



(Formerly known as Newera Uranium Limited)
ABN 27 118 554 359

Interim Financial Report

For the Half Year Ended

31 December 2010

Newera Resources Limited
(Formerly known as Newera Uranium Limited)
ABN 27 118 554 359

Interim Financial Report 2010

Table of Contents

Corporate Directory	1
Directors' Report	2
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10
Directors' Declaration	15
Independent Auditor's Review Report	16

Corporate Directory

DIRECTORS

Mr Martin Blakeman (Executive Chairman)
Mr Winton Willesee (Non-Executive Director)
Mr Eric de Mori (Non-Executive Director)

COMPANY SECRETARY

Winton Willesee

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

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AUDITORS

Bentleys
Level 1, 12 Kings Park Road
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STOCK EXCHANGE

ASX Code: NRU
Australian Securities Exchange
Exchange Plaza
2 The Esplanade
Perth WA 6000

Directors' Report

Your directors submit the financial report of Newera Resources Limited (the Company) for the half-year ended 31 December 2010.

Directors

The names of the directors in office at any time during or since the end of the half year are:

Mr Martin Blakeman
Mr Eric de Mori
Mr Winton Willesee

Review of Operations

Jailor Bore Exploration

During the period Newera completed an extensive gravity survey covering large sections of the Jailor Bore project area. The data was compiled, analysed and interpreted by geophysicists Southern Geoscience Consultants.

The gravity survey was designed to, where possible, identify ancient palaeochannels under shallow cover (<60m) which, if successful would dramatically narrow the focus of Newera's next phase of uranium exploration for this style of uranium mineralisation at Jailor Bore.

The basis for the use of gravity by Newera was the knowledge that explorers in the near vicinity had recently used ground based gravity to:

- A) Successfully define the boundaries of a previously known palaeochannel, assisting in the discovery of a JORC compliant Inferred Resource of 7.46 million pounds of U3O8 (*Ref: Energia Minerals Limited ASX announcement 27/07/10*) just 2.5 kilometres to the west of Newera's E09/1298 tenement boundary.
- B) To discover extensions to the known palaeochannel to the south, and
- C) To discover new palaeochannels within the Jailor Bore project area.

Newera contracted Atlas Geophysics to undertake the survey covering an extensive area of Newera's Jailor Bore project tenement holding.

The survey was completed in September 2010 with the aim of identifying palaeochannels that may host uranium mineralisation in a similar style to Energia Minerals Limited's nearby Carley Bore project.

Thirty three (33), east / west lines, totalling 243.2 km were surveyed, using two (2) kilometre line spacing and 100 metre station intervals along the lines.

Following analysis of the gravity data generated through the survey, Southern Geoscience Consultants were able to identify the following:

- Three distinct trends possibly being related to palaeochannels. The western most target, trends towards the interpreted southern extension of the Carly Bore uranium bearing palaeochannel (Figure 1).
- Gravity modelling of five (5) indicated anomalies was used to identify likely palaeochannel targets. Three targets are considered to be due to shallow channels approximately two (2) kilometres wide and up to 100 metres thick.
- Two of the anomalies are considered by Southern Geoscience to be unlikely to be related to palaeochannels.

