoscience Consultants.

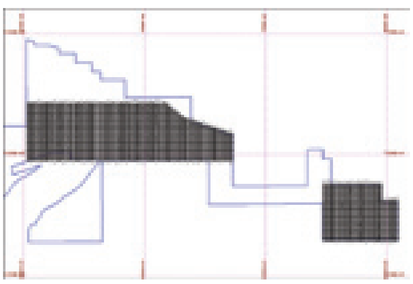


Figure 17: EL25488 - Newera aeromagnetic and radiometric Survey Flight Lines

Directors' Report

The following figures show the detailed survey datasets merged with the regional NTGS datasets.

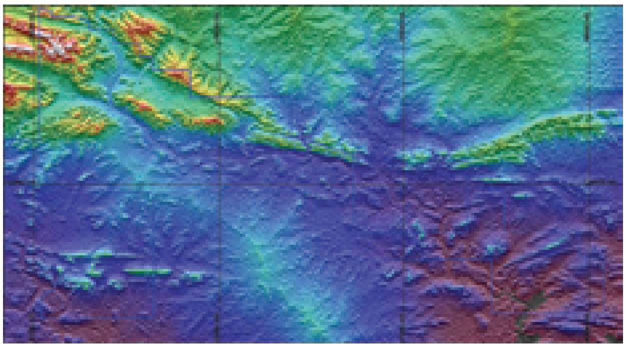


Figure 18: Newera Surveyed DEM merged with Regional DEM

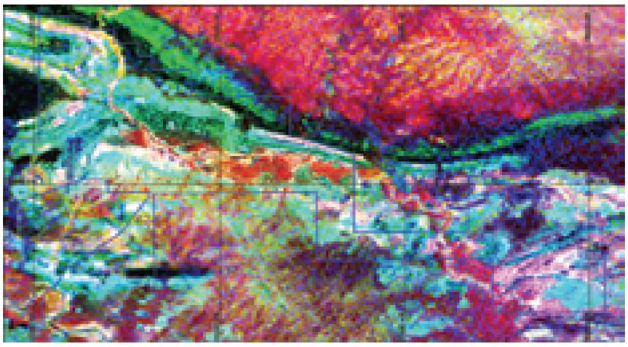


Figure 19: Newera Surveyed Radiometrics (Ternary) merged with Regional Ternary Radiometrics

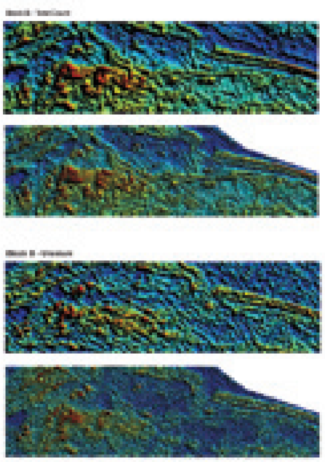


Figure 20: Comparative radiometric images – west part EL25488. Historical data at top, Newera detailed data at bottom.

Directors' Report

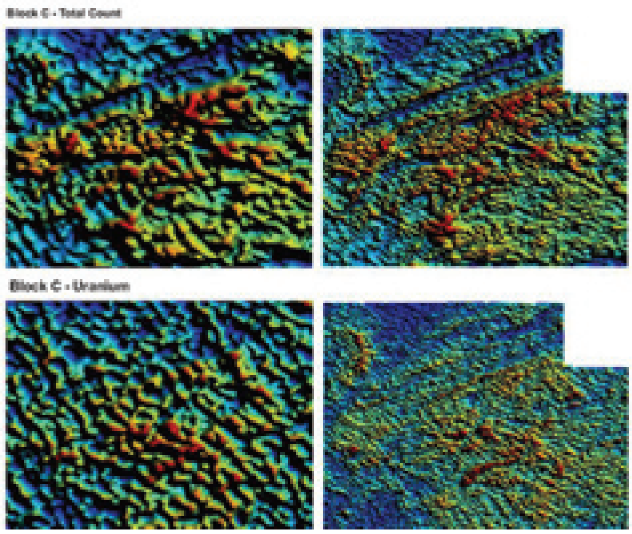


Figure 21: Comparative radiometric images – east part EL25488. Historical data to left, Newera detailed data to right.

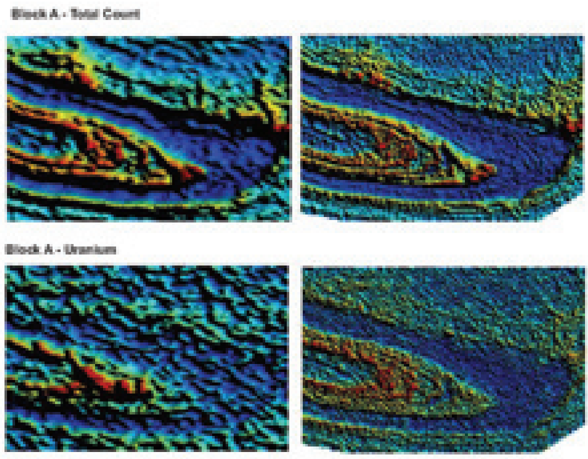


Figure 22: Comparative radiometric images - EL25487. Historical data to left, Newera detailed data to right.

The project area incorporates areas of the highly prospective Brewer Conglomerate which is of particular interest to Newera as the known uranium mineralisation of the Amadeus Basin at the Angela and Pamela deposits is hosted in the Undandita Member of the Brewer Conglomerate which is prominent within the tenement.

Several targets were located from the Landsat alteration and radiometrics images and sampled during the November helicopter field trip. Eighteen rock samples were taken across 3 of the most interesting looking targets within E25488.

Assay results failed to indicate any significant Uranium anomalism, effectively downgrading E25488 within Newera's exploration priority list.

Directors' Report

Brumby Project – EL25700

Two field trips to the Brumby project area were undertaken during the period. The first visit, by vehicle, concentrated on locating and confirming the historical Pacific Nuclear Corporation (PNC) "Brumby" area of interest within EL25700.

A total of 15 rock chips were taken along with corresponding spectrometer readings at each sample site (Table 3,). The most prospective lithology appeared to be a Felsic Augen Gneiss with a spectrometer reading typically above 800cps and a small calcrete outcrop located at the base of a hill which recorded the highest reading of 2000cps.

Table 4: Newera Uranium's Rock Chips

SAMPLE ID	**EAST**	**NORTH**	**CPS**	**COMMENTS**
3000727	489222	7421690	500	QTZ KFELD MICA GNEISS (VERMICULITE)
3000728	491100	7421680	80	MAFIC GNEISS
3000729	491024	7421733	80	MAFIC GNEISS
3000730	490786	7421590	800	FELSIC AUGEN GNEISS
3000731	490786	7421590	800	FELSIC AUGEN GNEISS
3000732	490765	7421593	1100	FELSIC AUGEN GNEISS
3000733	490764	7421514	800	FELSIC AUGEN GNEISS
3000734	490770	7421420	1500	FELSIC AUGEN GNEISS
3000751	491420	7422130	50	BANDED QTZ RK IN FELSIC GNEISS
3000752	491040	7422440	50	SILLAMENITE (?) GNEISS WITH KFELD - TORMALINE VEINS
3000753	491042	7422442	50	SILLAMENITE (?) GNEISS WITH KFELD - TORMALINE VEINS
3000754	491132	7422082	150	FELSIC AUGEN GNEISS TR MALACHITE ON WEATHERED SURFACE
3000755	491198	7422050	2000	SMALL O/C OF CALCRETE? NEAR BASE OF HILL O/C 10M LONG
3000756	491198	7422048	2000	SMALL O/C OF CALCRETE? NEAR BASE OF HILL O/C 10M LONG
3000757	492700	7418520	300	QTZ SER MUSC GNEISS STRIKE ~105

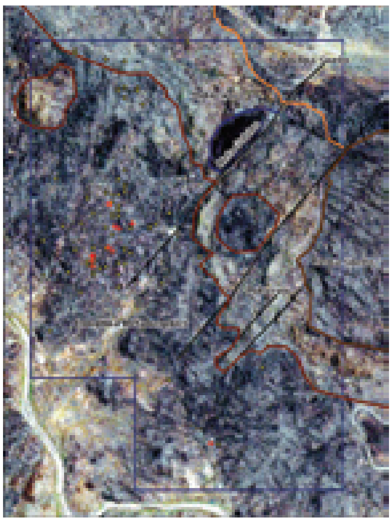


Figure 23: Landsat TM 321-ratio image with the PNC samples (yellow) and Newera samples (red).

Several samples from narrow bands of felsic augen gneiss returned elevated uranium results however these results were considered insufficient to encourage further exploration of the area.

Directors' Report

Brumby Project EL25926

The Blueys Foley prospect lies within the Brumby project (EL25926) and is located about 100 km ENE of Alice Springs and lies immediately east of the Arltunga Historical Reserve and the White Range Gold Mine.

Based on research from historical reports covering this area, the tenement appeared to be prospective for Au, Ag, Cu, Zn, Pb and REE's.

ROCK CHIP SAMPLING

Two reconnaissance mapping and sampling field trips were carried out during the reporting period.

The first fieldtrip by vehicle, targeted the contact area between the Late Proterozoic Hillsoak Bore Metamorphics and the Late Proterozoic Heavitree Quartzite. This was primarily due to the limited vehicle access to the tenement, and the road to the Ruby Gap Nature Park traversed the entire tenement – west to east and was readily accessible by vehicle. Twenty six (26) rock chip samples were collected across a variety of lithologies including diorite, qtz-sericite mylonite and schist, qtz-feldspar pegmatite's and minor calc-silicates.

LANDSAT TM DATA

Following the acquisition of updated Landsat TM data, several images of the Brumby tenements were produced showing areas of possible mineral alteration that required field checking to assess their significance.

The second field trip was taken to the Northern Territory in November 2008 using helicopter to access the indicated alteration zone sites within EL25926. Previously identified alteration zone targets B1, B2 and B3 were tested using mapping and preliminary rock chip sampling.

Figure 24: Brumby Project EL25926 - Landsat TM 742 Image showing the 4 alteration targets.

Four alteration targets were highlighted from the Landsat images (Figure 24).

Target BF1 has a co-incident uranium anomaly (from the radiometrics) associated with the Landsat anomaly and straddles a NE trending fault. The area showed strong silica-sericite alteration proximal to the inferred location of the fault. Ten rock samples were collected and sent for analysis.

Directors' Report

Target BF2 has a co-incident uranium anomaly (from the radiometrics) associated with the Landsat anomaly. Field checking showed the rocks were highly altered with a strong sericite – silica alteration present. Ten rock samples were collected and sent for analysis.

