

28 January 2011

ASX : NAE

ASX ANNOUNCEMENT

QUARTERLY REPORT TO 31 DECEMBER 2010**CORPORATE**

During the quarter, the Company's Managing Director, Mr Gary Fietz and his team have made good progress on evaluating a range of exploration and mining project opportunities in iron ore, base metals and other commodities both in Australia and internationally. Progress to date has been encouraging, with a number of attractive opportunities having already been identified and several of these opportunities progressing to due diligence stage.

The Company completed due diligence and reached an advanced stage of negotiations to acquire an iron ore project in Spain during the quarter however these negotiations were ultimately unsuccessful. Whilst the Company is continuing to negotiate with the owners of this project, including negotiations with the majority owner under a confidentiality and exclusivity agreement, the Company is not confident that a successful transaction will result at this stage. The costs of pursuing this transaction formed a significant part of the Company's cash flows related to operating activities for the quarter.

The Company currently has a portfolio of projects under evaluation and will make further announcements regarding any potential investment or acquisition when it is in a position to do so. Project selection is being made on the basis of identifying attractive opportunities which can deliver value as quickly as possible whilst aiming to minimise project and/or country risks.

BUNNAWARRA JOINT VENTURE PROJECT**(New Age to earn up to 40%)****EL59/1391**

The joint venture has satisfied its obligations under Stage 1 of the arrangement, whereby the Company and its joint venture partner are entitled to a 30% interest (15% interest each) in the tenement. The Bunnawarra joint venture tenement is up to date with reporting. The joint venture partners are currently in negotiations with the tenement holder (Redfeather Holdings Pty Ltd) regarding the joint venture commitments moving forward. Any developments regarding the joint venture will be reported as they come to hand.

EXCLUSIVITY ARRANGEMENT – PURSUE URANIUM IN AFRICA

(Held with Raintree Group Ltd and Palace Resources Limited (ASX code: PXR))

The Company has not been made aware of any activities pursuant to the exclusivity arrangement with the Raintree Group and Palace Resources. All further activity will be reported as it comes to hand.

For further information:

Gary Fietz



Managing Director

For personal use only

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

New Age Exploration Ltd

ABN

65 004 749 508

Quarter ended (öcurrent quarterö)

December 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$Aö000	Year to date (6 months) \$Aö000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration(including costs associated with new project/opportunity assessment and due diligence)	(14)	(14)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	85	108
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(641)	(992)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material) ö Joint venture arrangement with Jervois (per royalty), whereby Jervois disposed on mining assets.	230	230
Net investing cash flows	230	230
1.13 Total operating and investing cash flows (carried forward)	(411)	(762)

For personal use only

1.13	Total operating and investing cash flows (brought forward)	(411)	(762)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other - Capital raising costs		
	Net financing cash flows		
	Net increase (decrease) in cash held	(411)	(762)
1.20	Cash at beginning of quarter/year to date	4,717	5,068
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	4,306	4,306

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	102
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Fees paid to Directors or their related entities

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

--

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

--

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$Aø000	Amount used \$Aø000
3.1 Loan facilities		
3.2 Credit standby arrangements	60	Nil

Estimated cash outflows for next quarter

	\$Aø000
4.1 Exploration and evaluation	
4.2 Development	
4.3 Production	
4.4 Administration (including costs associated with new project/opportunity assessment and due diligence)	500
Total	500

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$Aø000	Previous quarter \$Aø000
5.1 Cash on hand and at bank	746	557
5.2 Deposits at call	3,560	4,160
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	4,306	4,717

For personal use only

Changes in interests in mining tenements

Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed		
6.2	Interests in mining tenements acquired or increased		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	96,400,000	96,400,000	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities (description)			


For personal use only

For personal use only

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	23,296,667 16,500,000	23,296,667 -	Exercise price 10 10	Expiry date 31/3/2012 31/3/2013
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 28 January 2011
(Director/Company secretary)

Print name: .Adrien Wing.....

Notes

For personal use only

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The Nature of interest (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==