



Interim Financial Report

For the Half Year Ended

31 December 2009

Newera Uranium Limited

ABN 27 118 554 359

Interim Financial Report 2009

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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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SOLICITORS TO THE COMPANY

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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 Uranium Limited (the Company) for the half-year ended 31 December 2009.

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

During the period Newera completed a review of the data generated from a Variable Time Electro Magnetic (VTEM) Survey, previously flown over a large area of Newera's Jailor Bore project tenements E09/1194 and E09/1298. That review identified seven (7) deeper conductor targets considered sufficient strong enough to encourage a new drill program to test whether the source of any of the conductors are sulphide rich bodies.

A program of work (POW) and Radiation Safety Manual was lodged with the Department of Industry and Resources (DIOR) for a 2,000 metre drill program to test these conductors for both base metals and uranium. The drill collar sites were marked out and an application was made to the appropriate Indigenous Council for heritage clearance on those drill sites as well as a Beds and Banks clearance for affected waterways, both of which were approved. A Section 41S application for two crossings over the Dampier Bunbury Pipeline was also lodged, the section 41S as well as the POW approvals and consents, whilst still pending as at 31 December, have now been received.

The delays in gaining approvals pushed the proposed drilling commencement date into mid January 2010 and drilling has now been completed. The Company is awaiting lab results.

Newera has been continually reviewing the perceived prospectivity of its tenement portfolio and during the period, it was determined that Newera would withdraw from the Quartz Hill and Lake Way joint venture areas. These areas were held under joint venture between Cazaly Resources Ltd, Cazaly Iron Pty Ltd and Newera Uranium Limited.

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 but to date no acquisition agreements have been entered into.

The Company had a net loss for the period of \$154,771 (31 December 2008: \$602,961). At the reporting date, the Company had net assets of \$2,075,031 (30 June 2009: \$2,229,802).

Auditor's Independence Declaration

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 2 for the half-year ended 31 December 2009.

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



Winton Willesee
Director

DATED this 9th day of March 2010

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 Newera Uranium Limited for the half year ended 31 December 2009 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
Director

DATED at PERTH this 9th day of March 2010

Statement of Comprehensive Income

for the half-year ended 31 December 2009

	Notes	Half Year Ended 31 Dec 2009 \$	Half Year Ended 31 Dec 2008 \$
Revenue	3	78,426	53,899
Audit and related services fees		(11,980)	(8,000)
Other Accounting fees		(4,677)	(18,940)
Insurance		(20,087)	(18,749)
Consultant Fees		(86,767)	(131,334)
Employee benefits expense		(1,753)	(75,444)
Tenement management fees		(16,547)	(4,757)
Occupancy expenses		(16,069)	(22,902)
Depreciation		(9,943)	(9,796)
Legal and corporate compliance fees		(26,443)	(23,781)
Other expenses from ordinary activities		(38,931)	(99,773)
Tenement Asset Write-down		-	(243,384)
Loss before income tax		<u>(154,771)</u>	<u>(602,961)</u>
Income tax		-	-
Net loss for the period		<u>(154,771)</u>	<u>(602,961)</u>
Other comprehensive income		-	-
Total comprehensive income for the period		<u>(154,771)</u>	<u>(602,961)</u>
Overall Operations			
Basic earnings per share (cents per share)		(0.16)	(1.33)

The accompanying notes form part of these financial accounts

Statement of Financial Position

as at 31 December 2009

	31 Dec 2009	30 June 2009
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	776,613	1,278,693
Financial assets	162,068	-
Trade and other receivables	23,359	22,411
TOTAL CURRENT ASSETS	962,040	1,301,104
NON CURRENT ASSETS		
Property, plant and equipment	3,985	13,928
Exploration costs	1,156,717	941,844
TOTAL NON CURRENT ASSETS	1,160,702	955,772
TOTAL ASSETS	2,122,742	2,256,876
CURRENT LIABILITIES		
Trade and other payables	47,711	23,341
Provisions	-	3,733
TOTAL CURRENT LIABILITIES	47,711	27,074
TOTAL LIABILITIES	47,711	27,074
NET ASSETS	2,075,031	2,229,802
EQUITY		
Issued Capital	8,433,313	8,433,313
Reserves	1,879	255,649
Accumulated losses	(6,360,161)	(6,459,160)
TOTAL EQUITY	2,075,031	2,229,802