Target BF3 coincides with the historical Blueys Foley REE prospect, with a REO target of several million tonnes of REO grading 0.4% REE occurring in allanite. Numerous old costeans and grid lines were located in an area consisting of bleached felsic gneiss. Whether the bleaching was the result of weathering or alteration was unclear. Four rock Chip samples were collected.

Target B4 was unable to be tested due to the onset of afternoon thunderstorms and the helicopter having to return to Alice Springs.

No significant uranium or Rare Earth (REE) results were returned from analysis of the rock chip sampling.

WHITE LADY PROJECT – E25169

The White lady Project (EL25169) lies within the Harts Range province of the eastern Arunta block in the Northern Territory, approximately 100km northeast of Alice Springs.

Historical exploration has primarily been for copper, with several outcrops of Malachite (a Cu carbonate mineral) having been tested and assayed in the past. Based on research from historical reports covering this area, the tenement appears to be prospective for Au, Ag, Cu, Zn and Pb. Compilation of the historical geochemical datasets is ongoing, and a full analysis of the geochemical datasets together with the Newera VTEM data will provide priority targets for 2009.

Two field trips to the White lady project area were undertaken during the period.

The first visit, by vehicle, targeted the two reconnaissance mapping trips were carried out during the reporting period. The first field trip targeted the Gough Dam Schist Zone to assess the uranium prospectivity of the unit. Three sites were visited with a spectrometer which noted an elevated response up to 400cps. Three rock chip samples were collected (Table 3). The lithology at each location was quartzo feldspathic biotite gneiss, with the exception of 3000790 which was a magnetite – haematite rock.

Table 5: Rock chip samples targeting bedrock uranium mineralisation.

Sample No	MGA East	MGA North	Spectrometer reading (cps)	P (ppm)	Th (ppm)	U (ppm)
3000789	465744	7438020	300	400	38.6	1.3
3000790	465776	7437953	180	200	9.6	0.6
3000791	465660	7437734	180	350	25.6	3.2

No significant uranium results were returned from analysis of the rock chip samples.

LANDSAT TM DATA

Following the acquisition of updated Landsat TM data, several images of EL25169 were produced showing areas of possible mineral alteration that required field checking to assess their significance.

Directors' Report

Five alteration targets were highlighted from the Landsat images (Figure 8), over which only target 1 and 2 were assessed, which both had coincident magnetic anomalies associated with the Landsat alteration zones.

The second field trip to EL25169 took place in November 2008 using helicopter to access and test the previously identified alteration areas 1, 2, 3, 4 and 5 with mapping and preliminary rock chip sampling.

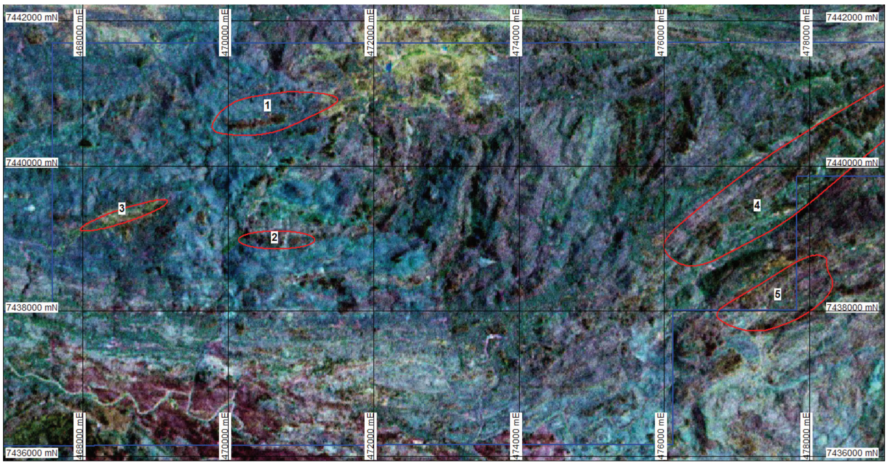


Figure 25: White Lady Project EL25169 - Landsat TM 742 showing alteration zones.

Target area 1 is associated with a thin magnetic banded quartz amphibolite within a mafic gneiss. There was minor calc-silicate alteration associated with the felsic gneiss located to the south of the target area. The target area was traversed, and thirteen rock chip samples were collected. A number of pegmatite/syenite dykes were noted, along with calc-silicate alteration zones, however no obvious malachite mineralisation was located.

Target area 2 is associated with east-west striking mafic gneiss with a number of north-south striking pegmatite dykes. Several historical pits were dug along the pegmatite's mining mica. Historical rock chips indicated copper results up to 8% Cu, which was found to be associated with a thin zone of malachite located within the mafic gneiss proximal to the cross cutting pegmatite dyke. The area does not warrant further work.

Target areas 3, 4 and 5 was unable to be tested due to the onset of afternoon thunderstorms and the helicopter having to return to Alice Springs and will be tested during future field programs.

White Lady VTEM: The VTEM survey flown in 2007 over the White Lady project tenement located in the Arunta Province of the Northern Territory, had as its primary mission, the identification of conductors which may indicate the presence of sulphidic bodies, with copper as the priority target.

Previous exploration had produced significant surface copper and gold results from rock chip sampling. More detailed modelling of the VTEM survey data covering the White Lady project tenement EL25169 is being undertaken in order to identify and prioritise potential base metals targets.

Directors' Report

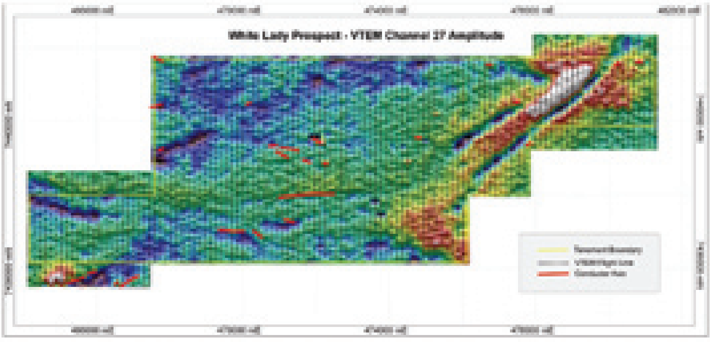


Figure 26. White Lady EL25169 – Channel 27 amplitude image with indicated VTEM anomalies

The White Lady project is considered to be highly prospective, for Cu and Au (+/- other base metals) in vein or shear hosted situations, with the VTEM anomalies from the recent survey presenting a high priority set of targets.
Further work on the mapping and sampling of the gneisses in the areas of the VTEM anomalies is highly recommended as a first step. Particular note should be made of whether or not there is any graphitic material in the vicinity, and for any Malachite/Azurite Cu-carbonate or sulphate mineralisation.

QUARTZ HILL PROJECT

The project lies within the Harts Range province of the eastern Arunta block in the Northern Territory, approximately 200km east-northeast of Alice Springs. The area is considered prospective for base metals, nickel, Rare Earth Elements (REE's) and uranium.

A vehicle based field trip was undertaken to the Quartz Hill project area in September 2008 with a particular emphasis on mapping and sampling the feldspar-quartz pegmatite rocks which found at the Spartacus Prospect and which were considered prospective for uranium and REE mineralisation. 23 rock samples were taken (figure: 28) and sent for analysis.

Results of the rock chip samples collected over the Spartacus Prospect during September were received with no significant REE or Uranium mineralisation being indicated at surface.

Figure 27: EL25296 - Spartacus prospect outline over satellite image with past Newera sample sites

Directors' Report

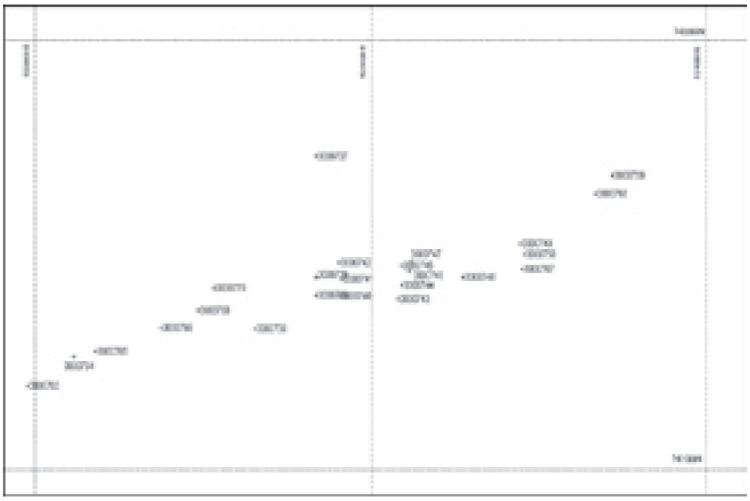


Figure 28: EL25296 - Spartacus prospect - September 2008 - rock chip sample locations

QUARTZ HILL VTEM

A review of the areas previously flown under a VTEM survey, which had produced a significant number of lower order anomalies, determined that those anomalies that did exist had limited strike and depth potential, effectively downgrading the overall prospectivity of the Quartz Hill tenements.

QUARTZ HILL - NATIVE TITLE HERITAGE SURVEYS

Native Title Heritage Surveys had previously been undertaken over Newera's Quartz Hill Project tenements. Following considerable delays, the Company was notified by the attending Anthropologist that the draft report and associated maps had been ratified by the Northern Territory Department and a Certificate was issued to Newera along with a map outlining native title heritage sites and no-go areas.

Whilst the issue of the certificate would allow Newera to conduct its work programs including drilling provided those programs do not interfere with any known or newly discovered heritage sites, the determination that virtually the whole of EL26047 had been deemed a sensitive area, effectively knocked out the exploration of a previously defined VTEM anomaly.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Mr P Anderton, a consultant to the Company. Mr Anderton is a Member of the Australasian Institute of Mining and Metallurgy (Aus I M M). Mr Anderton has sufficient experience which is relevant to the style of mineralisation and 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 Anderton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

TENEMENT RATIONALISATION _ NT

AMADEUS BASIN AND BRUMBY PROJECTS

During the period the Company assessed the benefits of continuing with the Newera Uranium Ltd / Fermi Pty Ltd joint Option agreements covering the Amadeus and Brumby project areas - EL's 25488, 25487, 25700, 25926 and applications E25500, E25502, E25503, E25572 and E25680.

Directors' Report

Having reviewed the results of the work undertaken by previous explorers and recent exploration by Newera, it was determined that the likelihood of an economic uranium or other mineral deposit being discovered in the medium term within the granted tenements EL25487, EL25488, EL25700 and EL25926, held within the Option Agreements was low, and would require substantial ongoing funding to maintain the joint ventures.

