

Newland Resources Ltd

ACN 009 092 068

Financial Statements

for the

Half-Year ended 31 December 2007

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 2007 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 2007.

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	Chairman, Chief Executive Officer and Chief Financial Officer.
Kevan L Ashworth	Independent non-executive director.
Peter L Munachen	Independent non-executive director.
Christian R West	Executive director

Review and Results of Operations

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

	Segment Revenue 2007 \$	Segment Revenue 2006 \$	Segment result 2007 \$	Segment result 2006 \$
Mining	-	-	-	-
Funds management and investment activities	5,203,791	2,769,320	5,203,791	2,769,320
	<u>5,203,791</u>	<u>2,769,320</u>	<u>5,203,791</u>	<u>2,769,320</u>
Unallocated expenses			(7,873,885)	(4,091,715)
Operating profit (loss)			<u>(2,670,094)</u>	<u>(1,322,395)</u>
Income Tax			-	-
Operating profit (loss) for half-year			<u><u>(2,670,094)</u></u>	<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.

Dividends

No dividends have been provided for or paid by the Company during the half year.

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.

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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

Dear Sirs,

In accordance with Section 307C of the Corporations Act 2001 (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- i) no contraventions of the auditor independence requirements of the Act in relation to the audit review of the 31 December 2007 half yearly financial statements; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Frank Vrachas (Lead auditor)
Rothsay Chartered Accountants
14 March 2008

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

On behalf of the Directors



L A Colless
Director

Dated this 14th day of March 2008.

ROTHSAY

Level 18, 6 O'Connell Street, Sydney NSW 2000 G.P.O. Box 2759, Sydney NSW 2001
Phone 8815 5400 Facsimile 8815 5401 E-mail swan2000@bigpond.com

Independent Review Report to the Members of Newland Resources Ltd

The financial report and directors' responsibility

The interim financial report comprises the balance sheet, income statement, statement of changes in equity, cashflow statement, accompanying notes to the financial statements, and the directors' declaration for the consolidated entity Newland Resources Ltd for the half-year ended 31 December 2007.

The Company's directors are responsible for the preparation and fair presentation of the consolidated financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the consolidated half yearly financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2007 and its performance for the half year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Newland Resources Ltd, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Independence

In conducting our review we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the consolidated half yearly financial report of Newland Resources Ltd is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the financial position of the consolidated entity as at 31 December 2007 and of its performance for the half-year ended on that date; and
- complying with Australian Accounting Standard AASB134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Rothsay

Frank Vrachas
Partner

Dated this 14th day of March 2008



Chartered Accountants

Liability limited by the Accountants Scheme, approved
under the Professional Standards Act 1994 (NSW).

Newland Resources Ltd

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Directors' Declaration

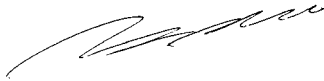
For The Half-Year Ended 31 December 2007

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, 14th day of March 2008

Newland Resources Ltd

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Condensed Consolidated Income Statement

For The Half-Year Ended 31 December 2007

	Note	Consolidated Half-year ended 31 Dec 2007 \$	Consolidated Half-year ended 31 Dec 2006 \$
Revenue from continuing operations		5,203,791	2,769,320
Employee benefits expense		(30,670)	(577,728)
Depreciation expense		(48,852)	(8,108)
Foreign exchange loss		(133,149)	(192,232)
Write off goodwill on acquisition		-	(24,573)
Other Expenses		<u>(7,661,214)</u>	<u>(3,505,879)</u>
(Loss) Profit before income tax		(2,670,094)	(1,539,200)
Income tax expense		-	-
(Loss)Profit from continuing operations		<u>(2,670,094)</u>	<u>(1,539,200)</u>
Profit (Loss) from discontinued operations		-	-
(Loss) Profit for the half-year attributable to members of Newland Resources Ltd		(2,670,094)	(1,539,200)
Retained Profits brought forward		<u>1,865,087</u>	<u>(3,317,130)</u>
Accumulated (losses) at end of half-year		<u><u>(805,007)</u></u>	<u><u>(4,856,330)</u></u>
 Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company			
Earnings (loss) per share - basic	5	(\$0.0163)	(\$0.0094)

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

Newland Resources Ltd

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Condensed Consolidated Balance Sheet

As at 31 December 2007

	Note	Consolidated Half-year ended 31 Dec 2007 \$	Consolidated Annual Report 30 Jun 2007 \$
Current Assets			
Cash and cash equivalents	4	2,143,169	7,129,178
Security deposits		573,536	
Receivables		3,352,455	3,843,447
Total Current Assets		6,069,160	10,972,625
Non-Current Assets			
Plant & equipment		434,130	132,392
Available-for-sale investments		20,341,360	12,014,251
Other		1,507,519	1,197,603
Total Non-Current Assets		22,283,009	13,344,246
Total Assets		28,352,169	24,316,871
Current Liabilities			
Accounts payable		6,166,849	533,982
Provision for Income Tax		1,305,168	863,963
Total Current Liabilities		7,472,017	1,397,945
Total Liabilities		7,472,017	1,397,945
Net Assets		20,880,152	22,918,926
Shareholders' Equity			
Contributed equity	3	19,732,352	19,732,352
Reserves		1,952,807	1,321,487
Accumulated losses		(805,007)	1,865,087
		20,880,152	22,918,926
Minorities		-	-
Total Equity		20,880,152	22,918,926