The accompanying notes form part of these financial accounts

Statement of Changes in Equity
for the half-year ended 31 December 2009

	Issued Capital \$	Accumulated Losses \$	Option Reserve \$	Total \$
Balance at 1 July 2008	7,617,928	(1,229,489)	255,649	6,644,088
Total comprehensive income for the period	-	(602,961)	-	(602,961)
Balance at 31 December 2008	<u>7,617,928</u>	<u>(1,832,450)</u>	255,649	<u>6,041,127</u>
Balance at 1 July 2009	8,433,313	(6,459,160)	255,649	2,229,802
Options expired	-	253,770	(253,770)	
Total comprehensive income for the period	-	(154,771)	-	(154,771)
Balance at 31 December 2009	<u>8,433,313</u>	<u>(6,360,161)</u>	1,879	<u>2,075,031</u>

The accompanying notes form part of these financial accounts

Statement of Cash Flows

for the half-year ended 31 December 2009

	Half Year ended 31 Dec 2009 \$	Half Year ended 31 Dec 2008 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash payments in the course of operations	(198,213)	(359,514)
Interest Received	16,360	53,899
Payments for exploration expenditure	(220,225)	(680,076)
NET CASH USED BY OPERATING ACTIVITIES	(402,078)	(985,691)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equity investments	(162,068)	-
Purchase of property, plant and equipment	-	(2,100)
Proceeds from sale of equity investments	62,066	-
Purchase of tenement assets	-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	(100,002)	(2,100)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	-
NET INCREASE/(DECREASE) IN CASH HELD	(502,080)	(987,791)
Opening Cash At Bank	1,278,693	2,113,884
CLOSING CASH AT BANK	776,613	1,126,093

The accompanying notes form part of these financial accounts

Notes to the Financial Statements

for the half-year ended 31 December 2009

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 2009 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 Uranium 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 2009, 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 except for the adoption of the following new and revised Accounting Standards.

Accounting Standards not Previously Applied

The company has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include:

- the replacement of Income Statement with Statement of Comprehensive Income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the single statement approach to the presentation of the Statement of Comprehensive Income
- other financial statements are renamed in accordance with the Standard; and
- presentation of a third Statement of Financial Position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

Operating Segments

From 1 January 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision maker which, for the Group, is the board of directors. In this regard, such information is provided using different measures to those used in preparing the Statement of Comprehensive Income and Statement of Financial Position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

As a result of the adoption of the revised AASB 8, certain cash generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

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.

Notes to the Financial Statements

for the half-year ended 31 December 2009

NOTE 2. OPERATING SEGMENTS

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 its uranium exploration and corporate activities. 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.

Types of reportable segments

(i) *Uranium exploration*

Segment assets, including acquisition cost of exploration licenses and all expenses related to the tenements in Northern Territory and Western Australia are reported on in this segment.

(ii) *Corporate*

Corporate, including treasury, corporate and regulatory expenses arising from operating an ASX listed entity. Segment assets, including cash and cash equivalents, and investments in financial assets are reported in this segment.

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.

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.

Comparative information

This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been stated to conform to the requirements of the Standard.

Notes to the Financial Statements

for the half-year ended 31 December 2009

NOTE 2. OPERATING SEGMENTS (Continued)