It was also determined that the likelihood of receiving grants within a reasonable time frame for tenement applications ELA25500, ELA25502, ELA25503, ELA25572 and ELA25680, which reside over Aboriginal freehold land within the Amadeus project area, was low.

On the basis of this assessment, and pressing capital conservation issues, it was determined that Newera should withdraw from the Option Agreements. Fermi Pty Ltd was formally advised of Newera's withdrawal during the period.

TENEMENT RATIONALISATION - WA

CANNING BASIN PROJECT

Based upon the co-incident presence of a very large gravity anomaly and a relatively strong magnetic anomaly, Newera had previously made applications for five large tenements within the Canning Basin – previously referred to as the Canning Basin project – Applications E04/1724, E04/1725, E04/1726, E04/1734

Following the crash in financial markets and with a view to trimming potentially high future costs, the Board considered that the Canning Basin project was conceptual in nature, faced difficult Native Title negotiations and potentially required deep diamond drilling in a very isolated location at potentially high cost to Newera without any guarantee of success.

It was therefore determined that Newera should withdraw it's Canning Basin applications and concentrate on tenements already held which hold the best prospects for success for Newera.

PROJECT ACQUISITION: Newera continues to search for suitable projects to replace projects recently dropped or withdrawn. Target areas will have to demonstrate the potential to host significant Uranium and/or base metals mineralisation.

Lease	Project	Lease Status	Application Date	Grant Date	Expiry Date	Current Area	Tenement Status
WA							
E09/1575	Jailor Bore	Application	19/08/2008				Newera Uranium 100%
E09/1194	Jailor Bore	Granted	16/02/2005	9/12/2005	8/12/2010	63 Blocks	Cazaly/Newera J/V
E09/1434	Jailor Bore	Granted	13/02/2007	5/11/2008	4/11/2013	137 Blocks	Newera Uranium 100%
E09/1298	Jailor Bore JV	Granted	3/04/2006	5/04/2007	4/04/2012	191 Blocks	Coccinella/Newera Option
E09/1386	Pells Range	Granted	27/09/2006	5/11/2008	4/11/2013	56 Blocks	Cazaly/Newera J/V
E09/1193	Pells Range	Granted	16/02/2005	17/11/2005	16/11/2010	70 Blocks	Cazaly/Newera J/V
E53/1401	Lake Way	Application	27/05/2008				Newera Uranium 100%
NT							
EL25169	White Lady	Granted	30/01/2006	6/11/2006	5/11/2012	21 Blocks	Newera Uranium 100%

Directors' Report

FINANCIAL POSITION

The net assets of the Company are $2,229,802 (2008: $6,644,088).

The Directors believe the Company is in a financial position to pursue its current operations.

AFTER BALANCE DATE EVENTS

In the context of the prevailing economic climate Newera has undertaken a review of the potential costs versus benefits of maintaining a large tenement portfolio. As part of that review, each project area and the tenements within those project areas were reviewed, taking into consideration the perceived uranium and base metal prospectivity of each tenement, time delay issues which may involve those tenements before any meaningful exploration could be undertaken, the costs of maintaining those tenements over time and the Joint Venture commitments required to earn equity in the tenements.

Following consideration, it was determined that Newera would withdraw from the Quartz Hill and Lakeway joint venture areas. These areas were held under joint venture between Cazaly Resources Ltd and Cazaly Iron Pty Ltd and Newera Uranium Limited.

The Northern Territory tenements underlying the Quartz Hill joint venture area included exploration licences E24838 and E25296. As part of that process Newera also relinquished the following small 100% held tenements abutting the Quartz Hill joint venture area – EL25674, EL26046, EL26047 and EL26048.

The Western Australian tenements underlying the Lakeway Joint Venture area included E53/1178, E53/1180, E53/1193 and E53/1194.

In Western Australia, a new Exploration Licence application has been made in the southern Kimberley region, surrounding a Geological feature called a Carbonitite. The area covering the Carbonitite is held by another party, however a radiometric uranium anomaly appears to extend into the ground Newera has applied for. In the centre of the Carbonitite, a known Rare Earths and Uranium resource exists. It should be noted this current resource does not fall within Newera's application area.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The Company intends to continue to pursue its goals to acquire, explore, and exploit any economic uranium deposits and acquire and explore prospective uranium and base metal tenements. Concurrently, Management will continue to seek suitable merger and acquisition opportunities for the Company.

ENVIRONMENTAL ISSUES

The Company is aware of its environmental obligations with regards to its exploration activities and ensures that it complies with all regulations at all times.

The National Greenhouse and Energy Reporting Act (NGER) legislation was considered and not determined to be applicable to the entity at current stage.

Directors' Report

INFORMATION ON DIRECTORS

Mr Martin Blakeman Executive Chairman
Qualifications: BEc.
Appointed 19 April 2006
Martin completed his tertiary studies at the University of WA graduating as a Bachelor of Economics in 1976. Since graduation Martin has applied his skills in management and economics to the rural and mining industries. Martin's professional career in the mining industry has included 25 years experience at board level in junior resource companies, commencing with his appointment in 1983 as a founding Director of Harmark Pty Ltd (the founder and former controlling shareholder of Forrestania Gold NL, one of Australia's more successful resource investment companies of the time), and Kagara Ltd (now Kagara Zinc Ltd), retiring from Harmark and Kagara in 1999 after 16 years continuous service.

Martin promoted, and was appointed to the Board as a founding Director, of Metex Resources NL in September 1992. Over a 4-year period to June 1996, he held the position as Manager Corporate at Metex, forming an integral part of that company's executive management team. He retired as a non - executive director of Metex in February 2008.

In 2003, Martin incorporated and became a founding Director of Mantle Mining Corporation Ltd. He has overseen the strategic decisions of that company including the acquisition of a substantial tenement package in the eastern highlands of Victoria and central north Queensland, and its successful 2006 listing on ASX. In the recently completed financial year he was instrumental in identifying and securing the Mt Mulligan project for the Company.

Over the past three years Martin has held directorships with the following ASX Listed companies – Newera Uranium Limited, Mantle Mining Corporation Ltd and Metex Limited.

Mr Eric de Mori Non-Executive Director
Qualifications: BA, Dip Fin Service
Apponted 18 March 2009
Eric is the Associate Director of Corporate Finance for Corporate Advisory and stock broking firm Cygnet Capital. Eric has over 5 years investment banking and analyst experience covering a wide range of sectors, working with international and Australian based opportunities.
Eric has specialist skills in mergers and acquisitions, valuations, capital raisings, Initial Public Offerings, backdoor listings, project screening, due diligence investigations, early stage project management. Eric is currently, also a Non Executive Director of Incitive Ltd (appointed 30 January 2009), and Mobilesoft Ltd (appointed 27 May 2009)

Mr Winton Willesee Non-Executive Director and Company Secretary
Qualifications: BBus., DipEd., PGDipBus., MCom., FFin, CPA, MAICD
Appointed 31 March 2007
Winton is an experienced Director and Company Secretary in the small capitalisation sector of the ASX and brings to Newera a broad range of experience in company administration, corporate governance and corporate finance.

Winton has a Master of Commerce, Post-Graduate Diploma in Business (Economics and Finance), a Diploma in Education and a Bachelor of Business. Winton is a Fellow of the Financial Services Institute of Australasia and a Member of CPA Australia.

Directors' Report

Winton is also Director of Base Iron Limited (appointed 23 May 2007), Boss Energy Limited (appointed 27 November 2007), Future Corporation Australia Limited (appointed 18 January 2008) and Incitive Limited (appointed 16 October 2008). He is currently the Company Secretary of listed companies Base Iron Limited, Boss Energy Limited, Future Corporation Australia Limited, Greenvale Mining NL, Incitive Limited and Mantle Mining Corporation Ltd as well as Joint Company Secretary of Uran Limited.

Other than disclosed above, over the past three years Winton has previously held directorships of the following ASX Listed companies – Hawk Resources Limited (now New Standard Energy Limited) and Wytomic Limited (now Sultan Corporation Limited)

Mr Greg Miles Non-Executive Director
Qualifications: BSc GDip (Geol), MAIG
Resigned 6 March 2009
Greg is a geologist with over 13 years experience in minerals exploration after graduating from the Australian National University in Canberra. Greg began his career with Plutonic Resources Limited and was a senior member of the team that discovered the 2.3Moz Centenary Deposit in the Yandal Belt of Western Australia. He then worked for New Hampton Goldfields and Harmony Gold in the Murchison District of Western Australia, enjoying near-mine success at the Cuddingwarra and Golden Crown Mining Centres. Greg joined Cazaly Resources Limited in October 2003 and is the Exploration Manager of that Company. His experience extends to numerous commodities including gold, silver, copper, nickel, iron ore and uranium throughout Australia and abroad. Greg is also a member of the Australian Institute of Geoscientists.

Other than Newera, over the past three years Greg has not held directorships of any ASX Listed companies.

REMUNERATION REPORT

The full Board fulfils the roles of remuneration committee and is governed by the Company's adopted remuneration policy.

Remuneration policy

This policy governs the operations of the Remuneration Committee. The Committee shall review and reassess the policy at least annually and obtain the approval of the Board.

General director remuneration

Shareholder approval must be obtained in relation to the overall limit set for non-executive directors' fees. The Directors shall set individual Board fees within the limit approved by shareholders.

Shareholders must also approve the framework for any broad based equity based compensation schemes and if a recommendation is made for a director to participate in an equity scheme, that participation must be approved by the shareholders.

Executive remuneration

The Company's remuneration policy for executive directors and senior management is designed to promote superior performance and long term commitment to the Company. Executives receive a base remuneration which is market related, and may be entitled to performance based remuneration at the ultimate discretion of the Board.

Directors' Report

Overall remuneration policies are subject to the discretion of the Board and can be changed to reflect competitive market and business conditions where it is in the interests of the Company and shareholders to do so.

Executive remuneration and other terms of employment are reviewed annually by the Remuneration Committee having regard to performance, relevant comparative information and expert advice.

The Committee's reward policy reflects its obligation to align executive's remuneration with shareholders' interests and to retain appropriately qualified executive talent for the benefit of the Company. The main principles of the policy are:

a. reward reflects the competitive market in which the Company operates;
b. individual reward should be linked to performance criteria; and
c. executives should be rewarded for both financial and non-financial performance.

The total remuneration of executives and other senior managers consists of the following:

a. salary - executives director and senior manager receive a fixed sum payable monthly in cash;
b. bonus - executive directors and nominated senior managers are eligible to participate in a profit participation plan if deemed appropriate;
c. long term incentives - executive directors may participate in share option schemes with the prior approval of shareholders. Executives may also participate in employee share option schemes, with any option issues generally being made in accordance with thresholds set in plans approved by shareholders. The Board however, considers it appropriate to retain the flexibility to issue options to executives outside of approved employee option plans in exceptional circumstances; and
d. other benefits - executive directors and senior managers are eligible to participate in superannuation schemes and other appropriate additional benefits.