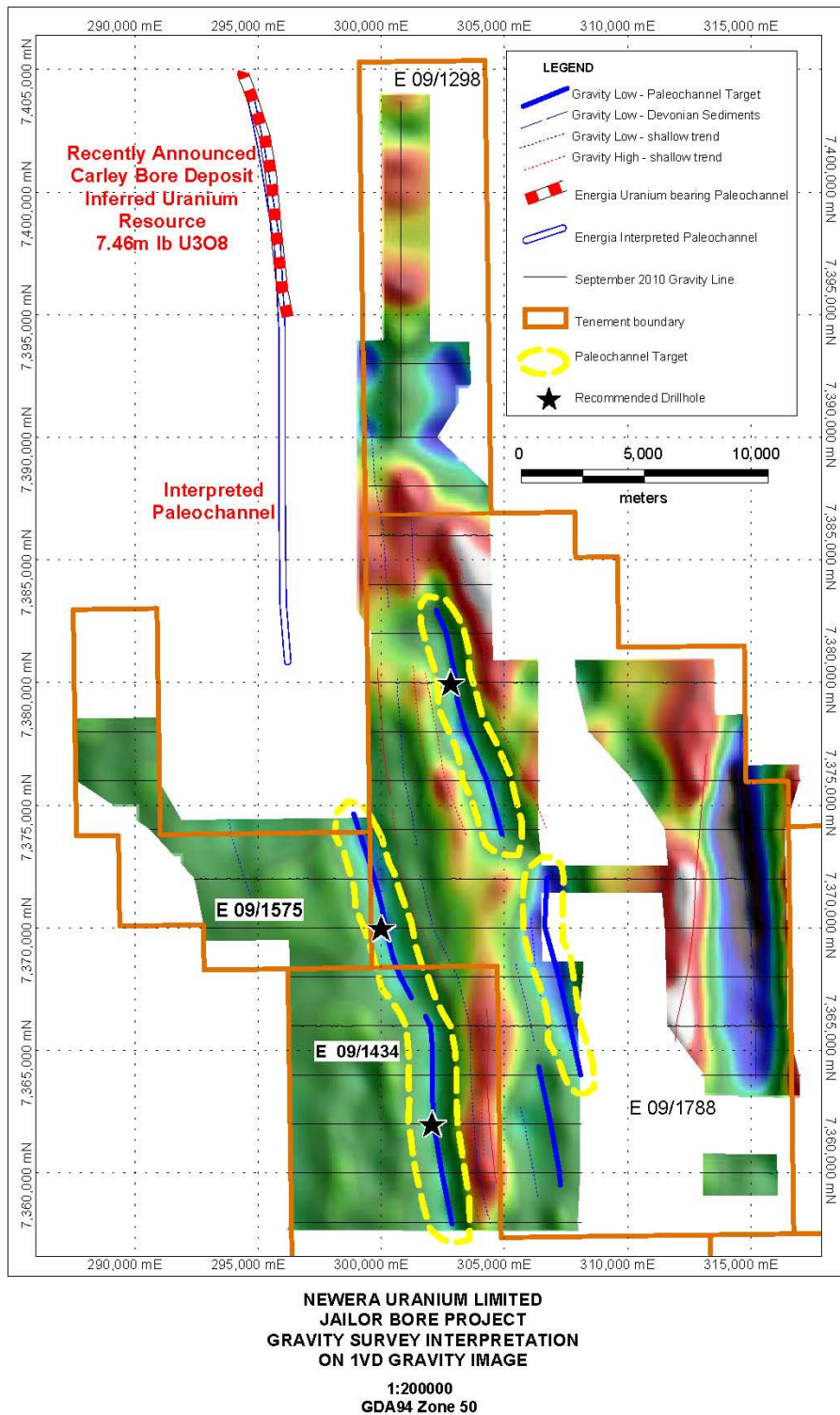


Figure 1: Jailor Bore detailed gravity survey interpretation on gravity image highlighting interpreted palaeochannels.

Geophysical interpretation of Gravity data from Newera’s recent gravity survey at Jailor Bore identified three (3) interpreted channel systems striking approximately south to north through the Jailor Bore project area.

One channel system in particular is considered to align approximately with the interpreted southern extension of the palaeochannel containing the recently announced Carley Bore Inferred Uranium Resource of 7.46 million pounds of U3O8 (Energia Minerals (ASX : EMX) ASX announcement 27/07/10)

The second and third channels, also striking approximately south to north and parallel to the first channel lie approximately five kilometres to the east of the first mentioned channel.

All three (3) channel systems are interpreted to represent possible palaeochannels and are believed to hold high prospectivity for deposition of uranium mineralisation.

Channel one has a strike length in excess of twenty kilometres and channels 2 and 3 have strike lengths in excess of 10 kilometres each.

Drill testing of the two most prospective channel targets is recommended by Southern Geoscience.

Tenement Acquisitions

During the period Newera exercised an option covering Exploration Licence E09/1298 (figure 1), Newera now holds a 100% interest in E09/1298.

Newera had previously held the tenement under an option agreement between Coccinella Pty Ltd and Newera Uranium Limited (now Newera Resources Limited).

Following Coccinella undertaking a voluntary reduction of the size of E09/1298, and a re-negotiation of the terms of the Option Agreement, Newera, under the revised agreement terms, was afforded the opportunity to exercise the option early for a nominal fee.

By exercising the option, Newera effectively gains a 100% interest in the uranium prospects contained within E09/1298, particularly the Giant and Relief Well prospects.

