

61 8 9227 8178

Newland Resources Ltd

ACN 009 092 068 ABN 13 009 092 068

129 Edward Street, Perth WA 6000

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PERTH BUSINESS CENTRE WA 6849

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11 November 2004

Marian Tang
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Marian,

In response to your letter of 8 November 2004, regarding the Company's Quarterly Cashflow Report, Appendix 5B recently lodged, I submit the following information:

1. Attached is a supplementary cashflow statement Appendix 5B giving more detail to the cashflow items.
2. The reason for the negative cashflow for the quarter ended 30 September 2004, was mainly to do with timing issues. The Company's subsidiary, Resources Services Limited received a performance fee during the previous quarter and payments out relative to that fee including bonus payments to the investment managers and UK VAT were expended during the September quarter. Performance fees from its management agreement are not regular receipts and only occur if the Fund has performed above its base during 6 monthly periods ending on 31 March and 30 September each year. No performance fee was earned at 30 September this year and it is not possible to ascertain, at this stage, if a performance fee will be earned in March 2005.
3. The Company's subsidiary, Resources Services (BVI) Limited did not actually receive its normal management fees during the quarter. This was due to a cash flow problem experienced by Ocean Resources Capital Holdings plc, the investment Company from which it receives fees. These fees are expected to be received during the December quarter.
4. The Company does not expect to continue negative cash flows in future quarters, although timing issues on cash flows may occur from time to time.
5. Although the receipts have been out of kilter during the September quarter, the actual revenues and expenses will meet the Company's anticipated revenues and expenditures over the accounting half-year ended 31 December 2004.



Newland Resources Ltd

6. The Company is continuing to manage its business operations in UK on an ongoing basis and is expected to meet all its business objectives.
7. The Company confirms that it is in compliance with the listing rules, and in particular, listing rule 3.1.
8. The Company continues to invest in its business interests in UK and believes it is in compliance with listing rule 12.2.

During our re-examination of the Appendix 5B and our preparation of a supplementary Appendix 5B, we discovered that an amount included in the original Appendix 5B as revenue was incorrectly stated as revenue and also included in administration costs. Although this did not effect the overall net cash flow, it has been amended in the supplementary Appendix 5B.

Should you require any further information please do not hesitate to let me know.

Yours sincerely
for **NEWLAND RESOURCES LTD**



Lindsay A Colless
Director

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Name of entity

NEWLAND RESOURCES LTD

ABN

13 009 092 068

Quarter ended ("current quarter")

30 SEPTEMBER 2004

Consolidated statement of cash flows

	Current Quarter SA'000	Year to date (3 Months) SA'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	229	229
1.2 Payments for		
(a) exploration and evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) administration - general	(175)	(175)
personnel	(16)	(16)
professional fees	(294)	(294)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	16
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other		
UK VAT - net	(436)	(436)
Performance fees paid	(128)	(128)
Net operating cash flows	(804)	(804)
Cash flows related to investing activities		
1.8 Payment for purchases of		
(a) prospects	-	-
(b) equity investments	(950)	(950)
(c) other fixed assets	-	-
1.9 Proceeds from sale of		
(a) prospects	-	-
(b) equity investments	875	875
(c) other fixed assets	-	-
1.10 Loans to other entities (note 3)	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - Cash balances new subsidiaries acquired	-	-
Net investing cash flows	(75)	(75)
1.13 Total operating and investing cash flows (carried forward)	(879)	(879)

1.13	Total operating and investing cash flows (brought forward)	(879)	(879)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net Financing Cash Flows	-	-
	Net increase (decrease) in cash held	(879)	(879)
1.20	Cash at beginning of quarter/year to date	2115	2115
1.21	Exchange rate adjustments to Item 1.20	(78)	(78)
1.22	Cash at end of quarter	1158	1158



FAXED
8 November 2004

Mr Karen Brown
Company Secretary
Newland Resources Limited
129 Edward Street
PERTH WA 6000

By facsimile: 9227 8178

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2 The Esplanade
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Dear Karen

NEWLAND RESOURCES LIMITED (the "Company")

We refer to the Company's Quarterly Cashflow Report in the form of Appendix 5B for the quarter ended 30 September 2004, released to Australian Stock Exchange Limited ("ASX") on 29 October 2004 (the "Cashflow Report").

ASX notes that the Company has reported the following.

1. Receipts from product sales and related debtors of \$397,000.
2. Net negative operating cash flows for the quarter of (\$804,000).
3. Cash at end of quarter of \$1,158,000.

In light of the information contained in the Cashflow Report, please respond to each of the following questions.

1. It is possible to conclude on the basis of the information provided that if the Company were to continue to expend cash at the rate for the quarter indicated by the Cashflow Report, the Company may only have sufficient cash to fund its activities for the next quarter. Is this the case, or are there other factors that should be taken into account in assessing the Company's position?
2. Does the Company expect that in the future it will have negative operating cash flows similar to that reported in the Cashflow Report for the quarter, and, if so, what steps has it taken to ensure that it has sufficient funds in order to continue its operations at that rate?

3. To what extent have the Company's actual revenues and expenses in the quarter, as reported in the Cashflow Report, matched the Company's anticipated revenues and expenses for that reporting period?
4. If the Company's actual revenues and expenses are not substantially in accordance with the Company's anticipated revenues and expenses, when did the Company become aware that its revenues and expenses would not substantially match the anticipated revenues and expenses? You may wish to outline any circumstances that may have had an effect on the Company's revenues and expenses.
5. What steps has the Company taken, or what steps does it propose to take, to enable it to continue to meet its business objectives?
6. Can the Company confirm that it is in compliance with the listing rules, and in particular, listing rule 3.1?
7. Please comment on the Company's compliance with listing rule 12.2, with reference to the matters discussed in the note to the rule.

Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in the rule.

In responding to this letter you should consult listing rule 3.1 and the guidance note titled "Continuous disclosure: listing rule 3.1".

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

This letter and your response will be released to the market. If you have any concerns about your response being released, please contact me immediately. Your response should be sent to me on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, by 5pm W.S.T on Thursday, 11 November 2004.

If you are unable to respond by the time requested you should consider a request for a trading halt in the Company's securities.

If you have any queries regarding any of the above, please let me know.

Yours sincerely


Marian Tang
Senior Companies Adviser