Remuneration of other executives consists of the following:

a. salary - senior executive receives a fixed sum payable monthly in cash;
b. bonus - each executive is eligible to participate in a profit participation plan if deemed appropriate;
c. long term incentives - each senior executive may, where appropriate, participate in share option schemes which have been approved by shareholders; and
d. other benefits – senior executive are eligible to participate in superannuation schemes and other appropriate additional benefits.

Non-executive remuneration

Shareholders approve the maximum aggregate remuneration for non-executive directors. The Remuneration Committee recommends the actual payments to directors and the Board is responsible for ratifying any recommendations, if appropriate. The maximum aggregate remuneration approved for directors is currently $150,000.

It is recognised that non-executive directors' remuneration is ideally structured to exclude equity based remuneration. However, whilst the Company remains small and the full Board, including the non-executive directors, are included in the operations of the Company more intimately than may be the case with larger companies the non-executive directors are entitled to participate in equity based remuneration schemes.

Directors' Report

All directors are entitled to have their indemnity insurance paid by the Company.

Profit participation plan

Performance incentives may be offered to executive directors and senior management of the Company through the operation of a profit participation plan at the ultimate discretion of the Board.

Details of remuneration for year ended 30 June 2009

The remuneration for each Director and the senior Executive of the Company during the year and the previous year was as follows:

2009 Key Management Person	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
	Cash, salary & commissions	Cash profit share	Non-cash benefit	Other	Superannuation	Other	Equity	Options			
	$	$	$	$	$	$	$	$	$	%	%
Martin Blakeman	180,263	-	-	-	-	-	-	-	180,263	0%	0%
Winton Willesee	78,000*	-	-	-	-	-	-	-	78,000	0%	0%
Greg Miles	27,500	-	-	-	-	-	-	-	27,500	0%	0%
Eric De Mori	4,166	-	-	-	-	-	-	-	4,166	0%	0%
	289,929	-	-	-	-	-	-	-	289,929		

*includes amounts paid for Company Secretarial services

2008 Key Management Person	Short-term Benefits				Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Total Remuneration Represented by Options	Performance Related
	Cash, salary & commissions	Cash profit share	Non-cash benefit	Other	Superannuation	Other	Equity	Options			
	$	$	$	$	$	$	$	$	$	%	%
Martin Blakeman	203,544	-	-	-	-	-	-	15,350	218,894	7.0%	7.0%
Winton Willesee	75,500	-	-	-	-	-	-	7,675	83,175	9.2%	9.2%
Greg Miles	27,500	-	-	-	-	-	-	7,675	35,175	21.8%	21.8%
Phill Schiemer	129,550	-	-	-	-	11,656	-	-	141,206	0%	0%
	436,094	-	-	-	-	11,656	-	30,700	478,450		

*includes amounts paid for Company Secretarial services

Options issued as part of remuneration for the period ended 30 June 2009.

No options were granted as remuneration during the period ended 30 June 2009.

Options issued as part of remuneration for the period ended 30 June 2008.

Directors' Report

				Terms & Conditions for Each Grant			
	Vested No.	Granted No.	Grant Date	Value per Option at Grant Date	Exercise Price	First Exercise Date	Last Exercise Date
Key Management Person				$	$		
Martin Blakeman	1,500,000	1,500,000	16 Nov 07	0.0095	0.30	16 Nov 07	30 June 09
Martin Blakeman	1,000,000	1,000,000	16 Nov 07	0.0011	0.50	16 Nov 07	31 Dec 09
Winton Willesee	750,000	750,000	16 Nov 07	0.0095	0.30	16 Nov 07	30 June 09
Winton Willesee	500,000	500,000	16 Nov 07	0.0011	0.50	16 Nov 07	31 Dec 09
Greg Miles	750,000	750,000	16 Nov 07	0.0095	0.30	16 Nov 07	30 June 09
Greg Miles	500,000	500,000	16 Nov 07	0.0011	0.50	16 Nov 07	31 Dec 09
	5,000,000	5,000,000					

Shares Issued on Exercise of Compensation Options
No options granted as compensation in prior periods were exercised through the period or the previous period.

Employment contracts of directors and senior executives
The employment conditions of the Managing Director, Martin Blakeman, are formalised in a contract of employment. Mr Blakeman's contract is a fixed 24 month contract, which commenced on 1 May 2008 and expires on 30 April 2010.

The employment contract stipulates that in the event Mr Blakeman is terminated the Company is required to make payment in lieu of the remaining term of the Contract based on the individual's annual salary component.

Neither Messrs de Mori nor Willesee are employed on a formal contract.

Meetings of Directors
During the financial year, ten formal meetings of Directors (including committees of directors) were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
Directors	Number eligible to attend	Number Attended
Martin Blakeman	10	10
Greg Miles	6	6
Eric de Mori	4	4
Winton Willesee	10	10

The full Board fulfils the role of remuneration, nomination and audit committees.

Indemnifying Officers or Auditor
In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every Officer of the Company shall be indemnified out of the property of the Company against any liability incurred by him in his capacity as officer, auditor or agent of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal.

Directors' Report

Options

At the date of this report, the unissued ordinary shares of Newera Uranium Limited under option are as follows:

Date of Expiry	Exercise Price	Number under Option
31 December 2009	$0.20	18,333,897
31 December 2009	$0.25	4,000,000
4 September 2010	$0.35	660,000
31 December 2009	$0.50	3,000,000
		25,993,897

During the year ended 30 June 2009 no shares were issued on the exercise of options.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of these proceedings.

The Company was not a party to any such proceedings during the year.

Non-audit Services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

The following fees for non-audit services were paid/payable to the external auditors during the year:

	2009 $	2008 $
Taxation services	2,200	2,400
Corporate services	3,630	7,000
	5,830	9,400

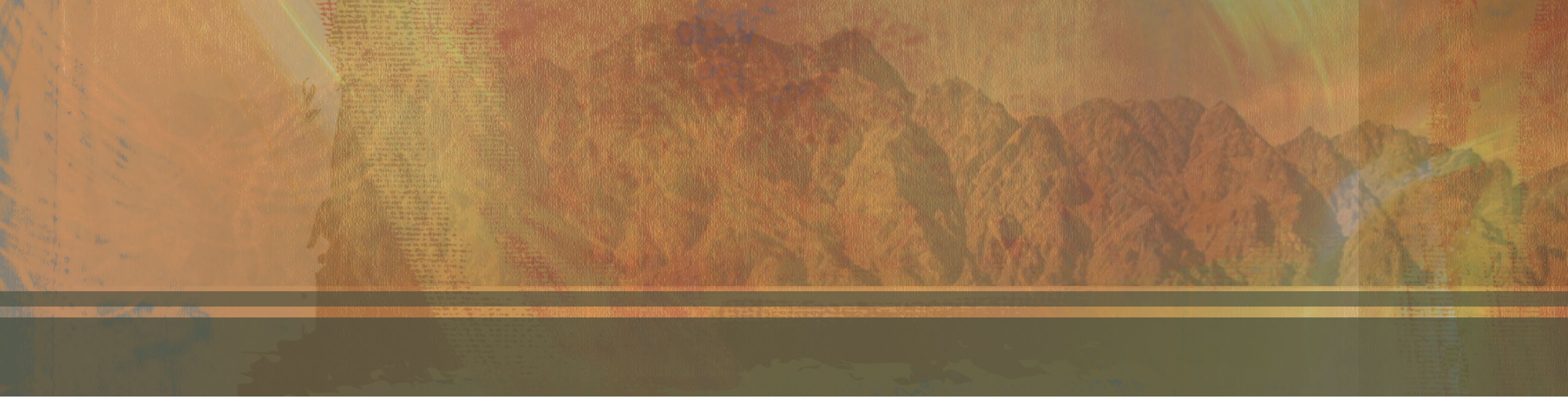
Directors' Report

Auditor's Independence Declaration
The lead auditor's independence declaration for the year ended 30 June 2009 has been received and can be found on page 40 of annual report.

Signed in accordance with a resolution of the Board of Directors.

MARTIN BLAKEMAN
Director

DATED at PERTH this 30th day of September 2009



Corporate Governance Statement

The Company is committed to implementing high standards of corporate governance. In determining what those high standards should involve the Company has turned to the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations. The Company is pleased to advise that the Company's practices are largely consistent with those ASX guidelines.

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 30 June 2009.

Board Composition

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the director's report.

The names of independent directors of the company are/were:

Mr Winton Willesee
Mr Eric de Mori (appointed 18 March 2009)
Mr Greg Miles (resigned 6 March 2009)

Independent Directors have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense.

The Board sets out below its "if not why not" report in relation to those matters of corporate governance where the Company's practices depart from the Recommendations

RECOMMENDATION		NEWERA URANIUM LIMITED CURRENT PRACTICE
1.1	Companies should establish the functions reserved for the board and those delegated to senior executives and disclose those functions.	Satisfied. Boar d Charter is available at www.nru.com.au in the Corporate Governance Statement.
1.2	Companies should disclose the process for evaluating the performance of senior executives.	Satisfied. Board Performance Evaluation Policy is available at www.nru.com.au in the Corporate Governance Statement.
1.3	Companies should provide the information indicated in the Guide for reporting on Principle 1	Satisfied. The Board Charter is available at www.nru.com.au in the Corporate Governance Statement. Whilst the performance of management is appraised on an ongoing basis. During the year no formal appraisal of management was conducted.
2.1	A majority of the board should be independent directors.	Satisfied. Both Mr de Mori and Mr Willesee are independent.
2.2	The chair should be an independent director.	Not Satisfied. Due to the size of the company and its operations Mr Martin Blakeman is both an Executive Director and Chairman.

