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16 VTEM ANOMALIES AT QUARTZ HILL PROJECT IN NEWERA SURVEY FOR IOCG

HIGHLIGHTS

- **Preliminary VTEM survey data defines 16 conductivity targets on large, "bullseye" magnetic anomalies at Newera's Quartz Hill project, NT (E24838).**
- **Targets occur on a major structure surrounding the Entia Dome granites in the eastern Harts Range and represent strong targets for uraniferous IOCG mineralisation.**

Newera Uranium Limited (ASX: NRU) is pleased to report that preliminary results have been received from the VTEM (Versatile Time-domain ElectroMagnetic) aerial electromagnetic survey carried out on its Quartz Hill project in NT. Newera contracted Geotech Pty Ltd to carry out the survey over "bullseye" magnetic highs in the Quartz Hill project. The survey has now been completed and geophysical specialists Southern Geoscience Consulting (SGC) have been engaged to interpret the survey data.

Newera's Quartz Hill project consists of E24838, E25296, E25674 and several applications, located in the eastern Harts Ranges of the NT. 150km east-northeast of Alice Springs, the project lies at the eastern end of the Proterozoic Arunta Block, within granitic gneisses with high background uranium and mixed felsic and mafic intrusives.

Pacific Nuclear Corporation of Japan (PNC) had found several instances of uranium mineralisation within the project area in the 1990's and Newera has previously announced U and REE mineralisation from the nearby True Grit and Spartacus pegmatite prospects.

GEOLOGY

A setting with "bullseye" magnetic highs in felsic gneisses, on a major structure, in an area of mixed magma types and with extensive fluid alteration (CO3, Na) in the area suggest the presence of Iron-Oxide-Copper-Gold (IOCG) mineralisation. Copper is known in the region and Newera has acquired the nearby White Lady project partly on the basis of numerous copper-carbonate occurrences.

Gravity anomalies are also usually present, but due to the high relief in the area previous ground-based gravity surveys conducted to date had skirted around the magnetic anomalies and no readings had been recorded over them.

The anomalies are in the order of 3km in circumference. The edge of the Entia Dome granitic intrusion runs through the area and the magnetic highs in question lie on the interpreted edge of the dome (fig 1).

PRELIMINARY VTEM SURVEY RESULTS

VTEM surveys measure conductivity, which is present in areas of massive sulphide. In IOCG deposits massive sulphides are often subordinate to disseminated sulphides, which do not have a conductivity signature. Graphite will also conduct electricity. Conductivity is not associated with the magnetite host, the origin of the magnetic anomalism, as magnetite has generally low conductivity.

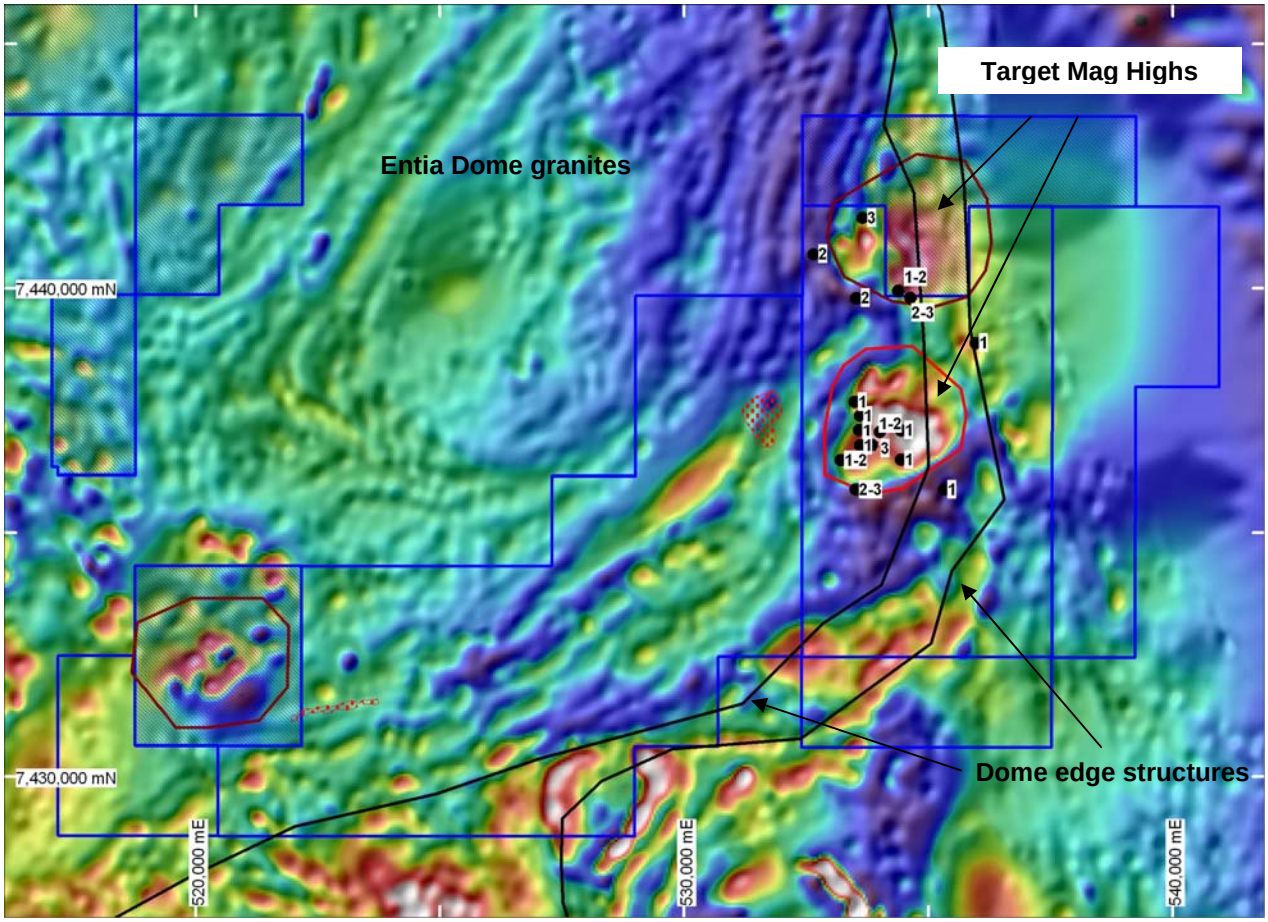

Figure 1: Prioritised conductivity anomalies from Geotech's 2007 Helicopter-borne aerial VTEM survey over Reduced to Pole aeromagnetics at Quartz Hill. Grid is MGA zone53.

Preliminary analysis of the data by SGC Corporation has produced a series of 16 conductors, including several priority one anomalies some of which are vertical and lie within the (sub-vertical) structural features. The anomalies vary from shallow to deep and are co-incident with the magnetic highs (fig 1).

Newera believes they are high priority drilling targets and will design a program as soon as full analysis of the data is complete.

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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