

Newland Resources Ltd

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28 April 2006

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

Dear Sir,

QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2006

The quarter to 31 March proved to be a successful one mirroring the strength of the resources market. The various divisions of the group performed well and can be set out below:

Resources Investment Trust (REIT)

1. The net asset value of Resources Investment Trust improved from £35.5m to £55.5m during the quarter which coincided with the half year at which the performance fee payable to Newland Resources is calculated. The performance fee for the six months to 31 March is in excess of £2m (A\$5m) and has been confirmed by Resources Investment Trusts' auditor.
2. Resources Investment Trust relatively outperformed the benchmark index by 106.6% and was the number one performer in terms of the increase in net asset value for the period and is also the number one performer over a period of three months and three years in the sector.

In spite of the above the Board of Resources Investment Trust have given protective notice to Newland over the management of the Trust. This notice as per the Management Contract is over a two year period commencing February 2006. As shareholders will recall the contract is 1.5% of the net asset value (NAV) paid monthly up to £50m and 1.25% over any NAV above £50m. The current net asset value is £61m and therefore the monthly fee is currently running at just over £800,000 (A\$2m) per annum. Pursuant to the notice period and assuming that this is effected then there remain 22 monthly payments to be made. There may or may not be four performance fees payable according the performance of the net asset value of the Trust in relation to the benchmark.



Ocean Resources Capital Holdings plc

Resources Services (BVI) Limited (wholly owned by Newland) is the manager of Ocean Resources Capital Holdings Plc. The 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. There is extant 82m shares and the current net asset value per share is 31p. A realisation of 40p per Ocean share would give a fee of in excess of £1.7m (A\$4m) to Resources Services. A realisation of 50p per Ocean share would give a fee of in excess of £3.4m (A\$8m), and a realisation of 60p per Ocean share would give a fee of in excess of £6.3m (A\$15m).

Corporate

The Company's resources are in a healthy position with net cash of A\$751,000, receivables (including fees) of A\$8m, and investments at cost of A\$7.6m (market value A\$10.5m).

The Board is taking steps to expand business in the financial services sector and to that effect is in the process of applying for a UK Financial Securities Authority Licence and is investigating methods to achieve a listing on AIM in the UK.

This expansion will inevitably entail an increase of personnel to cover the asset management, distribution, corporate finance and proprietary trading division. A first step has been made by acquiring the services of Steven Goschalk in London to head up the corporate finance division. Steven, previously head of corporate finance at Insinger de Beaufort in London, will join the current staffing in the Group's London office.

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.

Yours faithfully,
for **NEWLAND RESOURCES LTD**



Lindsay A Colless
Director