Corporate Governance Statement

RECOMMENDATION		NEWERA URANIUM LIMITED CURRENT PRACTICE
2.3	The roles of chair and Chief Executive Officer should not be exercised by the same individual.	Not Satisfied. Due to the size of the company and its operations Mr Martin Blakeman is both Executive Director and the Chairman.
2.4	The board should establish a nomination committee.	Not satisfied. The Board consider that given the current size of the board (3), this function is efficiently achieved with full board participation. Accordingly, the Board has not established a nomination committee.
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	Satisfied. Board Performance Evaluation Policy is available at www.nru.com.au in the Corporate Governance Statement.
2.6	Companies should provide the information indicated in the guide to reporting on Principle 2	Satisfied. Whilst the performance of the Board is appraised on an ongoing basis, during the year no formal appraisal was conducted.
3.1	Companies should disclose a code of conduct and disclose the code or a summary of the code as to: • The practices necessary to maintain confidence in the company's integrity • The practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders • The responsibility and accountability of individuals fo reporting and investigating reports of unethical practices.	Satisfied. The Code of conduct is available at www.nru.com.au in the Corporate Governance Statement.
3.2	Companies should establish a policy concerning trading in company securities by directors, senior executives and employees, and disclose the policy or a summary of that policy.	Satisfied. The Trading Policy is available at www.nru.com.au in the Corporate Governance statement.
3.3	Companies should provide the information indicated in the Guide to reporting on Principle 3	Satisfied
4.1	The board should establish an audit committee.	Not satisfied. The Board consider that given the current size of the board (3), this function is efficiently achieved with full board participation. Accordingly, the Board has not established an audit committee.

Corporate Governance Statement

RECOMMENDATION		NEWERA URANIUM LIMITED CURRENT PRACTICE
4.2	The board committee should be structured so that it: • Consists only of non-executive directors • Consists of a majority of independent directors • Is chaired by an independent chair, who is not chair of the board • Has at least three members	Not satisfied. The company has adopted a policy which includes Executive Directors as audit committee members.
4.3	The audit committee should have a formal charter.	Satisfied. Audit Committee charter is available at www.nru.com.au in the Corporate Governance statement.
4.4	Companies should provide the information indicated in the Guide to reporting on Principle 4	Satisfied.
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at senior executive level for that compliance and disclose those policies or a summary of those policies.	Satisfied. Continuous disclosure policy is available at www.nru.com.au in the Corporate Governance statement.
5.2	Companies should provide the information indicated in the Guide to reporting on Principle 5	Satisfied
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of their policy.	Satisfied. Shareholders communication strategy is available at www.nru.com.au in the Corporate Governance statement.
6.2	Companies should provide the information indicated in the Guide to reporting on Principle 6	Satisfied
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	Satisfied. Risk management program is available at www.nru.com.au in the Corporate Governance statement.
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	Satisfied. The Board, including the Managing Director, routinely consider risk management matters.

Corporate Governance Statement

RECOMMENDATION		NEWERA URANIUM LIMITED CURRENT PRACTICE
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Satisfied. The Board has received a section 295A declaration pursuant to the 2008 financial period.
7.4	Companies sho uld provide the information indicated in the Guide to reporting on Principle 7	Satisfied
8.1	The board should establish a remuneration committee.	Not Satisfied. The Board consider that given the current size of the board (3), this function is efficiently achieved with full board participation. Accordingly, the Board has not established a remuneration committee.
8.2	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	The structure of directors' remuneration is disclosed in the remuneration report of the annual report.
8.3	Companies should provide the information indicated in the Guide to reporting on Principle 8	Remuneration committee charter is available at www.nru.com.au in the Corporate Governance statement.

Other Information

Further information relating to the company's corporate governance practices and policies has been made publicly available on the company's web site at www.nru.com.au.

Bentleys
Thinking ahead

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To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

This declaration is made in connection with our audit of the financial report of Newera Uranium Limited for the year ended 30 June 2009 and in accordance with the provisions of the Corporations Act 2001.

We declare that, to the best of our knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit;
- no contraventions of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to the audit.

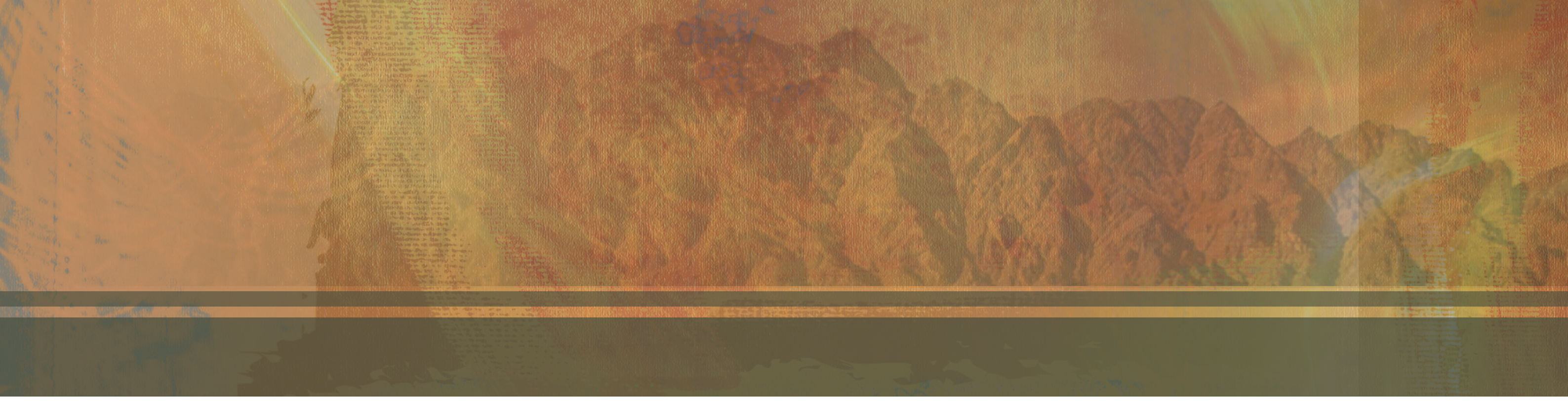
Yours faithfully

BENTLEYS	**RANKO MATIC**
Chartered Accountants	**Director**

DATED at PERTH this 30th day of September 2009

Income Statement for the year ending 30 June 2009

	Note	2009 $	2008 $
Interest income		66,728	192,964
Administrative expenses		(108,362)	(186,247)
Consultancy and legal expenses		(136,140)	(90,762)
Compliance and regulatory expenses		(25,268)	(89,247)
Communication expenses		(11,569)	(17,740)
Depreciation and amortisation		(19,578)	(15,791)
Director and employee related expenses		(234,283)	(326,012)
Occupancy related expenses		(44,879)	(43,857)
Tenement management fees		(7,864)	(17,734)
Travel and accommodation related expenses		(6,446)	(20,405)
Exploration written off		(4,702,010)	-
Loss from ordinary activities before income tax expense		(5,229,671)	(614,831)
Income tax expense relating to operating activities	4	-	-
Net loss from ordinary activities after income tax expense attributable to members of the company		(5,229,671)	(614,831)
Total changes in equity other than those resulting from transactions with owners as owners		(5,229,671)	(614,831)
Basic earnings / (loss) per share (cents per share)	5	(9.77)	(1.36)



Balance Sheet as at 30 June 2009

The accompanying notes form part of these financial statements.

	Note	2009 $	2008 $
CURRENT ASSETS			
Cash and cash equivalents	6	1,278,693	2,113,884
Trade and other receivables	7	22,411	50,480
TOTAL CURRENT ASSETS		1,301,104	2,164,364
NON CURRENT ASSETS			
Property, plant and equipment	8	13,928	31,405
Exploration costs	9	941,844	4,470,057
TOTAL NON CURRENT ASSETS		955,772	4,501,462
TOTAL ASSETS		2,256,876	6,665,826
CURRENT LIABILITIES			
Trade and other payables	10	23,341	12,398
Provisions	11	3,733	9,340
TOTAL CURRENT LIABILITIES		27,074	21,738
TOTAL LIABILITIES		27,074	21,738
NET ASSETS		2,229,802	6,644,088
EQUITY			
Issued capital	12	8,433,313	7,617,928
Reserves	13	255,649	255,649
Retained profits / (Accumulated losses)		(6,459,160)	(1,229,489)
TOTAL EQUITY		2,229,802	6,644,088

The accompanying notes form part of these financial accounts.

Cash Flow Statement for the year ending 30 June 2009

	Note	2009 $	2008 $
CASH FLOW FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(541,409)	(764,862)
Interest received		66,728	192,964
Payment for deferred exploration expenditure		(1,173,796)	(1,039,362)
Net Cash Provided by Operating Activities	16(b)	(1,648,477)	(1,611,260)
CASH FLOW FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment		(2,100)	(15,363)
Net Cash used in Investing Activities		(2,100)	(15,363)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		815,386	-
Net Cash used in Financing Activities		815,386	-
Net increase/(decrease) in cash held		(835,191)	(1,626,623)
Cash at 1 JULY		2,113,884	3,740,507
Cash at 30 JUNE	16(a)	1,278,693	2,113,884

The accompanying notes form part of these financial accounts.

Statement of Changes in Equity

for the year ending 30 June 2009

	Note	Issued Capital $	Retained Losses $	Option Reserve $	Total $
BALANCE AT 1 July 2007		7,167,928	(614,658)	190,081	6,743,351
Profit attributable to members		-	(614,831)	-	(614,831)
Shares issued during the year	12	450,000	-	-	450,000
Options issued during the year		-	-	65,568	65,568
SUB-TOTAL		7,617,928	(1,229,489)	255,649	6,644,088
Dividends paid or provided for		-	-	-	-
BALANCE AT 30 JUNE 2008		7,617,928	(1,229,489)	255,649	6,644,088
BALANCE AT 1 July 2008		7,617,928	(1,229,489)	255,649	6,644,088
Profit attributable to members		-	(5,229,671)	-	(5,229,671)
Shares issued during the year	12	815,385	-	-	815,385
Options issued during the year		-	-	-	-
SUB-TOTAL		8,433,313	(6,459,160)	255,649	2,229,802
Dividends paid or provided for		-	-	-	-
BALANCE AT 30 JUNE 2009		8,433,313	(6,459,160)	255,649	2,229,802

The accompanying notes form part of these financial accounts.

Notes to the Financial Statement

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report includes the financial statements and notes of Newera Uranium Limited, a Company domiciled and incorporated in Australia. The financial report is prepared in Australian Dollars ($).

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a. Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Notes to the Financial Statement

for the year ending 30 June 2009

b. Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the company includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the company commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Plant and equipment	33%
Office equipment	33%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

c. Exploration, evaluation and development expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through successful development on the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserve.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest area amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

d. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership that is transferred to entities in the economic entity, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

e. Financial Instruments

Recognition and Initial Measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition
Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement

(i) Financial assets at fair value through profit or loss
Financial assets are classified at fair value through profit or loss when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

(ii) Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

(iii) Held-to-maturity investments
Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the company's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

(iv) Available-for-sale financial assets
Available-for-sale financial assets are non-derivative financial assets that are either designated as such or that are not classified in any of the other categories. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

(v) Financial Liabilities
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

Derivative instruments
Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the income statement unless they are designated as hedges.

