

Newland Resources Ltd

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31 July 2007

Manager Announcements
Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir,

QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2007

The quarter to 30 June 2007 again saw the continued rise in the resources market as most commodity prices continued in their upward trend.

Corporate

The Board is continuing to expand its business base in the financial services sector and to that effect the issue of a UK Financial Securities Authority Licence has now been achieved for its funds management business, Newland Fund Management LLP, and it has, in principle, FSA approval for Newland Stockbrokers Ltd. The Company has embarked on business investment opportunities in China, Africa and Asia with a view to expanding its funds-under-management businesses and is constantly seeking new opportunities for both the funds management as well as direct investments.

The Company is still in the process of considering a potential reorganisation of the group. The Board is currently assessing the viability of dividing Newland's Australian and United Kingdom businesses. The Board is currently in the process of re-structuring its UK businesses under one umbrella company to give it flexibility in the future management and identity of its various component business centres.

Funds Management

The Company aims to have in excess of US\$300m (A\$360m) in funds under management by the end of 2007. Newland Fund Management LLP has signed a management agreement with **Grafton Resource Investments**. Grafton is a specialist investment company focusing on the mining energy sectors with assets under management in excess of US\$80m (A\$95m). In addition, Newland Fund Management LLP has a management agreement with **Felix Resources Investments Plc**, an investment trust listing on the main London board with the objective of raising up to GBE75m (A\$178m) for investment in quoted and unquoted mining investments. Felix anticipates listing by the end of the third quarter 2007. **Orchid Strategic Investments** is a private venture capital company based in the BVI focusing on private investment opportunities in China. Orchid intends to raise up to US\$20m (A\$23m) in the coming months with Newland Fund Management LLP providing the investment management services. Newland has also acquired a 35% stake in **Carbon Trading Limited** which manages the Carbon Trading Fund. This fund is currently small with assets under management of just under €4m euros (A\$6m). Fees from the above management agreements will be charged on a 1.5-2% annual management fee and a performance fee of 20% over various hurdle rates and high water marks.



There are a series of other products at early stages including a potential joint venture with a major Chinese property developer for the launch of a dedicated Chinese property fund targeting a capital raising in excess of US\$200m (A\$238m) in assets under management.

Resources Investment Trust (REIT)

The Company settled this matter during the quarter.

Ocean Resources Capital Holdings plc

This contract is for a limited period of time and Resources Services (BVI) Limited is remunerated as to 25% of any adjusted increase over 33p per share on the wind up of Ocean in June 2007 and 35% of any consideration above 50p per share. The Company does not expect to earn a fee from the wind up.

Newland Stockbrokers Limited

Newland Stockbrokers, a wholly owned subsidiary of Newland Resources has been established and Authorised by the UK Financial Services Authority. The company has built a team of 7 and has signed up 5 corporate clients with a pipeline expected to rise to 10 by October. The company has been established to provide distribution both for in house deals and arms length clients and will focus primarily on the AIM market with specific focus on resource and Asian companies. To date it has raised £3.2m GBP for 2 companies at a pre-IPO stage and has a pipeline of IPO's beginning in September of 2007.

In addition it has been appointed co-manager to raise A\$35m in an issue for Rheochem Plc, an AIM listed oil services company. Newland Stockbrokers has agreed, subject to certain conditions, to procure subscribers for 50m shares at A\$0.35. Argonaut Limited, a Perth based investment bank has been appointed Financial Advisor and Lead Manager of the issue in respect of the Australian IPO.

Proprietary Trading

The Company continues to invest in both short term and longer term opportunities as they arise. Year to date the Company has undertaken investments in a coal operation in Africa, Carbon Trading Limited and disposed of investments in resources and financial service businesses. In the coming months the board anticipates an IPO of another of the private investments as well as the re-listing of a shell investment company in which Newland holds a significant interest.

Minerals

Georgina Basin Uranium project, Mt Isa Queensland

Newland Resources has the right to earn 50% from Summit Resources (Aust) Pty Ltd Operator Summit Resources (Aust) Pty Ltd ("Summit")

Newland Resources Limited ("Newland") is sole funding the first \$1.0 million of exploration expenditure and then has the right to sole fund a further \$4.0 million, making a total of \$5.0 million expenditure for a 50% interest in the project and fuller details of the project are detailed below.

