

Newland Resources Ltd

ACN 009 092 068

Financial Statements

for the

Half-Year ended 31 December 2006

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2006 and any public announcements made by Newland Resources Ltd during the half-year in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Newland Resources Ltd

ACN 009 092 068

Directors' Report

The Directors present their report on the consolidated entity consisting of Newland Resources Ltd and the entities it controlled at the end of or during the half-year ended 31 December 2006.

The names and particulars of directors of the Company during the whole of the half-year and up to the day of this report are:

Name	Particulars
Lindsay A Colless	Chartered Accountant with many years experience in the minerals and oil industry. Director and/or secretary of a number of listed exploration companies. Chairman, Chief Executive Officer and Chief Financial Officer.
Kevan L Ashworth	Consultant geologist with wide experience in Europe, Middle East, Malaysia and Latin America. Independent non-executive director.
Peter L Munachen	Chartered Accountant with many years experience in financing and acquisition of international petroleum and mineral exploration projects. Independent non-executive director.
Christian R West	Experienced in hedge fund management in London, UK and Europe. Mr West resides in London and is an executive director of the Company responsible for investor relations and business development.

Review and Results of Operations

The review of the Company's operations during the half-year is as follows:

	Segment Revenue	Segment result
	\$	\$
Mining	-	-
Funds management and investment activities	2,769,320	2,769,320
	<u>2,769,320</u>	<u>2,769,320</u>
Unallocated expenses		(4,091,715)
Operating profit (loss)		<u>(1,322,395)</u>
Income Tax		-
Operating profit (loss) for half-year		<u><u>(1,322,395)</u></u>

Activities

The Company and its subsidiaries provide funds management, financial investment services and proprietary investments for the resources sector on a global basis; venture capital funds management in the emerging markets; brokering and financial investments services from a London base as well as direct equity investment in mineral exploration in Australia, including the Georgina Basin Uranium project in northwestern Queensland.

Changes In State Of Affairs

During the half year there was no significant change in the Company's state of affairs other than that referred to in the half-year accounts or notes thereto.

Newland Resources Ltd

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Directors' Report (continued)

Auditors' Independence Declaration

The following is a copy of a letter received from the Company's auditors:

"Lead auditor's independence declaration under Section 307C of the Corporations Act 2001

To: the directors of Newland Resources Ltd

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2006, there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

Frank Vrachas
Lead auditor
Rothsay Chartered Accountants"

This report is made in accordance with a resolution of the directors.



L A Colless
Director

Dated this 16th day of March 2007.

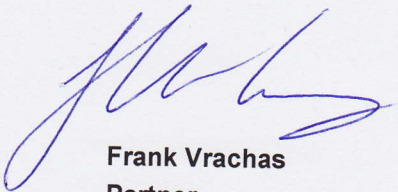
Whilst we have considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Independence

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



Rothsay



Frank Vrachas

Partner

Dated this 16th day of March 2007

Newland Resources Ltd

ACN 009 092 068

Directors' Declaration For The Half-Year Ended 31 December 2006

The directors declare that:

- (a) The attached financial statements and notes thereto comply with Accounting Standards;
- (b) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- (c) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act, 2001; and
- (d) In the directors' opinion there are reasonable grounds to believe that Newland Resources Ltd 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 directors pursuant to s 303(5) of the Corporations Act, 2001.

On behalf of the Directors



L A Colless
Director

PERTH, 16th day of March 2007

Newland Resources Ltd

Condensed Consolidated Income Statement

For The Half-Year Ended 31 December 2005

	Note	Consolidated Half-year ended 31 Dec 2006	Consolidated Half-year ended 31 Dec 2005
		\$	\$
Revenue from continuing operations		2,769,320	3,029,284
Employee benefits expense		(577,728)	(29,289)
Depreciation expense		(8,108)	(7,589)
Foreign exchange loss		(192,232)	
Write off goodwill on acquisition		(24,573)	
Other Expenses		(3,505,879)	(3,087,998)
(Loss)Profit before income tax		(1,539,200)	(95,592)
Income tax expense		-	279,040
(Loss)Profit from continuing operations		(1,539,200)	183,448
Profit (Loss) from discontinued operations		-	-
(Loss)Profit for the half-year attributable to members of Newland Resources Ltd		(1,539,200)	183,448
Accumulated losses brought forward		(3,317,130)	(15,333,893)
Accumulated losses at end of half-year		(4,856,330)	(15,150,445)
Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company			
Earnings (loss) per share - basic	5	(\$0.0094)	\$0.0011

The above consolidated income statement should be read in conjunction with the accompanying notes.