In addition, the original Option Agreement had onerous annual expenditure requirements which Newera worked diligently each year to satisfy. By exercising the option early, Newera is now able to manage future expenditure on E09/1298 in a more cost effective manner.

During the period, Newera was notified that it had been offered the grant of Exploration Licence E80/4308 in the Cummins Range locality, within the south Kimberley region of Western Australia.

E80/4308 fully encloses E80/2232 within which lies the recently defined Cummins Range REO resource recently announced by Navigator Resources Limited (*Ref: Navigator Resources Limited (NAV) ASX announcement 25/10/2010*) and is considered prospective for base metals, uranium and Rare Earth Oxides.

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Peter Robert Anderton, Consultant Geologist to Newera Uranium Ltd who is a member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Anderton has sufficient experience, which is relevant to the style of mineralisation 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 Anderton consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

New Opportunities

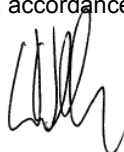
Newera continues to seek out and review new project opportunities, where it is thought those opportunities may have the potential to add significant value to the Company. Over the period a number of new projects were reviewed and on 21 December 2010 the Company announced it has entered into an option agreement with Posit Resources Australia Pty Ltd ("Posit") to procure the acquisition, (subject to, amongst other things, due diligence and exercise of the option), of 100% of the issued capital of Posit. Posit is an Australian registered private mineral exploration company with interest in the democratic Republic of Kyrgyzstan in Central Asia.

The Company had a net loss for the period of \$155,846 (31 December 2009: \$154,771). At the reporting date, the Company had net assets of \$2,773,978 (30 June 2010: \$ 1,937,406).

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 5 for the half-year ended 31 December 2010.

Signed in accordance with a resolution of the Board of Directors.



Winton Willesee
Director

DATED this 4th day of March 2011

To The Board of Directors

**Auditor's Independence Declaration
under Section 307C of the Corporations Act 2001**

This declaration is made in connection with our review of the financial report of Cove Resources Limited for the half year ended 31 December 2010 and in accordance with the provisions of the Corporations Act 2001.

We declare that, to the best of our knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review;
- no contraventions of the Code of Professional Conduct of the Institute of Chartered Accountants in Australia in relation to the review.

Yours faithfully


BENTLEYS
Chartered Accountants


RANKO MATIĆ CA
Director

DATED at PERTH this 4th day of March 2011

Statement of Comprehensive Income
for the half-year ended 31 December 2010

	Notes	31 December 2010 \$	31 December 2009 \$
Revenue	3	30,282	16,360
Realised gain on financial asset	3	113,525	62,066
Unrealised loss on financial asset		(37,400)	-
Audit and related services fees		(15,827)	(11,980)
Other Accounting fees		(4,463)	(4,677)
Insurance		(18,229)	(20,087)
Consultant Fees		(103,371)	(86,767)
Employee benefits expense		(1,069)	(1,753)
Tenement management fees		8,414	(16,547)
Occupancy expenses		(22,973)	(16,069)
Depreciation		-	(9,943)
Legal and corporate compliance fees		(40,851)	(26,443)
Other expenses from ordinary activities		(60,313)	(38,931)
Tenement Asset Write-down		(3,571)	-
Loss before income tax		<u>(155,846)</u>	<u>(154,771)</u>
Income tax		-	-
Net loss for the period		<u>(155,846)</u>	<u>(154,771)</u>
Other comprehensive income		-	-
Total comprehensive income for the period		<u>(155,846)</u>	<u>(154,771)</u>
Overall Operations			
Basic loss per share (cents per share)		(0.10)	(0.16)

The accompanying notes form part of these financial accounts

Statement of Financial Position

as at 31 December 2010

	Note	31 December 2010 \$	30 June 2010 \$
CURRENT ASSETS			
Cash and cash equivalents		1,423,632	541,506
Financial assets		101,250	180,150
Other assets		38,604	282,881
TOTAL CURRENT ASSETS		1,563,486	1,004,537
NON CURRENT ASSETS			
Exploration costs		1,299,416	1,052,172
TOTAL NON CURRENT ASSETS		1,299,416	1,052,172
TOTAL ASSETS		2,862,902	2,056,709
CURRENT LIABILITIES			
Trade and other payables		88,924	119,303
TOTAL CURRENT LIABILITIES		88,924	119,303
TOTAL LIABILITIES		88,924	119,303
NET ASSETS		2,773,978	1,937,406
EQUITY			
Issued capital	7	9,687,179	8,875,203
Reserves	7(a)	180,442	1,879
Accumulated losses		(7,093,643)	(6,939,676)
TOTAL EQUITY		2,773,978	1,937,406

