

#### DIRECTORS

Mr Martin Blakeman  
Executive Chairman

Mr Winton Willesee  
Non-Executive Director

Mr Eric de Mori  
Non-Executive Director

#### COMPANY SECRETARY

Mr Winton Willesee

#### PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Suite 5 / 2 Centro Avenue  
SUBIACO, WA 6008

#### CONTACT DETAILS

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#### ASX Release

27 March 2014

#### ISSUE OF CONVERTIBLE LOAN/NOTES

**Newera Resources Limited (ASX: NRU)** is pleased to announce that it has secured additional funding by way of a convertible loan from a sophisticated investor in the amount of \$50,000 (Loan).

In accordance with the loan agreement, the loan will be converted, subject to shareholder approval, into convertible notes with a face value of \$1,000 each (Notes). The Loan is an extension of the issue of convertible loan/notes totalling \$500,000 which was completed earlier this month and does not constitute the capital raising event that sets the conversion price or represent the event that causes the existing notes to be eligible for conversion.

If approved, the key terms of the Notes to be issued will be consistent with the existing convertible notes on issue and are summarised as follows:

- The Notes will mature on 6 March 2015 and can be converted any time following the first subsequent capital raising to the issue of the Convertible Notes;
- The conversion price will be the lesser of 0.4 cents per ordinary share, or 80% of the subscription price per ordinary share under the Company's next capital raising (Conversion Price);
- For each share issued on conversion, the Note holder will be issued with 1 free option to subscribe for an additional ordinary share in the Company exercisable on or before 6 March 2018 at an exercise price equal to a 100% premium to the Conversion Price per share (Options). It is the intention of the Directors that the Options be listed however it is not guaranteed that this will ultimately be the case;
- The Notes will accrue interest at a rate of 12% per annum; and
- The Notes will be unsecured.

The Convertible Notes will be issued to a sophisticated investors under sections 708(8), 708(10) and 708(11) of the Corporations Act 2001 (Cth) (the Act), without disclosure to investors under Part 6D.2 of the Act.

Until shareholder approval is obtained, the Loan will accrue interest at the rate of 12% per annum. Should shareholder approval not be forthcoming, the Loan plus any unpaid interest will be repayable in cash on 6 March 2015.

Further details will be set out in the Notice of General Meeting at which the Company will seek the necessary shareholder approval to approve the issue of the convertible notes. A date for this meeting will be announced in due course.



The Board sees this as an attractive option to access sufficient capital to meet the ongoing programs of the Company in a way that limits the dilution to existing shareholders at this time.

The capital raised will be applied to both the current working capital requirements of the Company and the development of its Ulaan Tolgoi project in Mongolia.

Further Information;  
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Director and Company Secretary  
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