Newland Resources Ltd

Condensed Consolidated Balance Sheet

As at 31 December 2006

	Consolidated Half-year ended 31 Dec 2006 \$	Annual Report 30 Jun 2006 \$
Current Assets		
Cash and cash equivalents	3 1,157,612	4,188,198
Receivables	402,297	3,637,207
Total Current Assets	1,559,909	7,825,405
Non-Current Assets		
Plant & equipment	23,116	31,085
Available-for-sale investments	14,052,861	9,075,741
Other	148,846	-
Total Non-Current Assets	14,224,823	9,106,826
Total Assets	15,784,732	16,932,231
Current Liabilities		
Accounts payable	345,572	309,182
Provision for Income Tax	50,396	111,209
Total Current Liabilities	395,968	420,391
Total Liabilities	395,968	420,391
Net Assets	15,388,764	16,511,840
Shareholders' Equity		
Contributed equity	19,732,352	19,732,352
Reserves	512,742	86,739
Accumulated losses	(4,856,330)	(3,317,130)
	15,388,764	16,501,961
Minorities	-	9,879
Total Equity	15,388,764	16,511,840

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

Condensed Statement of Changes in Equity

For the Half-Year ended 31 December 2006

	Half-year ended 31 Dec 2006 \$	Half-year ended 31 Dec 2005 \$
Total equity at the beginning of the half-year	16,511,840	4,312,673
Net Income recognised directly in equity:		
Foreign exchange gain on translation of foreign operations	194,651	36,297
(Loss)Profit for the half-year	(1,539,200)	183,448
Total recognised income and expense for the year	(1,344,549)	219,745
Recognition of subsidiary written off	-	38,470
Share based payments reserve	231,352	-
Minority interest	(9,879)	-
Total equity at the end of the half-year	15,388,764	4,570,888

Total recognised income and expenses for the half-year is attributable to members of Newland Resources Ltd

(1,539,200) 183,448

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Newland Resources Ltd

Consolidated Cash Flow Statement

For The Half-Year Ended 31 December 2005

	Half-year ended 31 Dec 2006 \$	Half-year ended 31 Dec 2005 \$
Cash Flows Related To Operating Activities		
Revenue from customers and debtors	4,123,681	1,242,116
Payments to suppliers	(1,469,640)	(1,485,232)
Foreign exchange losses	(74,424)	
Income tax paid	(61,083)	(68,081)
Net Operating Cash Flows	2,518,534	(311,197)
Cash Flows Related To Investing Activities		
Proceeds sales of investments	1,735,160	1,921,047
Expenditure on investments	(7,399,772)	(2,354,606)
Interest and other items of a similar nature received	114,033	13,946
Net Investing Cash Flows	(5,550,579)	(419,613)
Cash Flows Related To Financing Activities		
Proceeds from share issues	-	-
Loans from (to) other corporations	-	83,986
Net Financing Cash Flows	-	83,986
Net Increase (Decrease) In Cash and Cash Equivalents	(3,032,045)	(646,824)
Cash and Cash Equivalents at beginning of half year	4,188,198	1,469,130
Forex adjustment to opening balance	1,459	4,220
Cash and Cash Equivalents At End Of Half Year	1,157,612	826,526

The above consolidated cash flow statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the Half-Year ended 31 December 2006

1. Basis of Preparation of Half-Year Financial Statements

This general purpose financial report for the Half-Year ended 31 December 2006 has been prepared in accordance with the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting. This Half-Year Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the Annual Report for the year ended 30 June 2006 and public announcements made by Newland Resources Ltd during the Half-Year in accordance with any continuous disclosure obligations arising under the Corporations Act, 2001.

The accounting policies have been consistently applied to all the periods presented, unless otherwise stated.

3. Reconciliation of cash

	Current half-year \$	Annual Report 30 Jun 2006 \$
Cash at the end of the half-year as shown in the statement of cash flows is reconciled to the related items in the accounts as follows:		
Cash and cash equivalents	1,157,612	4,188,198
	1,157,612	4,188,198

Newland Resources Ltd

Notes to the Financial Statements

For the Half-Year ended 31 December 2006

4. Issued and quoted securities at end of current half-year

Category of Securities	Number Issued			
Ordinary Shares:				
	<u>163,777,571</u>			
Issued during half-year	Nil	-	-	-
			Exercise Price	Expiry Date
Options:				
	<u>Nil</u>	-	-	-
Exercised during half-year	-	-	-	-
Expired during half-year	-	-	-	-

5. Earnings per share

	Current half-year	Previous Corresponding half-year
Basic (loss) earnings per share	(\$0.0094)	\$0.0011
The weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	163,777,571	163,777,571
Diluted earnings per share are not materially different from basic earnings per share and have therefore not been disclosed.		

6. Segmental information

The Company operates in the United Kingdom predominantly in the area of provision of financial funds management in the resources industry and in Australia in the investment in the resources industry and mineral exploration.

7. Subsequent Events

No matter or circumstance has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of the Company, or the state of affairs of the Company as reported to the half-year ended 31 December 2006.

8. Commitments for Expenditure (Contingent Liability)

Farm in Mineral Exploration

The Company, to comply with an exploration farm-in agreement with Summit Resources Limited, will be required to spend a further \$750,000 on the Georgina Basin Project during the forthcoming year to honour the minimum expenditure commitment for the Project.