Fair value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment
At each reporting date, the company assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised in the income statement.

Notes to the Financial Statement
for the year ending 30 June 2009

f. Impairment of Assets
At each reporting date, the company reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

g. Interests in Joint Ventures
The Company's share of the assets, liabilities, revenue and expenses of joint venture operations are included in the appropriate items of the financial statements.

h. Employee Benefits
Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

Equity-settled compensation
The company operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

i. Provisions
Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j. Cash and Cash Equivalents
Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 12 months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

k. Revenue
Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statement

for the year ending 30 June 2009

l. Goods and Services Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office ("ATO"). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

m. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

n. Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Judgements – Deferred exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance sheet date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1(c).

Key Judgements Share based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in note 20.

T*axation*

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation as detailed in Note 4. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office,

Environmental

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

The financial report was authorised for issue on 30 September 2009 by the Board of Directors.

Notes to the Financial Statement

for the year ending 30 June 2009

NOTE 2. KEY MANAGEMENT PERSONNEL COMPENSATION

Names and positions held of economic and parent entity key management personnel in office at any time during the financial year are:

Martin Blakeman	Managing Director
Eric de Mori	Non-Executive Director (appointed 18 March 2009)
Winton Willesee	Non-Executive Director and Company Secretary
Greg Miles	Non-Executive Director (resigned 6 March 2009)

Key management personnel remuneration has been included in the Remuneration Report section of the Directors Report.

Number of Shares Held by Key Management Personnel

Key Management Person	**Balance 1.7.2008**	**Received as Compensation**	**Options Exercised**	**Net Change Other**	**Balance on Resignation**	**Balance 30.6.2009**
Martin Blakeman	3,580,754	-	-	8,580,754	-	12,161,508
Winton Willesee	400,000	-	-	400,000	-	800,000
Greg Miles1	127,500	-	-	50,000	177,500	-
Eric de Mori*	-	-	-	-	-	-
	4,108,254	-	-	9,030,754	177,500	12,961,508

Number of Shares Held by Key Management Personnel

Key Management Person	**Balance 1.7.2007**	**Received as Compensation**	**Options Exercised**	**Net Change Other**	**Balance 30.6.2008**
Martin Blakeman	1,000,000	-	-	2,580,754	3,580,754
Greg Miles	127,500	-	-	-	127,500
Winton Willesee	20,000	-	_	380,000	400,000
	1,147,500	-	-	2,960,754	4,108,254

*Mr de Mori is entitled to 500,000 of the shares issued to Cygnet Capital as part fee for underwriting services for the Rights Issue completed during the year. This transfer, is subject to shareholder approval.

Notes to the Financial Statement

for the year ending 30 June 2009

(a) Number of Options Held by Key Management Personnel

Key Management Person	Balance 30.6.2008	Granted as compensation	Options Exercised	Net Change Other	Balance 30.6.2009	Total Vested 30.6.2009	Total Exercisable 30.6.2009	Total Unexercisable 30.6.2009
Martin Blakeman	3,000,000	-	-	(1,000,000)	2,000,000	2,000,000	2,000,000	-
Winton Willesee	1,400,000	-	-	(500,000)	900,000	900,000	900,000	-
Greg Miles[1] & [2]	1,300,000	-	-	(1,300,000)	-	-	-	-
	5,700,000	-	-	(2,800,000)	2,900,000	2,900,000	2,900,000	-

[1] Resigned 6 March 2009 [2] Balance on resignation

Number of Options Held by Key Management Personnel

Key Management Person	Balance 1.7.2007	Granted as compensation	Options Exercised	Net Change Other	Balance 30.6.2008	Total Vested 30.6.2008	Total Exercisable 30.6.2008	Total Unexercisable 30.6.2008
Martin Blakeman	500,000	2,500,000	-	-	3,000,000	3,000,000	3,000,000	-
Greg Miles	50,000	1,250,000	-	-	1,300,000	1,300,000	1,300,000	-
Winton Willesee	150,000	1,250,000	-	-	1,400,000	1,400,000	1,400,000	-
Phill Schiemer	500,000	-	-	(500,000)	-	-	-	-
	1,200,000	5,000,000	-	(500,000)	5,700,000	5,700,000	5,700,000	-

NOTE 3. AUDITORS' REMUNERATION	Note	2009 $	2008 $
Remuneration of the auditor for:			
– Auditing or reviewing the financial report		25,500	21,000
– Taxation services and corporate services		5,830	9,400
		31,330	30,400

Notes to the Financial Statement

for the year ending 30 June 2009

NOTE 4. INCOME TAX

		2009	2008
		$	$
(a) **Income tax expense**			
Current tax		-	-
Deferred tax		-	-
		-	-
Deferred income tax expense included in income tax expense comprises:			
(Increase) in deferred tax assets		(26,770)	(301,921)
Increase in deferred tax liabilities		26,770	301,921
		-	-
(b) Reconciliation of income tax expense to prima facie tax payable			
The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:			
Prima facie tax on operating profit at 30%		(1,568,901)	(184,449)
Add / (Less)			
Tax effect of:			
Deferred tax asset not brought to account		1,568,901	184,449
Income tax attributable to operating loss		-	-
The applicable weighted average effective tax rates are as follows:		Nil%	Nil%
Balance of franking account at year end		Nil	Nil
(c) **Deferred tax assets**			
Tax Losses		-	251,268
Provisions & Accruals		1,804	2,802
Other		24,966	47,851
		26,770	301,921
Set-off deferred tax liabilities	4(d)	(26,770)	(301,921)
Net deferred tax assets		-	-
(d) Deferred tax liabilities			
Exploration expenditure		26,770	301,921
		26,770	301,921
Set-off deferred tax assets	4(c)	(26,770)	(301,921)
Net deferred tax liabilities		-	-

Notes to the Financial Statement

NOTE 4. INCOME TAX

(e) **Tax losses**

Unused tax losses for which no deferred tax asset has been recognised	1,418,801	370,098

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2009 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. the company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised;

ii. the company continues to comply with conditions for deductibility imposed by law; and

iii. no changes in tax legislation adversely affect the company in realising the benefit from the deductions for the loss and exploration expenditure.

NOTE 5. EARNINGS PER SHARE

(a) Earnings used to calculate basic EPS	(5,229,671)	(614,831)
	Number of Shares	**Number of Shares**
(b) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	53,547,064	45,316,146

	2009 $	2008 $
NOTE 6. CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	1,278,693	2,113,884
NOTE 7. TRADE AND OTHER RECEIVABLES		
GST and ABN withholding tax receivables	22,411	50,480
NOTE 8. PROPERTY, PLANT & EQUIPMENT		
PLANT AND EQUIPMENT		
Plant and equipment – at cost	25,767	23,666
Accumulated depreciation	(18,150)	(9,641)
	7,617	14,025
Office equipment – at cost	33,574	33,574
Accumulated depreciation	(27,263)	(16,194)
	6,311	17,380
Total property, plant and equipment	13,928	31,405

(a) Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Plant and equipment $	Office equipment $	Total $
Opening balance at 1 July 2008	14,025	17,380	31,405
Additions	2,101	-	2,101
Depreciation expense	(8,509)	(11,069)	(19,578)
Balance at 30 June 2009	7,617	6,311	13,928

NOTE 9. EXPLORATION EXPENDITURE

	2009 $	2008 $
Exploration and evaluation phase expenditure capitalised	941,844	4,470,057

The value of Company interest in exploration expenditure is dependent upon the:

· the continuance of the economic entity rights to tenure of the areas of interest;

· the results of future exploration; and

· the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The exploration properties may be subjected to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

NOTE 10. TRADE AND OTHER PAYABLES

	2009 $	2008 $
Other payables and accruals	23,341	12,398

NOTE 11. PROVISIONS

	2009 $	2008 $
Provisions	3,733	9,340

Notes to the Financial Statement

NOTE 11. PROVISIONS

(a) Movement in provisions:

	Employee Entitlements	Total
Opening balance as at 1.7.2008	9,340	9,340
Additional provisions raised during the year	3,139	3,139
Amounts used	(8,746)	(8,746)
Closing balance as at 30.6.2009	3,733	3,733

(b) Provision for employee benefits
A provision has been recognised for employee benefits relating to statutory leave for employees.
The measurement and recognition criteria for employee benefits have been included in Note 1.

NOTE 12. ISSUED CAPITAL

	2009 $	2008 $
95,632,292 Fully paid ordinary shares	8,433,313	7,617,928

The Company has issued capital amounting to 95,632,292 with no par value

(a) Ordinary Shares	Number of Shares	Number of Shares
At the beginning of the reporting period	45,316,146	43,816,146
Shares issued during the period		
– 4 September 2007	-	1,500,000
– 1 May 2009	45,316,146	-
– 14 May 2009	5,000,000	-
At reporting date	95,632,292	45,316,146

(b) Capital risk management
The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Notes to the Financial Statement

for the year ending 30 June 2009

NOTE 12. ISSUED CAPITAL

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads.
The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Company and the parent entity at 30 June 2008 and 30 June 2007 are as follows:

Cash and cash equivalents	1,278,693	2,113,884
Trade and other receivables	22,411	50,480
Trade and other payables	(23,341)	(12,398)
Working capital position	1,277,763	2,151,966

NOTE 13. RESERVES

(a) **Option Reserve**

The option reserve records items recognised as expenses on valuation of employee share options.	255,646	255,646

NOTE 14. COMMITMENTS

a. The Company has tenements rental and expenditure commitments of:

Payable:

– not later than 12 months	724,400	931,100
– between 12 months and 5 years	1,435,587	2,453,200
– greater than 5 years	-	-
	2,159,987	3,384,300

b. Operating Lease
The Company entered into a non-cancellable lease agreement for its office premises until 31 December 2009, with rent payable monthly in advance.

Payable:

– not later than 12 months	15,000	-
– between 12 months and 5 years	-	-
	15,000	-

Notes to the Financial Statement

NOTE 15. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or assets.

NOTE 16. CASH FLOW INFORMATION

(a) **Reconciliation of Cash**
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash	1,278,693	2,113,884

(b) **Reconciliation of Cash Flow from Operations with Operating Profit after Income Tax**

Operating profit after income tax	(5,229,671)	(614,831)
Non-cash flows in profit from ordinary activities		
Share-based payment	-	58,967
Diminution of tenements	4,702,010	-
Depreciation and amortisation	19,578	15,791
Changes in assets and liabilities		
(Increase)/decrease in receivables	28,069	(12,980)
(Increase)/decrease in other assets	(1,173,799)	(1,039,362)
Increase/(decrease) in trade and other payables	10,943	(28,185)
Increase/(decrease) in provisions	(5,607)	9,340
Net Cash Flow from/(used in) Operating Activities	(1,648,477)	(1,611,260)

NOTE 17. RELATED PARTY TRANSACTIONS

There has been no related party transactions during the financial year.

