

ASX Announcement

31 January 2025

QUARTERLY ACTIVITIES REPORT

31 December 2024

Newfield Resources Limited (ASX: **NWF**) (**Newfield** or **Company**) announces its activities for the quarter ended 31 December 2024.

Operations - Tongo Diamond Mine

Mine development activities continued to be restricted during the reporting period as the Company progressed funding opportunities for the continuation of the underground mine development. Base services to the site have been maintained.

In November 2024, Newfield engaged an independent third party to undertake a strategic review of the Tongo Diamond Mine and current Mine Plan given the current depressed diamond market. This group travelled to the Company site in Sierra Leone on 23rd November 2024 until 3rd December 2024 and has since undertaken a detailed due diligence exercise to review the mine. The due diligence team confirmed their confidence in the Project and the quality of the deposit and proposed that they would have the right team capable of extracting value.

Newfield is now exploring a joint development arrangement with this group which has the potential to significantly reduce upfront capital, and operating costs at the mine. Newfield anticipates reaching an outcome on the joint development arrangement during the March 2025 Quarter.

The Company originally planned to undertake a surface bulk sample of the Kundu Segment D kimberlite which is aimed at generating a +2,000 carat sample for diamond grade and value estimations. Bulk sampling of the Kundu Segment D kimberlite is therefore postponed until the parties agreed the best way forward to develop the project.

Corporate and Financial Matters

Bond Extension

Post the end of the quarter, the Company negotiated an extension to the maturity date of the US\$1 million bond subscription agreement with Fidelitas Deutsche Industrie Holding AG (**Fidelitas**) to 15 March 2025. In consideration for the extension the Company has agreed to pay an extension fee of US\$105,000 to Fidelitas (refer to announcement dated 14 January 2025).

The Company continues to pursue other funding initiatives for both short and long term capital requirements of the Tongo Diamond Mine development, and to refinance the Fidelitas Bond and loan from Wonder Holdings.

Payments to related parties

The table below describes and explains payments to related parties and their associates per Section 6.1 of Appendix 5B following this Quarterly Activities Report.

	Current Quarter \$A'000	Previous Quarter \$A'000
Payments to related parties of the entity and their associates		
Directors' remuneration		
Non-Executive Directors	0 ¹	0 ¹
Total Directors' remuneration	0	0
Associated entities/services	0	-
Total payments to related parties of the entity and their associates	0	0

Note:

1. In an effort to minimise cash expenditure on corporate overheads, all directors of the Company agreed to accrue director fees and salaries.

-ENDS-

Authorised by:

The Board of Directors

Newfield Resources Limited

About the Tongo Diamond Mine:

The Tongo Diamond Mine Development comprises two adjacent mining licences covering a combined area of 134 square kilometres in eastern Sierra Leone. Tongo hosts 11 identified diamondiferous kimberlites, only five of which are incorporated in the current JORC-compliant indicated and inferred diamond resource estimate of 8.3 million carats. A 1.1 million carat probable reserve of this resource has been estimated. Newfield, under its subsidiary company Sierra Diamonds, developed the Tongo Diamond Mine into production, and has achieved two diamond sales to date which have yielded an average price of US\$216 per carat.

JORC Compliance Statement:

The information in this report referring to exploration results, mineral resources and ore reserves in respect of the Tongo Diamond Mine is extracted from the following market announcements released by the Company to ASX:

- '7.4 million carats Resource for the Tongo Diamond Project' released on 26 November 2018;
- 'Revised Announcement and Retraction of Valuation References' released on 28 November 2018; and
- 'Increase in Diamond Resource to 8.3 million carats' released on 27 January 2021.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Schedule of Tenements as of 31 December 2024

PROJECT	TENEMENT NUMBER	TENEMENT NAME	AREA (km ²)	STATUS	NEWFIELD'S INTEREST
<u>SIERRA LEONE</u>					
TONGO KIMBERLITE MINE	ML02/2018	Tongo	9.98	Granted	100%
	ML02/2012	Tonguma	124	Granted	Nil, but subject to the tribute mining agreement
<u>WESTERN AUSTRALIA</u>					
NEWFIELD GOLD PROJECT	M77/0422	Newfield	0.85	Granted	30%
	M77/0846	Woongaring Hills	0.39	Granted	30%

For personal use only

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Newfield Resources Limited

ABN

98 153 219 848

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	(190)	(195)
(c) production	-	(83)
(d) staff costs	-	(520)
(e) administration and corporate costs	(241)	(495)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(431)	(1,293)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-
(f) other non-current assets	-	-

For personal use only

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	400
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	400
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	429	1,240
3.6	Repayment of borrowings	-	(350)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	429	890
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8	13
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(431)	(1,293)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	400
4.4	Net cash from / (used in) financing activities (item 3.10 above)	429	890

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(3)	(7)
4.6	Cash and cash equivalents at end of period	3	3

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3	8
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3	8

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
6.3	Aggregate amount of payments to related parties and their associates included in item 3	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities ⁽ⁱ⁾	11,438	1,108
7.2 Credit standby arrangements	-	-
7.3 Other (please specify) ⁽ⁱⁱ⁾	1,534	1,534
7.4 Total financing facilities	12,972	2,642
7.5 Unused financing facilities available at quarter end		10,330
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>(i) Unsecured loan from Wonder Holdings Pty Ltd with interest of 7.5% per annum, with terms of 18 months from first draw down.</p> <p>(ii) On 14 April 2023, the Company issued 10 unlisted, unsecured short-term bearer bonds with a face value of US\$1 million to Fidelitas Deutsche Industrie Holding AG, which is a group entity of Deutsche BalatonAG, a current shareholder of the Company. The bonds were issued at with a coupon interest of 7.5% p.a. and the parties have agreed to an extended maturity date of 15 March 2025. Refer ASX announcement dated 14 January 2025 for additional details.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(431)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(431)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3
8.5 Unused finance facilities available at quarter end (item 7.5)	10,330
8.6 Total available funding (item 8.4 + item 8.5)	10,333
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	24
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 January 2025

Date:

The Board of Newfield Resources Limited

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.