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**NEWERA URANIUM
LIMITED**

ABN 27 118 554 359

ASX Code: NRU

Newera Uranium Limited
Suite 5/2 Centro Ave
SUBIACO WA 6008

PO Box 668
SUBIACO WA 6904

Tel : +61 (08) 9382 3100
Fax: +61 (08) 9382 3866

Email : nu@nu.com.au
Web; www.nru.com.au

Enquiries to:

Martin Blakeman
Managing Director
Tel: (08) 9382 3100

or

Winton Willesee
Director and
Company Secretary
Tel: (08) 9382 3100



**QUARTERLY
ACTIVITIES REPORT**

March Quarter 2007

Highlights for the Quarter:

- Carnotite identified in limestones of the Gneudna Formation, basal sediments of the Carnarvon Basin, at the Ben Hur prospect within the Jailor Bore project in WA's Gascoyne region.
- Substantial prospectivity and potentially significant scale for Rare Earths identified at the True Grit prospect within Newera's Quartz Hill project.
- Aerial EM survey completed over the interpreted extensive roll front at Pells Range project in the Gascoyne, WA.
- The Company continues to both consolidate it's ground position within Australia and to identify and review corporate opportunities within Australia and offshore

Jailor Bore

Reconnaissance exploration at Jailor Bore (the Ben Hur prospect) has identified the potassium-uranium-vanadate mineral Carnotite in sandy limestones of the Gneudna Formation, the basal unit of the Merlinleigh sub-basin of the Carnarvon Basin. The mineral was identified using Scanning Electron Microprobe technology by the mineralogy consultants Roger Townend and Associates.

The limestones lie unconformably over the granitoids of the Pilbara craton, and the mineralisation has been identified within a radiometric anomaly which straddles the structural offset where the Willaraddie Creek runs off the craton and into the Minilya River. The radiometric anomaly stretches over 2.8km north of the Minilya river around Willaraddie creek, with a further 1.2km anomaly on the south side of a granitoid bar approximately 500m wide that underlies the Minilya river in the area.

The mineralisation was found during rock chip sampling of the limestones in the vicinity of the anomaly (see fig 1) At the end of the quarter final assay results are outstanding.



Figure 1: Carnotite mineralisation (yellow mineral) in limestone from the Ben Hur prospect.

At this point in time mineralisation appears to be associated with the same type of chemical trap that is associated with the calcrete deposits further upstream along the creek, i.e. a precipitation of carnotite type minerals where the U rich

waters running off the granites encounter host rocks high in carbonate and a change in Ph occurs.

The fact that no further uranium anomalism is seen in the radiometrics downstream along the Minilya river suggests that the basal sediments of the Merlinleigh craton in this vicinity are a significant target for uranium and an exploration drilling program has been planned.

In Summary:

Carnotite has been identified in rock samples taken from the Ben Hur prospect on the unconformity contact of the Merlinleigh sub-basin of the Carnarvon Basin. Radiometric anomalies extending 2.8km on one side of the Minilya River and 1.2km on the other side indicate the possible extent of this mineralisation is significant.

The Company is awaiting Assay results.

Quartz Hill

Quartz Hill lies in the eastern Harts Ranges in the Northern Territory, 120 kilometres east of Alice Springs. Newera believes the area to be highly prospective for uraniferous Rare Earth Element (REE) pegmatite and possibly for uraniferous Iron Oxide Copper Gold (IOCG) deposits.

During the quarter Newera obtained detailed satellite photography of the area for the purposes of mapping and conducted a brief field trip to site. The site visit confirmed the presence of numerous large pegmatites in the area of previously release rock chip results (the True Grit prospect). These are associated with the Entia Dome system which comprises the bulk of the range, and several more samples were taken.

The pegmatites comprise suites of several different types, being mostly feldspar-quartz dominant with various combinations of mica, magnetite and volatiles such as the REE bearing mineral Apatite. Previous explorers have also identified uraninite within the lease area. In the 1930's significant work was done mining mica from these pegmatites and many of the former mica mines are prospective for uraniferous REE mineralisation.