Notes to the Financial Statement

NOTE 18. FINANCIAL INSTRUMENTS

(a) **Financial Risk Management**
The Company's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for the Company's operations. Derivatives are not currently used by the Company for hedging purposes. The Company does not speculate in the trading of derivative instruments.

i. Treasury Risk Management
The senior executives of the Company meet on a regular basis to analyse currency and interest rate exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

ii. Financial Risks
The main risks the Company is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

Interest rate risk
The Company does not have any debt that may be affected by interest rate risk.

Sensitivity analysis
At 30 June 2009, if interest rates had changed by -/+ 200 basis points from the weighted average rate for the year with all other variables held constant, post-tax loss for the Company would have been $25,574 lower/higher (2008 - $42,278 lower/higher) as a result of lower/higher interest income from cash and cash equivalents.

Liquidity risk
The Company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk
The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

The Company does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

(b) **Fair value estimation**
The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Company and the parent entity at the balance date are recorded at amounts approximating their carrying amount.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Company is the current bid price. The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

NOTE 18. FINANCIAL INSTRUMENTS

(c) **Interest Rate Risk**

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities comprises:

	Floating Interest Rate		Fixed Interest Rate				Non Interest Bearing		Total		Weight Effective Interest Rate	
			1 Year or Less		1 to 5 Years							
	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 $	2008 $	2009 %	2008 %
Financial Assets												
Cash	1,278,693	2,113,884	-	-	-	-	-	-	1,278,693	2,113,884	4.77	7.10
Trade and other receivables	-	-	-	-	-	-	22,411	50,480	22,411	50,480	N/A	N/A
Total Financial Assets	1,278,693	2,113,884	-	-	-	-	22,411	50,480	1,301,104	2,164,364		
Financial Liabilities												
Trade and other payables	-	-	-	-	-	-	23,341	12,398	23,341	12,398	N/A	N/A
Total Financial Liabilities	-	-	-	-	-	-	23,341	12,398	23,341	12,398		

NOTE 19. SEGMENT REPORTING

Newera Uranium operates wholly in one business and geographical business segment.

NOTE 20. SHARE-BASED PAYMENTS

During the year, the Company issued to Cygnet Capital, 5,000,000 ordinary shares representing the fees for underwriting services of the rights issue completed in May 2009.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share of the Company with full dividend and voting rights.
Details of the options granted can be found below;

	2009		2008	
	Number of options	**Weighted average exercise price cents**	**Number of options**	**Weighted average exercise price cents**
Outstanding at the beginning of the year	5,000,000	38	500,000	38
Granted	-	-	5,000,000	38
Forfeited	-	-	500,000	38
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year-end	5,000,000	38	5,000,000	38
Exercisable at year-end	5,000,000	38	5,000,000	38

Notes to the Financial Statement

for the year ending 30 June 2009

NOTE 20. SHARE-BASED PAYMENTS

The weighted average remaining contractual life of share options outstanding at the end of the financial year was 0.25 years (2008: 1.25 years), and the exercise prices range from 30 cents to 50 cents. As the probability for exercising the options in the current financial year is nil, no share based payment expense has been recognised.

The weighted average fair value of the options granted during the year was nil (2008: 0.62 cents). The price was calculated by using the Black-Scholes European Option Pricing Model applying the following inputs:

	2009	2008
	-	38
Weighted average exercise price (cents)		
Weighted average life of the option (years)	-	2.33
Weighted average underlying share price (cents)	-	20.5
Expected share price volatility	-	25%
Weighted average risk free interest rate	-	6.21%

Historical volatility has been used as the basis for determining expected share price volatility as it assumed that this is indicative of future trends, which may not eventuate.

(a) **Expenses arising from share-based payment transactions**

There was $100,000 in expenses incurred from share-based payment transactions recognised during the period.

NOTE 21. CHANGE IN ACCOUNTING POLICY

The following Australian Accounting Standards have been issued or amended and are applicable to the company but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

i. AASB 8 Operating Segments and AASB 2007-3 Amendments to Australian Accounting Standards arising from AASB 8 (effective 1 January 2009)

AASB 8 will result in a significant change in the approach to segment reporting, as it requires adoption of a ‘management approach’ to reporting on financial performance. The information being reported will be based on what the key decision makers use internally for evaluating segment performance and decision how to allocate resources to operating segments. The Group will adopt AASB 8 from 1 July 2009. It is likely to result in an increase in the number of reportable segments presented. In addition, the segments will be reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. As goodwill is allocated by management to groups of cash-generating nits on a segment level, the change in reportable segment may also require a reallocation of goodwill. However, this is not expected to result in any additional impairment of goodwill.

ii. Revised AASB 123 Borrowing Costs and AASB 2007-6 Amendments to Australian Accounting Standards arising from AASB 123 (effective 1 January 2009)

The revised AASB 123 has removed the option to expense all borrowing costs and – when adopted – will require the capitalisation of all borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset. There will be no impact on the financial report of the Group, as the Group already capitalises borrowing costs relating to qualifying assets.

Notes to the Financial Statement

for the year ending 30 June 2009

iii. Revised AASB 101 Presentation of Financial Statements and AASB 2007-8 Amendments to Australian Accounting Standards arising from AASB 101 (effective 1 January 2009)
The September 2007 revised AASB 101 requires the presentation of a statement of comprehensive income and makes changes to the statement of changes in equity, but will not affect any of the amounts recognised in the financial statements. If an entity has made prior period adjustment or has reclassified items in the financial statements, it will need to disclose a third balance sheet (statement of financial position), this one being as at the beginning of the comparative period. The Group will apply the revised standard from 1 July 2009.

iv. AASB 2008-1 Amendments to Australian Accounting Standard – Share-based Payments: Vesting Conditions and Cancellations (effective 1 January 2009)
AASB 2008-1 clarifies that vesting conditions are service conditions and performance conditions only and that other features of a share-based payment are not besting conditions. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group will apply the revised standard from 1 July 2009, but it is not expected to affect the accounting for the Group's share-based payments.

v. Revised AASB 3 Business Combinations, AASB 127 Consolidated and Separate Financial Statements and AASB 2008-3 Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 (effective 1 January 2009)
The revised AASB 3 continues to apply the acquisition method to business combinations, but with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently remeasured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs must be expensed. This is different to the Group's current policy which is set out in note 1(i) above.

The revised AASB 127 requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses, see note 1(b)(i). The standard also specifies the accounting when control is lost. Any remaining interest in the entity is remeasured to fair value, and a gain or loss is recognised in profit or loss. This is consistent with the Group's current accounting policy.

The Group will apply the revised standards prospectively to all business combinations and transactions with non-controlling interests from 1 July 2009.

vi. AASB 2008-6 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project (effective 1 July 2009)
The amendments to AASB 5 Discontinued Operations and AASB 1 First-Time Adoption of Australian-Equivalents to International Financial Reporting Standards are part of the IASB's annual improvements project published in May 2008.

They clarify that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosures should be made for this subsidiary if the definition of a discontinued operation is met. The Group will apply the amendments prospectively to all partial disposals of subsidiaries from 1 July 2009.

vii. AASB 2008-7 Amendments to Australian Accounting Standards - Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate (effective 1 July 2009)
In July 2008, the AASB approved amendments to AASB 1 First-time Adoption of International Financial Reporting Standards and AABS 127 Consolidated and Separate Financial Statements. The Group will apply

the revised rules prospectively from 1 July 2009. After that date, all dividends received from investments in subsidiaries, jointly controlled entities or associates will be recognised as revenue, even if they are paid out of pre-acquisition profits, but the investments may need to be tested for impairment as a result of the dividend payment. Under the entity's current policy, these dividends are deducted from the cost of the investment. Furthermore, when a new intermediate parent entity is created in internal reorganisations it will measure its investment in subsidiaries at the carrying amounts of the net assets of the subsidiary rather than the subsidiary's fair value.

viii. AASB Interpretation 15 Agreements for the Construction of Real Estate (effective 1 January 2009)
AASB-I 15 clarifies whether AASB 118 Revenue or AASB 111 Construction Contracts should be applied to particular transactions. The Group intends to apply the interpretation from 1 July 2009. It has reviewed its current agreements for the sale of real estate in light of the new guidance and concluded that there would be no change to the accounting for these agreements if AASB-I 15 was adopted in the current financial year. Consequently, it does not expect to make any adjustment on the initial application of AASB-I 15.

ix. AASB Interpretation 16 Hedges of a Net Investment in a Foreign Operation (effective 1 October 2008)
AASB-I 16 clarifies which foreign currency risks qualify as hedged risk in the hedge of a net investment in a foreign operation and that hedging instruments may be held by any entity or entities within the group. It also provides guidance on how an entity should determine the amounts to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item. The Group will apply the interpretation prospectively from 1 July 2009. There will be no changes to the accounting for the existing hedge of the net investment in the Indonesian subsidiary (see note 15).

x. AASB 2008-8 Amendment to IAS 39 Financial Instruments: Recognition and Measurement (effective 1 July 2009)
AASB 2008-8 amends AASB 139 Financial Instruments: Recognition and Measurement and must be applied retrospectively in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendment makes two significant changes. It prohibits designating inflation as a hedgeable component of a fixed rate debt. It also prohibits including time value in the one-sided hedged risk when designating options as hedges. The Group will apply the amended standard from 1 July 2009. It is not expected to have a material impact on the Group's financial statements.

xi. AASB Interpretation 17 Distribution of Non-cash Assets to Owners and AASB 2008-13 Amendments to Australian Accounting Standards arising from AASB Interpretation 17
AASB-I 17 applies to situations where an entity pays dividends by distributing non-cash assets to its shareholders. These distributions will need to be measured at fair value and the entity will need to recognise the difference between the fair value and the carrying amount of the distributed assets in the income statement on distribution. This is different to the Group's current policy which is to measure distributions of non-cash assets at their carrying amounts. The interpretation further clarifies when a liability for the dividend must be recognised and that it is also measured at fair value. The Group will apply the interpretation prospectively from 1 July 2009.

