



NEW WORLD ALLOYS LIMITED

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31 January 2007

ASX LIMITED

Electronic Lodgement

QUARTERLY REPORT FOR THE QUARTER ENDED 31 DECEMBER 2006

NEW WORLD ALLOYS (ASX: NWA) (the “Company”) advises the following activities during the quarter.

Nova Mining SPRL

During the December quarter the Nova Mining copper smelting project at Lubumbashi, Congo (“the Nova Project”) produced 558 tonnes of 95% grade copper, generating revenues of \$4.3 million from copper sales.

Blister copper production and sales

Month	Production (tonnes)	Sales (tonnes)	Gross Sales \$AUD'000
October 2006	255.6	235.4	1,980
November 2006	148.6	169.4	1,350
December 2006	154.0	134.3	971
Actual – December Quarter 2006	558.2	539.1	4,301

The high price of copper has created exceptional demand for high grade ore in the Congo, presenting difficulties for Nova to control feedstock ore supply.

It is now essential for the successful, cost effective, operation of the furnaces that a concentrator is fully commissioned on site.

It is expected that a fully operational concentrator will be installed on site by the end of April 2007. Due to the high costs associated with possible sporadic production resulting from the lack of availability of ore of a suitable grade the Board have decided to place the Nova operations on a “care and maintenance” basis until it is able to guarantee supply of suitable grade ore to the furnaces.

Bachelor Joint Venture

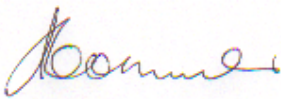
The Company's joint venture partner Korab Resources Limited (ASX Code: KOR, "Korab") is continuing with the exploration program which includes the review of potential uranium, gold and base metal targets at the Batchelor (previously Rum Jungle) tenements in the Northern Territory.

Corporate

As the attached appendix 5B shows, the Company has minimal working capital available at year end. The Directors are assessing possible capital raising opportunities, and will advise the market accordingly.

Yours faithfully

NEW WORLD ALLOYS LIMITED

A handwritten signature in blue ink, appearing to read 'I Cornelius', is written over a light blue rectangular background.

I CORNELIUS

Director

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

NEW WORLD ALLOYS LIMITED

ABN

36 060 774 227

Quarter ended ("current quarter")

31 December 2007

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date \$A'000
1.1	Receipts from product sales and related debtors	4,838	12,352
1.2	Payments for		
	(a) exploration and evaluation	-	-
	(b) development	-	-
	(c) production	(4,354)	(12,653)
	(d) administration	(1,926)	(2,778)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net Operating Cash Flows	(1,441)	(3,074)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(141)	(527)
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	(6)	(6)
	Net investing cash flows	(147)	(533)
1.13	Total operating and investing cash flows (carried forward)	(1,588)	(3,607)

1.13	Total operating and investing cash flows (brought forward)	(1,588)	(3,607)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	580	680
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	339	1,525
1.17	Repayment of borrowings	-	(123)
1.18	Dividends paid	-	
1.19	Other – Brokerage paid	-	-
	Net financing cash flows	919	2,082
	Net increase (decrease) in cash held	(669)	(1,525)
1.20	Cash at beginning of quarter/year to date	642	1,498
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	(27)	(27)

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 and 1.7	63
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salary, consultancy and superannuation to executive directors and directors fees to non-executive directors.

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

Nil.

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

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
Total	-

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 \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	262	642
5.2 Deposits at call		
5.3 Bank overdraft	(289)	-
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	(27)	642

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

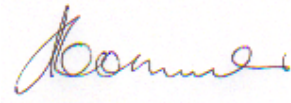
Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities - Note (1)	285,431,867	285,431,867	-	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	29,650,000	29,650,000	\$0.02	Fully Paid
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options			<i>Exercise Price</i>	<i>Expiry Date</i>
Unlisted	1,000,000	-	\$0.10	30/06/2007
	23,656,598	-	\$0.10	01/03/2008
7.8 Issued during quarter				
7.9 Exercised during quarter		-		
7.10 Expired during quarter	-	-	<i>Exercise Price</i>	<i>Expiry Date</i>
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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.



Ian Cornelius
Director
31 October 2006

Notes

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.

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