

Newland Resources Ltd

ACN 009 092 068 ABN 13 009 092 068
129 Edward Street, Perth WA 6000
Postal address: PO BOX 8178
PERTH BUSINESS CENTRE WA 6849
Telephone (61 8) 9227 1186 Fax: (61 8) 9227 8178

31 January 2005

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

Dear Sir,

QUARTERLY REPORT FOR THE PERIOD ENDING 31 DECEMBER 2004

RESOURCES FINANCE

Resources Services Ltd (RSL) and Resources Services (BVI) Ltd (RSOL) 100%.

RSL has a contract to manage the investment portfolio of Resources Investment Trust (**REIT**), a main board London Stock Exchange listed investment company. The original contract was for a fixed ten year period. During the quarter, due to changes in market conditions in London, the major shareholders of RSL requested that the management services contract term be reduced to a period they considered more in keeping with similar funds. Reluctantly, but in the interests of all parties, RSL agreed to amend the term to a two year rolling period from 1 April 2005. Newland does not see this amendment as being unreasonable and does not expect it to affect its revenue base or the performance of the contract. The contract includes a performance fee. The Trust did not perform sufficiently well to activate a performance fee for the six months ended 30 September 2004. The next calculation date is 31 March 2005.

RSOL has a management contract for the resource portfolio of Ocean Resources Capital Holdings plc, a London based mining finance house, which listed on the AIM market in March 2003. This contract also includes a performance incentive bonus calculated on the Ocean capitalisation, and it is unclear, at this stage, as to whether any bonus will be payable in the short term.

Newland are presently in discussions with various parties regarding setting up two more funds. One is expected to be finalised during the first quarter of 2005 and will be a Philippines based mining finance company. The second fund is still being formed and is still in its embryonic stage. Details of these funds will be advised when it is known that their successful launches are assured.

FINANCIAL SERVICES

Newland has sold its interest in the preference shares of MG Capital plc and is seeking to sell its holding of ordinary shares.

MINERALS

MT GARNET MINES NL

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

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

CORPORATE GOVERNANCE

The Company has adopted a Corporate Governance Policy and has prepared a Corporate Governance Manual to contain all policies, procedures, statements and charters regarding corporate governance. A web-site is now operating and the Company's corporate governance policies are posted onto it. The web-site address is www.newlandresources.com

Yours faithfully,
for **NEWLAND RESOURCES LTD**



Lindsay A Colless
Director