The Georgina Basin uranium search is underway over Summit's 16 Exploration Permit applications, covering approximately 12,000km² of the basin, to the west of the Mount Isa Inlier in northwest Queensland.

This uranium search for Georgina Basin hosted calcrete channel, paleochannel, roll front and unconformity style deposits will also include Proterozoic basement uranium targets under the Cambrian sediments, associated with magnetic features similar to Summit's Mount Isa deposits, the Ernest Henry and Olympic Dam complex breccia deposits.

Exploration during the June Quarter has included Fugro Geophysics flying an airborne Tempest EM survey over approximately 8,000km² of the northern portion of the Basin and western margin of the Mount Isa Inlier. The survey was been completed and the aircraft de-mobilised.

The data from the survey was being processed at Fugro offices. Inversion of available gravity data by Fullagar Geophysics to produce depth-to-basement estimates was started. Open File reports by previous uranium explorationists, especially Urangelsellschaft, have been reviewed.

Data are still being processed, and is expected to be complete by the end of July. Eventually a large number of different parameters and images will stem from this survey but the most important will be three dimensional (3D) conductivity-depth-images (CDI) and discreet layer inversions, which are typically used to discern palaeochannels in regolith cover within 100 meters of the surface.

In addition to the search for palaeochannels the AEM results will be employed to map near-surface sedimentary facies and their implications regarding depositional history. Conductors will also be "mapped" in the Proterozoic basement, where the basin is sufficiently shallow, as unconformity-type deposit targets. The survey will also be used to "map" the structural history of the region and to provide more detailed depth-to-basement estimates near the eastern limits of the Georgina Basin.

Geophysical consultants are processing all available magnetic, radiometric and gravity data along with BHP's, MIM's and Aberfoyle's previous EM surveys in the area to model the basin and depth to basement of the Cambrian sediments. All available open file mineral exploration reports and water bore logs have been accessed and are being reviewed. FrogTech Consultants were engaged to compile the tectonic and sedimentary history of the basin area being explored and will utilise the satellite, geophysical, previous mineral exploration and water bore data to refine the geological model. Shuttle radar digital terrane mapping is underway, Landsat colour 12.5m resolution satellite imagery acquired and Modis satellite night time thermal imagery ordered.

The area has not been previously subjected to a uranium search. Anomalous uranium mineralisation has been reported by previous explorers in drill holes in the Georgina Basin sediments within Summit's application areas. As well, radiometric channel anomalies, identified in Summit's regional airborne radiometric data, are present along existing and shallow palaeochannels in the area.

The satellite, geophysical, geological, exploration and airborne EM survey data will be used to identify anomalies and conductors for drilling.

Newland has satisfied the minimum \$1m expenditure requirement in contributions to the joint venture. Newland is waiting for Summit to provide detailed results of the initial program in order for it to decide if it will exercise its option to continue sole funding the exploration program. At the time of preparing this report, Summit has not provided all of the information sought by Newland, and Summit has not indicated what recommendations they may make for the detailed program for the next stage or the coming quarter. Following a recent change in the composition of the board of directors at Summit, there appears to have been little or no exploration activity on the project.

Summit has commenced an action in the Supreme Court against Newland which action concerns Summit's alleged right to be the manager of the joint venture. In that action, Summit allege that duties owed to them were breached, and that Newland was knowingly involved in those breaches. Summit claim that despite a clause in the Heads of Agreement that confers on Newland the right to become the manager of the joint venture, Newland should not be entitled to rely on that clause and should be permanently restrained from doing so.

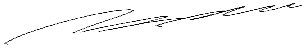
Newland denies the allegations made against it and has engaged solicitors to defend the proceedings. Whilst reserving its rights, Newland has not actually attempted to exercise its right to be the manager of the joint venture. At present, Summit still remains as manager. Newland has made a proposal to Summit on a "without prejudice" basis in an effort to settle the dispute. However, the dispute and Summit's Court action remain on foot.

Newland considers that Summit, as manager, has obligations under the Heads of Agreement to provide reports to Newland. Newland has requested Summit to provide it with information and reports relating to work done on the joint venture so far. At the time of this release, and since the new board of directors of Summit has been in place, Summit has delivered a quarterly report only and failed to provide the detailed information requested. Summit's lawyers have indicated that further information will be made available shortly.

Mt Garnet Mines NL

There has been no change with this project.

Yours faithfully,
for **NEWLAND RESOURCES LTD**



Lindsay A Colless
Chairman