The amount and size of the pegmatites (up to 30m wide and often over 100m long) in the area of the True Grit prospect indicates that if enough of the pegmatites can be demonstrated to be uraniferous there is likely to be sufficient scale to justify development.



Figure 2: The True Grit pegmatite prospect, Qtz Hill project, NT. Pale coloured rocks are pegmatites, in darker felsic and mafic derived gneisses.

Exploration for Rare Earths is also highly attractive, as the pegmatites in the area are enriched in the heavy rare earths such as Lanthanum and Niobium, which are the high value end members of the REEs.

In addition, Newera believes the presence of pegmatites containing magnetite in the vicinity of sporadic outcrops of copper mineralisation within the Harts Range region suggests the two large “bulls-eye” magnetic highs on the edge of the dome within Newera’s leases are significant exploration targets for IOCG mineralisation.

Within the coming quarter Newera plans to initiate a close-spaced and detailed radiometric and aeromagnetic survey over the leases, to assist with the definition and targeting of uraniferous pegmatite bodies, and to extensively map and analyse all the pegmatites for both uranium and REE.

In addition to the radiometric survey, Newera is scoping the possibility of testing the bi-polar, “bull’s-eye” shaped magnetic highs on the leases with an aerial EM survey to establish the presence or otherwise of a significant sized conductor.



Figure 3: Pegmatite and black radiation damaged quartz at the True Grit prospect, Qtz Hill, NT

In summary:

- Mapping from satellite images and confirmation field traverses show numerous large pegmatite intrusives in the Quartz Hill area.
- Site inspections suggest there are several phases of pegmatite
- Magnetite crystals in at least one phase of pegmatite add importance to the presence of magnetic highs within the tenement holding
- Field work delineating the pegmatite outcrop and separating the pegmatite suites continues

Pells' Range

During the quarter Newera undertook an aerial EM survey at Pells range, to delineate the high carbon-content seams and determine the shape of the basal channels within the 30km roll front that Afmeco delineated with mile spaced drilling in the late 1970's.

This will enable efficient targeting of the higher grade carbonaceous units in the basal channel sandstones of the uranium mineralised Moogooloo Sandstone. In addition during the quarter previous drilling was properly located in MGA grid co-ordinates to enable tie-in of newly generated targets with previously delineated anomalies.

Final results of the survey are pending.

Lake Way

Newera's Lake Way project at Wiluna in Western Australia comprises E53/1178, E53/1180, E53/1193 and E53/1194 and the company interprets the system as a palaeochannel "feeder" to Nova Energy's Lake Way deposit.

The quarter has been taken up with negotiations with the Native Title applicants in the area over heritage issues, however the company has requested that a heritage survey be undertaken prior to further exploration and believes this can be progressed.

Tenement Applications

Jailor Bore:

During the quarter as part of a ground consolidation policy, Newera made application for a lease to the west of the Jailor Bore project in the Carnarvon Basin. ELA09/1434 is 430km² and lies along strike of the known regional structural orientation from the Jailor Bore area (as seen in the Willaraddie Creek fault).

This acquisition is due to Newera's belief that the basin represents a similar environment to the Athabaskan Basin in Canada and that there is a strong likelihood of similar style unconformity mineralisation.

With modern exploration techniques Newera believes the vetting of the project can be done efficiently and relatively cheaply, and planning of appropriate geophysical surveys will begin as soon as title is granted.

Corporate Activity:

The Company continues to research and review opportunities within the Uranium sector with a view to securing projects / opportunities that have potential to fit within Newera's structure and add value.

Subsequent events:

Shortly after the close of the quarter Newera concluded an agreement with Fermi Pty Ltd over a highly prospective portion of the western Amadeus Basin in the NT.

This agreement covers an area believed to be highly likely to contain sandstone hosted redox front type mineralisation as seen in the same host sequence at the now famous Angela and Pamela deposits to the east. Angela and Pamela were discovered after following up radiometric anomalies very similar to the ones on these leases which are the result of a recent NTGS aerial survey.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr P.B Schiemer, Exploration Manager, Newera Uranium Ltd who is a member of the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Schiemer has sufficient experience, which is relevant to the style of mineralization and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Schiemer consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

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