

ASX Release

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NEWERA TO ADD NEW TENEMENT CONTAINING HISTORIC, HIGH GRADE URANIUM RESULTS TO IT'S NORTHERN TERRITORY J/V WITH CAZALY IRON PTY LTD

Newera Uranium Ltd (ASX:NRU) has reached agreement to enter into a joint venture with Cazaly Iron Pty Ltd with regard to Exploration Licence Application 25296 which lies within the Harts Range, Northern Territory, northeast of Alice Springs.

Newera has agreed to pay \$205,000 for an immediate 35% interest on grant, and the tenement is to be included in the Quartz Hill Project joint venture, a joint venture between Newera Uranium Limited and Cazaly Iron Pty Ltd

Under the terms of the Quartz Hill Project joint venture Newera has the right to earn a further 45% interest in all the tenements comprising the joint venture, on expenditure of \$1 million within five years.

The tenement lies to the immediate west and is contiguous with the Quartz Hill project and now consolidates the project area from 42 square kilometres to 142 square kilometres. The tenement contains numerous pegmatite dykes prospective for "pegmatite-style" uranium mineralisation which were previously identified by PNC Exploration (Australia) Pty Ltd.

Historic exploration has returned very high grade uranium anomalism from rock chip and dump sampling including:

Sample HR03370	Lone Pine prospect	118,000 ppm U i.e 11.8% U
Sample HR03206	Felspar prospect	6,800 ppm U i.e 6.8 % U

The Project is situated within the SE corner of the Arunta Inlier. The Inlier comprises a sequence of sedimentary, igneous and high grade metamorphic rocks transected by a network of regional and local scale EW and NW – SE anastomosing faults.

Pegmatites are coarse-grained quartz and feldspar rich dikes which typically cross-cut the surrounding country rocks, and in this case are oriented E-W and NW-SE. Pegmatite-style mineralisation at the Project comprises uranium bearing Y/Nb/Ta/REE oxide minerals within the feldspar and/or quartz minerals.

Exploration work undertaken by PNC within the Quartz Hill Project area identified a series of radioactive pegmatites and associated quartz veins which had been intruded along a NW-SE trending structure at Quartz Hill. At the discovery site, black glassy U-Nab mineralization is associated with short, narrow tension veins within the pegmatite. Additional samples taken by PNC from a small, blasted pit at the discovery site, returned values in the range 4 100 to 9 300 ppm U, 1 300 – 3 600 ppm Ta, 1.4 – 2.9 % Y, 730 – 1 720 ppm Th, 1.83 – 4.0 % Nb and 1 720 – 4 900 ppm Zr.

These pegmatite hosted styles of uranium mineralization have been known to hold potential for considerable scale, the Rossing deposit in Namibia being the largest example.

The Company notes that the Northern Territory Government has a pro-active stance on uranium exploration and mining and looks forward to progressing exploration on the Quartz Hill Project area as soon as practicable.

Options

Newera has previously announced that the record date for its non-renounceable rights issue of options is to be six (6) business days after the lodgement of its prospectus due on 28th July. The issue of options to be on the basis of one (1) option for every two shares held. The options are to be issued at one (1) cent each with an exercise price of twenty five (25) cents and an expiry date of 30 April 2008. Application will be made to ASX for options to be quoted.

Further Comment;
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