The accompanying notes form part of these financial accounts

Statement of Changes in Equity
for the half-year ended 31 December 2010

	Note	Issued Capital \$	Accumulated Losses \$	Reserve \$	Total \$
Balance at 1 July 2009		8,433,313	(6,459,160)	255,649	2,229,802
Loss for the year		-	(154,771)	-	(154,771)
Other comprehensive income		-	-	-	-
Total comprehensive income		-	(154,771)	-	(154,771)
Transaction with owner, directly recorded in equity:					
Options expired		-	253,770	(253,770)	-
Balance at 31 December 2009		8,433,313	(6,360,161)	1,879	2,075,031
Balance at 1 July 2010		8,875,203	(6,939,676)	1,879	1,937,406
Loss for the year		-	(155,846)	-	(155,846)
Other comprehensive income		-	-	-	-
Total comprehensive income		-	(155,846)	-	(155,846)
Transaction with owner, directly recorded in equity:					
Shares issued, net of capital raising costs	7	811,976	-	-	811,976
Options issued	7(a)	-	-	180,442	180,442
Options expired		-	1,879	(1,879)	-
Balance at 31 December 2010		9,687,179	(7,093,643)	180,442	2,773,978

The accompanying notes form part of these financial accounts

Statement of Cash Flows

for the half-year ended 31 December 2010

	31 December 2010	31 December 2009
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash payments in the course of operations	(315,842)	(198,213)
Research and development tax concession	250,559	-
Interest received	30,282	16,360
Payments for exploration expenditure	(230,316)	(220,225)
NET CASH USED BY OPERATING ACTIVITIES	(265,317)	(402,078)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equity investments	-	(162,068)
Proceeds from sale of equity investments	155,025	62,066
NET CASH PROVIDED BY FINANCING ACTIVITIES	155,025	(100,002)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue	992,418	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	992,418	-
NET INCREASE/(DECREASE) IN CASH HELD	882,126	(502,080)
Cash at the beginning of the financial period	541,506	1,278,693
Cash at the end of the financial period	1,423,632	776,613

The accompanying notes form part of these financial accounts

Notes to the Financial Statements

for the half-year ended 31 December 2010

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2010 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Newera Resources Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 30 June 2010, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

Reporting Basis and Conventions

The half-year report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Segment Information

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of business category and geographical area. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables.

Notes to the Financial Statements

for the half-year ended 31 December 2010

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- net gains on disposal of available-for-sale investments;
- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- intangible assets; and
- discontinuing operations.

NOTE 2. OPERATING SEGMENTS (Continued)

	Exploration	Total
	\$	\$
(i) Segment performance		
Six months ended 31.12.2010		
Total segment revenue	-	-
Total segment expenses	(3,571)	(3,571)
Segment net profit/(loss) before tax	<u>(3,571)</u>	<u>(3,571)</u>
<i>Reconciliation of segment result to company net loss</i>		
Unallocated items		
Other revenue		106,407
Other expenses		<u>(258,682)</u>
Net loss before tax from continuing operations		<u>(155,846)</u>
Six months ended 31.12.2009		
Total segment revenue	-	-
Total segment expenses	(16,547)	(16,547)
Segment net profit/(loss) before tax	<u>(16,547)</u>	<u>(16,547)</u>
<i>Reconciliation of segment result to company net loss</i>		
Unallocated items		
Other revenue		78,426
Other expenses		<u>(216,650)</u>
Net loss before tax from continuing operations		<u>(154,771)</u>
(ii) Segment assets		
31.12.2010		
Segment assets	<u>1,299,416</u>	<u>1,299,416</u>
<i>Unallocated assets</i>		
Cash and cash equivalents		1,423,632
Financial assets		101,250
Trade and other receivables		<u>38,604</u>
Total company assets		<u>2,862,902</u>

Notes to the Financial Statements

for the half-year ended 31 December 2010

NOTE 2. OPERATING SEGMENTS (Continued)

	Exploration \$	Total \$
30.6.2010		
Segment assets	1,052,172	1,052,172
<i>Unallocated assets</i>		
Cash and cash equivalents		541,506
Financial assets		180,150
Trade and other receivables		282,881
Total company assets		<u>2,056,709</u>
 (iii) Segment liabilities		
 31.12.2010		
Segment liabilities	40,230	40,230
<i>Unallocated liabilities</i>		
Trade and other payables		48,694
Total company liabilities		<u>88,924</u>
 30.6.2010		
Segment liabilities	6,461	6,461
<i>Unallocated liabilities</i>		
Trade and other payables		112,842
Total company liabilities		<u>119,303</u>

(iv) Revenue by geographical region

There is no revenue attributable to external customers for the half year periods ended 31 December 2009 and 2010.

