

Dear Shareholder,

NON-RENOUNCEABLE RIGHTS ISSUE – NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 13 September 2021, Newfield Resources Limited (**Newfield** or **Company**) (ASX: **NWF**) announced its intention to conduct a non-renounceable pro-rata entitlement offer of up to 145,324,888 fully paid ordinary shares (**New Shares**) at an issue price of \$0.35 per New Share, on the basis of 1 New Share for every 4 existing ordinary shares (**Shares**) held at the Record Date, to raise up to approximately \$50,863,711 (before costs) (**Rights Offer**). In addition, the Company is offering the New Shares which comprise the shortfall to the Rights Offer also at an issue price of \$0.35 per New Share (**Shortfall Offer**).

The Rights Offer is not underwritten. The Company has engaged Townshend Capital Pty Ltd (ACN 099 900 188) (AFSL No. 219326) as Lead Manager to the Rights Offer and the Shortfall Offer (together, the **Offers**), who will be paid a fee equal to 5% of the funds raised under the Offers (plus GST).

We are writing to you as a shareholder of the Company to notify you that on Monday, 13 September 2021, the Company lodged a prospectus (**Prospectus**) for the Rights Offer with the Australian Securities & Investments Commission and the Australian Securities Exchange (**ASX**). The Prospectus is available on the ASX website (www.asx.com.au) using the Company's ASX code 'NWF', as well as the Company's website (www.newfieldresources.com.au).

The purpose of this letter is to inform you about the Rights Offer and to explain why you will not be able to subscribe for New Shares under the Rights Offer or the Shortfall Offer. This letter is not an offer to issue New Shares or other securities to you, nor an invitation for you to apply for any New Shares or other securities. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Rights Offer that you should be aware of.**

Capitalised terms used in this letter which are otherwise not defined have the same meaning as given to those terms in the Prospectus

Purpose of the Offers

The proceeds from the Offers will be directed to prioritise the continued development of the Tongo Diamond Project into production in accordance with our existing mine plan. Funds raised will also provide additional working capital for the Company and cover the costs of the Offers. The Company's operational programs will be adapted to the level of funds raised and the timing of activities will be adjusted accordingly.

Eligibility

The record date for determining eligibility to participate in the Rights Offer (**Record Date**) is **5:00pm (AWST) on 17 September 2021**. All shareholders with registered addresses in Australia, New Zealand, Indonesia, Singapore, UK and Germany on the Record Date will be eligible to participate in the Rights Offer (**Eligible Shareholders**). The Rights Offer is not being extended to any of the Company's security holders who do not meet this criteria.

Shortfall Offer

Eligible Shareholders may apply for additional Shares under the Shortfall Offer by specifying the total number of Shares they wish to apply for on their Acceptance Form. Additional Shares will only be allocated to the extent that there is a shortfall.

Effect on Capital Structure

An estimated maximum of 145,324,888 New Shares will be issued under the Offers. This number is subject to a final reconciliation and rounding of Eligible Shareholder entitlements. After completion of the Offers, assuming that the Offers are fully subscribed, it is estimated that 726,624,440 Shares will be on issue, all of which will be quoted on ASX.

Ineligible Shareholders

Only Eligible Shareholders, as described above, are eligible to participate in the Rights Offer.

Based on share registry records, the Company has determined that you do not satisfy the eligibility criteria for the Rights Offer. As an Ineligible Shareholder, you are not eligible to participate in either Offer and you will not be sent a copy of the Prospectus nor offered any securities under the Offers. This decision has been made pursuant to ASX Listing Rule 7.7.1(a) after taking into consideration the costs of complying with the legal and regulatory requirements in jurisdictions outside of Australia, New Zealand, Indonesia, Singapore, UK and Germany compared with the small number of Ineligible Shareholders and the number and value of New Shares to which they would otherwise be entitled.

The Company has appointed Townshend Capital Pty Ltd (ACN 099 900 188) (AFSL No. 219326) (**Nominee**) as nominee for Ineligible Shareholders to sell the entitlements that would have otherwise been issued to you had you been eligible to participate in the Rights Offer. The Nominee will endeavour to sell those entitlements as soon as reasonably practicable and distribute to the Ineligible Shareholders their proportion of the proceeds of the sale, net of all expenses (including brokerage and any applicable taxes and charges). The Nominee will have absolute and sole discretion to determine the price for which the entitlements of Ineligible Shareholders may be sold so that a premium over the expenses of their sale can be made, as well as the timing and manner of such sale.

Further information

For all enquiries regarding the Offers, please contact the Company Secretary on +61 8 6389 8880 and for all general shareholder enquiries, please contact the Company's Share Registry, Advanced Share Registry, on +61 8 9389 8033.

Yours faithfully



Karl Smithson
Executive Director