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

Newland Resources Ltd

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Condensed Statement of Changes in Equity

For the Half-Year ended 31 December 2007

	Half-year ended 31 Dec 2007 \$	Half-year ended 31 Dec 2006 \$
Total equity at the beginning of the half-year	22,918,926	16,511,840
(Loss)Profit for the half-year	(2,670,094)	(1,539,200)
Total recognised income and expense for the year	20,248,832	(14,972,640)
Foreign currency translation reserve	802,381	194,651
Share based payments reserve	-	231,352
Revaluation Reserve	(171,061)	-
Minority interest	-	(9,879)
Total equity at the end of the half-year	20,880,152	15,388,764
Total recognised income and expenses for the half-year attributable to members of Newland Resources Ltd	(2,670,094)	(1,539,200)

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

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Consolidated Cash Flow Statement

For The Half-Year Ended 31 December 2007

	Consolidated Half-year ended 31 Dec 2007 \$	Consolidated Half-year ended 31 Dec 2006 \$
Cash Flows Related To Operating Activities		
Revenue from customers and debtors	4,717,200	4,123,681
Payments to suppliers	(297,264)	(1,469,640)
Foreign exchange losses	(132,014)	(74,424)
Income tax paid	-	(61,083)
Net Operating Cash Flows	4,287,922	2,518,534
Cash Flows Related To Investing Activities		
Proceeds sales of investments	2,513,170	1,735,160
Purchase of plant & equipment	(353,776)	-
Expenditure on investments	(11,510,357)	(7,399,772)
Interest and other items of a similar nature received	93,942	114,033
Net Investing Cash Flows	(9,257,021)	(5,550,579)
Cash Flows Related To Financing Activities		
Proceeds from share issues	-	-
Loans from (to) other corporations	-	-
Net Financing Cash Flows	-	-
Net Increase (Decrease) In Cash and Cash Equivalents	(4,969,099)	(3,032,045)
Cash and Cash Equivalents at beginning of half year	7,129,178	4,188,198
Forex adjustment to opening balance	(16,910)	1,459
Cash and Cash Equivalents At End Of Half Year	2,143,169	1,157,612

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

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Notes to the Financial Statements

For the Half-Year ended 31 December 2007

1. Basis of Preparation of Half-Year Financial Statements

This general purpose financial report for the Half-Year ended 31 December 2007 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 2007 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.

2. Profit (Loss) for the half year

Loss for the half year includes no items that are unusual because of their nature, size or incidence.

3. Equity Securities Issued

	2007 Shares	2006 Shares	2007 \$	2006 \$
Movements in issued capital				
Opening Balance	163,777,571	163,777,571	19,732,352	19,851,269
Issued during the half year	-	-	-	-
Closing Balance at end of half year	163,777,571	163,777,571	19,732,352	19,851,269
Less: Cost of issue			-	(129,918)
As per Balance Sheet	163,777,571	163,777,571	19,732,352	19,732,352

4. Reconciliation of cash

	Half year ended 31 Dec 2007 \$	Half year ended 31 Dec 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	2,143,169	1,157,612
	2,143,169	1,157,612

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Notes to the Financial Statements

For the Half-Year ended 31 December 2007

5. Earnings per share

	Half-year ended 31 Dec 2007	Half-year ended 31 Dec 2006
Basic (loss) earnings per share	(\$0.0163)	(\$0.0094)
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.

	Segment Revenue \$	Segment Profit \$	Segment Assets \$
Industry Segments Half Year 2007			
Financial Services	5,203,791	(2,670,094)	26,988,506
Resources	-	-	1,363,663
Total	5,203,791	(2,670,094)	28,352,169
Industry Segments Half Year 2006			
Financial Services	2,769,320	(1,539,200)	15,534,731
Resources	-	-	250,001
Total	2,769,320	(1,539,200)	15,784,532
Geographic Segments Half Year 2007			
Australia	1,574,612	(365,171)	2,179,593
United Kingdom	3,629,179	(2,304,923)	26,172,576
Total	5,203,791	(2,670,094)	28,352,169
Geographic Segments Half Year 2006			
Australia	2,494,913	(1,714,662)	2,017,202
United Kingdom	274,407	181,762	13,767,530
Total	2,769,320	(1,539,200)	15,784,732

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Notes to the Financial Statements

For the Half-Year ended 31 December 2007

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 2007.

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 \$700,000 on the Georgina Basin Project during the forthcoming year to honour the expenditure commitments for the Project.