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Tongo Mine Management Term Sheet with ACA Resources

ANNOUNCEMENT

19 FEBRUARY 2025

Newfield Resources Limited (ASX: **NWF**) (**Company**) advises that it has entered into a term sheet with ACA Resources Pty Ltd ("ACA Resources") to plan for the advance of the Tongo Mine ("Project") in Sierra Leone. The Company through its subsidiary Sierra Diamonds Limited ("SDL"), holds the Tongo mining license (ML02/2018) in eastern Sierra Leone.

ACA Resources is a privately owned resource company. ACA Resources' management team has extensive experience in resource development, mining operations and project turn arounds. They have operated mines in Australia and Africa, and also have experience in developing projects in China, Mongolia, PNG and Sierra Leone.

The Term Sheet establishes the appointment of ACA to manage the restart of mining operations in Sierra Leone, whilst finalising the terms of a Joint Development Agreement for continued production which encapsulates the following key principles:

- ACA to take over all mining operations in Sierra Leone and charge the Company a fee per carat of diamonds produced;
- This fee will be negotiated following the appointment of mining contractors by SDL, which will also be established on the premise of a fixed fee per carat produced, with a floor set against agreed global diamond prices;
- ACA will not charge any other management fee (no contractor passthrough costs or fees associated with managing contractors or suppliers);
- ACA appoints two additional executive board members to SDL, including Mr James Chang as Managing Director;
- SDL will appoint all contractors and suppliers in consultation with ACA;
- The Company to appoint Mr Stuart Clarke to a management position in Newfield Resources;
- The Parties to negotiate suitable long-term incentive packages for ACA as a manager of the Project.

The Term Sheet end date is 30 June 2025. The Parties intends to negotiate and enter into a binding Joint Development Agreement prior to this date.

ACA Managing Director Stuart Clarke said:

"ACA is delighted to have executed a term sheet for ACA to be appointed as the operating manager of Newfield Resources' diamond assets in Sierra Leone. ACA see a significant potential in the Tongo deposit.

Over the past 3 months ACA has seen strong interest from mining contractors and suppliers to help bring Sierra Leone assets into Production. A key focus for both NWF and ACA is to ensure that SDL is seen as a sustainable long term producer of high quality diamonds in Sierra Leone."

-ENDS-

This announcement has been authorised for release by the Company's Board of Directors.



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