(v) Assets by geographical region

All reportable segment assets are located in one location, Australia.

Notes to the Financial Statements

for the half-year ended 31 December 2010

NOTE 3. REVENUES

	31 December 2010	31 December 2009
	\$	\$
The following revenue item is relevant in explaining the financial performance for the interim period:		
Interest received	30,282	16,360
Gain on sale of shares	113,525	62,066
	<u>143,807</u>	<u>78,426</u>

NOTE 4. DIVIDENDS

No dividends have been paid or declared during the period.

NOTE 5. EVENTS AFTER THE BALANCE DATE

On 7th January 2011, there were 2,953,277 options exercised at 3.6 cents per share.

On 13th January 2011, the Company finalised an agreement to acquire E09/1340 – adjacent to E09/1298 at the Jailor Bore project in the upper Gascoyne region of WA. The Company acquired a 100% unencumbered interest in E09/1340 for a consideration of \$20,000 cash and 750,000 fully paid ordinary Newera shares.

On 14th January 2011, there were 12,002,348 options exercised at 3.6 cent per share.

On 21st January 2011, there were 1,494,000 options exercised at 3.6 cent per share.

On 28th January 2011, there were 555,000 options exercised at 3.6 cent per share.

On 1st February 2011, there were 100,000 options exercised at 3.6 cent per share.

On 2nd February 2011 the Company provided an update on the progress of the due diligence in relation to the option agreement with Posit Resources Australia Pty Ltd ("Posit") to procure the acquisition, (subject to, amongst other things, due diligence and exercise of the option), of 100% of the issued capital of Posit. The update included that, despite problems surrounding the original tenement packages within Posit, Newera had agreed to a proposal from Posit to extend the due diligence period for a further 60 days to allow Posit sufficient time to finalise formal agreements covering a number of the existing and a number of proposed new projects.

On 17th February 2011, there were 1,445,000 options exercised at 3.6 cent per share.

Since balance date there are no other items, transactions or events of a material and unusual nature likely, in the opinion of the Directors, to affect significantly, the results of those operations, or the state of affairs of the Company in future financial years.

NOTE 6. CONTINGENT ASSETS AND LIABILITIES

There has been no change in contingent liabilities since the last annual reporting date.

Notes to the Financial Statements

for the half-year ended 31 December 2010

NOTE 7. ISSUED CAPITAL

	\$	Number of shares
Balance at 1 July 2010	8,875,203	109,977,136
Issued		-
- 16 July 2010	270,000	15,000,000
- 20 August 2010	720,000	40,000,000
- Options exercised not yet allotted	15,120	-
- Capital raising fees (a)	(193,144)	-
Balance at 31 December 2010	9,687,179	164,977,136

(a) Included in capital raising fees are 25,000,000 options issued as part of the Capital Raising Mandate. These options were granted on 20 August 2010, to a total value of \$180,442.

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 6 to 14, are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2010 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Winton Willesee
Director

DATED this 4th March 2011.

Independent Auditor's Review Report

To the Members of Cove Resources Limited

We have reviewed the accompanying half-year financial report of Cove Resources Limited ("the Company") which comprises the statement of financial position as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

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& Corporate (WA) Pty Ltd**
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Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Company's financial position as at 31 December 2010 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Cove Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Independent Auditor's Review Report

To the Members of Cove Resources Limited (Continued)



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Cove Resources Limited is not in accordance with the Corporations Act 2001 including:

- a. Giving a true and fair view of the Company's financial position as at 31 December 2010 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

A handwritten signature in blue ink that reads "Bentleys".

BENTLEYS
Chartered Accountants

A handwritten signature in blue ink that reads "Ranko Matić".

RANKO MATIĆ CA
Director

DATED at PERTH this 4th day of March 2011