	<i>Exploration</i>			Total
	Western Australian Projects	Northern Territory Project	Corporate	
	\$	\$	\$	\$
(i) Segment performance				
Six months ended 31.12.2009				
Total segment revenue	-	-	78,426	78,426
<i>Reconciliation of segment revenue to total revenue</i>				
Inter-segment elimination	-	-	-	-
Total revenue	-	-	78,426	78,426
Segment net profit/(loss) before tax	(16,547)	-	(138,224)	(154,771)
Net loss before tax from continuing operations	(16,547)	-	(138,224)	(154,771)
Six months ended 31.12.2008				
Total segment revenue	-	-	53,899	53,899
<i>Reconciliation of segment revenue to total revenue</i>				
Inter-segment elimination	-	-	-	-
Total revenue	-	-	53,899	53,899
Segment net profit/(loss) before tax	(158,326)	(91,249)	(353,386)	(602,961)
Net loss before tax from continuing operations	(158,326)	(91,249)	(353,386)	(602,961)
(iii) Segment assets				
31.12.2009				
Segment assets	1,058,047	98,670	966,025	2,122,742
Segment asset increases/ (decreases) for the period:				
• Capitalised expenditure	211,606	7,421	-	219,027
Total assets from continuing operations	1,058,047	98,670	966,025	2,122,742

Notes to the Financial Statements

for the half-year ended 31 December 2009

NOTE 2. OPERATING SEGMENTS (Continued)

	<i>Exploration</i>		Corporate	Total
	Western Australian Projects	Northern Territory Project		
	\$	\$	\$	\$
30.6.2009				
Segment assets	850,595	91,249	1,315,032	2,256,876
Segment asset increases/ (decreases) for the 6 month period:				
• Capitalised expenditure	(3,642,241)	(572,239)	-	(4,214,480)
Total assets from continuing operations	850,595	91,249	1,315,032	2,256,876
(iii) Segment liabilities				
31.12.2009				
Segment liabilities	-	-	47,711	47,711
Total liabilities from continuing operations	-	-	47,711	47,711
30.6.2009				
Segment liabilities	-	-	27,704	27,704
Total liabilities from continuing operations	-	-	27,704	27,704

(iv) Revenue by geographical region

There is no revenue attributable to external customers for the half year periods ended 31 December 2008 and 2009.

(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 2009

NOTE 3. REVENUES FOR THE PERIOD

	31 Dec 2009	31 Dec 2008
	\$	\$
The following revenue item is relevant in explaining the financial performance for the interim period:		
Interest received	16,360	53,899
Gain on sale of shares	62,066	-
	<hr/>	<hr/>
	78,426	53,899

NOTE 4. DIVIDENDS

No dividends have been paid or declared during the period.

NOTE 5. EVENTS AFTER THE BALANCE DATE

On 13th January 2010 the Company obtained all necessary clearances to commence a drilling program at Jailor Bore in the upper Gascoyne region of WA. On 25th January 2010 the company commenced drilling. A total of 2000 metres via 18 drill holes ranging in depth from 50m to 200m have been planned to test seven separate Variable Time Electromagnetic (VTEM) anomalies.

On the 15th January 2010 the Company entered into an agreement with Minc Stockbroking to raise \$473,379 by way of share placement of 14,344,844 shares at 3.3 cents per share and on 29 January 2010 those shares were allotted. The funds raised will be used to fund the drilling program at Jailor Bore and for general working capital purposes.

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

Directors' Declaration

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 3 to 11, are in accordance with the Corporations Act 2001:
 - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations; and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2009 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 9th day of March 2010

Independent Auditor's Review Report

To the Members of Newera Uranium Limited

We have reviewed the accompanying half-year financial report of Newera Uranium Limited ("the Company") which comprises the statement of financial position as at 31 December 2009, 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 and fair presentation of the half-year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the half-year financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 an Interim 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 2009 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 Newera Uranium 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.

Matters Relating to the Electronic Presentation of the Audited Financial Report

This review report relates to the financial report of Newera Uranium Limited for the half-year ended 31 December 2009 included on the website of Newera Uranium Limited. The directors of the Company are responsible for the integrity of the website and we have not been engaged to report on its integrity. This review report refers only to the half-year financial report identified above and it does not provide an opinion on any other information which may have been hyperlinked to or from the financial report. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on the Company's website.

Independent Auditor's Review Report

To the Members of Newera Uranium Limited (Continued)

Independence

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

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 Newera Uranium 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 2009 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.



BENTLEYS
Chartered Accountants



RANKO MATIĆ
Director

DATED at PERTH this 9th day of March 2010