NOTE 22. COMPANY DETAILS

The registered office and principal place of business of the Company is:

Suite 5 / 2 Centro Avenue, SUBIACO, WA 6008

Director's Delaration

The Directors of the company declare that:

1. The financial statements and notes, as set out on pages 41 to 63, are in accordance with the Corporations Act 2001 and:

a. comply with Accounting Standards and the Corporations Regulations 2001; and

b. give a true and fair view of the financial position as at 30 June 2009 and of the performance for the year ended on that date of the company and economic entity;

2. the Chief Executive Officer and Chief Finance Officer have each declared that:

a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the Corporations Act 2001;

b. the financial statements and notes for the financial year comply with the Accounting Standards; and

c. the financial statements and notes for the financial year give a true and fair view;

3. In the Director's opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors

MARTIN BLAKEMAN
Director

DATED at PERTH this 30th day of September 2009.

Bentleys
Thinking ahead

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Independent Auditor's Report

To the Members of Newera Uranium Limited

We have audited the accompanying financial report of Newera Uranium Limited (the company), which comprises the balance sheet as at 30 June 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the directors' declaration of the company.

Directors Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standards AASB 101: Presentation of Financial Statements, that compliance with the Australian equivalents to International Financial Reporting Standards (IFRS) ensures that the financial report, comprising the financial statements and notes, complies with IFRS.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Auditor's Opinion

In our opinion:

a. The financial report of Newera Uranium Limited is in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the company's financial position as at 30 June 2009 and of its performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and

b. The financial report also complies with International Financial Reporting Standards as disclosed in Note 1

Report on the Remuneration Report

We have audited the Remuneration Report included in the report of the directors for the year ended 30 June 2009. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Newera Uranium Limited for the year ended 30 June 2009, complies with s 300A of the Corporations Act 2001.

Bentleys

BENTLEYS
Chartered Accountants

RANKO MATIC
Director

DATED at PERTH this DATE 30th of SEPTEMBER 2009

Shareholder Information

Additional information required by the Australian Securities Exchange Limited Listing Rules, and not disclosed elsewhere in this report.

SHAREHOLDINGS

At the date of this report the following shareholders had lodged substantial shareholder notices with the Company.

1. on 28 July 2009 a substantial shareholder notice was received by the Company notifying the Company that Deck Chair Holdings Pty Ltd was a substantial shareholder holding a relevant interest in 10,231,871 shares representing 10.70% of the voting power.

2. on 6 July 2009 a substantial shareholder notice was received by the Company notifying the Company that Mahsor Holdings Pty Ltd was a substantial shareholder holding a relevant interest in 8,330,882 shares representing 8.71% of the voting power.

3. on 16 June 2008 a substantial shareholder notice was received by the Company notifying the Company that Martin Blakeman was a substantial shareholder holding a relevant interest in 5,580,754 shares representing 12.31% of the voting power..

4. on 9 May 2008 a substantial shareholder notice was received by the Company notifying the Company that Australia New Zealand Banking Group Limited was a substantial shareholder holding a relevant interest in 9,350,183 shares representing 20.64% of the voting power.

5. on 19 November 2007 a substantial shareholder notice was received by the Company notifying the Company that Nathan McMahon was a substantial shareholder holding a relevant interest in 3,265,233 shares representing 7.21% of the voting power.

6.

CLASS OF SHARES AND VOTING RIGHTS

The voting rights attached to the Fully Paid Ordinary shares of the Company are:

(a) at a meeting of members or classes of members each member entitled to vote may vote in person or by proxy or by attorney; and

(b) on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney has one vote for each ordinary share held.

There are no voting rights attached to any Options on issue.

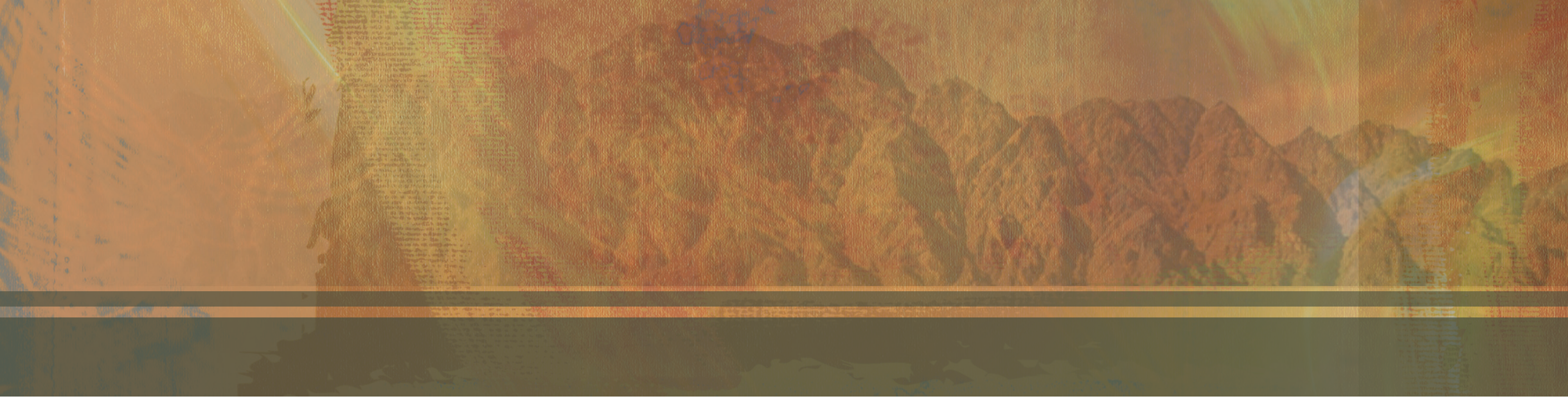
DISTRIBUTION OF SHAREHOLDERS (as at 11 September 2009)

Shares Range	No of Holders	Units	%
1 – 1000	92	35,843	0.04
1001 – 5000	287	838,109	0.88
5001 – 10000	422	3,416,444	3.57
10001 – 100000	498	15,779,576	16.50
100001 –	96	75,562,320	79.01
Total	**1395**	**95,632,292**	**100.00**

There are 837 holders of unmarketable parcels comprising a total of 4,693,584 ordinary shares.

There is not currently an on-market buy back in place.

There are currently no restricted securities on issue.



Shareholder Information

DISTRIBUTION OF LISTED OPTIONHOLDERS (as at 11 September 2009)

Shares Range	Holders	Units	%
1 – 1000	6	5,205	0.03
1001 – 5000	30	128,250	0.70
5001 – 10000	23	169,188	0.92
10001 – 100000	41	1,328,157	7.24
100001 –	29	16,703,097	91.11
Total	129	18,333,897	100.00

UNLISTED OPTIONS

1. there are presently 4,000,000 unlisted options with an exercise price of $0.25 and an expiry date of 31 December 2009 on issue. These are held by two holders each holding 2,000,000 options.

2. there are presently 3,000,000 unlisted options with an exercise price of $0.50 and an expiry date of 31 December 2009 on issue. These are held by two directors and a past director.

3. there are presently 660,000 unlisted option with an exercise price of $0.35 and an expiry date of 4 Sept 2010 on issue. These are held by Fermi Uranium Pty Ltd.

During the reporting period the Company used its cash and assets in a manner consistent with its business objectives.

TWENTY LARGEST SHAREHOLDERS (as at 11 September 2009)

	Name	Number of Shares	%
1.	DECK CHAIR HOLDINGS PTY LIMITED	10,231,871	10.70%
2.	MARTIN + MISTY BLAKEMAN <JAKESSI S/F A/C>	9,266,848	9.69%
3.	MAHSOR HOLDINGS PTY LIMITED <ROSHAM FAMILYSUPER A/C>	9,129,083	9.55%
4.	MARK DAVIES	3,000,000	3.14%
5.	CRAIG IAN BURTON <C I BURTON FAMILY A/C>	2,256,576	2.36%
6.	MARTIN A BLAKEMAN <BLACKWOOD A/C>	2,000,000	2.09%
7.	NEW HORIZON INVESTMENTS PTY LIMITED	1,806,398	1.89%
8.	KEA HOLDINGS PTY LIMITED <IOS HOLDING A/C>	1,700,000	1.78%
9.	SUNRISE WA PTY LIMITED	1,523,272	1.59%
10.	RONALD RUSSELL WILSON	1,500,000	1.57%
11.	CUCKFIELD PTY LIMITED < VIVIENNE JAGGER S/F A/C>	1,350,000	1.41%
12.	NADINE ROSHAM	1,250,000	1.31%
13.	CAROLINE MARY MORGAN	1,250,000	1.31%
14.	MIKONOS INVESTMENTS PTY LIMITED <ROSHAM FAMILY A/C>	1,250,000	1.31%
15.	PHILIP LAMROCK	1,189,166	1.24%
16.	FERMI URANIUM PTY LIMITED	1,143,000	1.20%
17.	D FRASER <CHINA SOVEREIGN A/C>	1,000,000	1.05%
18.	TOLTEC HOLDINGS PTY LIMITED	957,900	1.00%
19.	BARRY F + K A CRONIN <HILLVIEW 52 S/F A/C>	871,799	.91%
20.	AZALEA FAMILY HOLDINGS PTY LIMITED <NO 2 A/C>	800,000	.84%
		53,475,913	**55.94%**

Shareholder Information

TWENTY LARGEST OPTIONHOLDERS (Listed Options – NRUOA) (as at 11 September 2009)

	Name	Number of Shares	%
1.	CAZALY RESOURCES LTD	5,000,000	27.27%
2.	SUNRISE WA PTY LIMITED	2,650,726	14.46%
3.	JENNIFER BARBOUR	947,387	5.17%
4.	VINCENZO + RITA L BRIZZI <BRIZZI FAMILY S/F A/C>	655,277	3.57%
5.	BIMEDENT PTY LIMITED <DISCRETIONARY A/C>	645,000	3.52%
6.	MARTIN A BLAKEMAN <BLACKWOOD A/C>	500,000	2.73%
7.	COMSEC NOM PL	500,000	2.73%
8.	FRANK RODI	500,000	2.73%
9.	STACEY ANN STOBAUS	500,000	2.73%
10.	ROBERT L + M G SAWYERS	500,000	2.73%
11.	REMY MORELLO <REMBYN PL SUPER A/C>	450,000	2.45%
12.	GORDON CHARLES CORNISH	400,000	2.18%
13.	BAOWIN INVESTMENTS PTY LIMITED	400,000	2.18%
14.	STEVEN SHEPHERD	350,000	1.91%
15.	ARNOLD OLSCHYNA	300,000	1.64%
16.	JOHN JOSEPH RALPH	247,553	1.35%
17.	INTERNATIONAL BUSINESS NETWORK SV	236,184	1.29%
18.	KINGSREEF PTY LIMITED <NB & DL FAMILY A/C>	212,140	1.16%
19.	MARK MAINE + GARY GLIDDON <INV SYNDICATE A/C>	195,000	1.06%
20.	DAVID LAWSON EVANS	180,000	0.98%
		15,369,267	**83.84**