



# NEWFIELD

RESOURCES LIMITED

ABN 98 153 219 848

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## NOTICE OF ANNUAL GENERAL MEETING

### EXPLANATORY STATEMENT

### PROXY FORM

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#### **Date of Meeting**

Monday, 30 November 2020

#### **Time and Place of Meeting**

1:00 p.m. (AWST)  
15 McCabe Street  
North Fremantle WA 6159

#### **Important**

This Notice should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their professional adviser prior to voting.

Due to the ongoing COVID-19 pandemic, the Company is taking precautions to facilitate an in-person meeting in accordance with COVID-19 restrictions. If the situation in relation to COVID-19 changes in a way affecting the ability to facilitate an in-person meeting as currently proposed, the Company will provide a further update ahead of the Meeting by way of an announcement on the ASX Market Announcements Platform.

## NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of Newfield Resources Limited (**Company** or **Newfield**) is to be held at:

**Venue:** 15 McCabe Street  
North Fremantle WA 6159

**Date:** Monday, 30 November 2020

**Time:** 1:00 p.m. (AWST)

This Notice should be read in conjunction with the accompanying Explanatory Statement.

## Agenda

### Financial Report – Year Ended 30 June 2020 (no resolution required)

To receive and consider the 2020 Annual Report of the Company for the financial year ended 30 June 2020, together with the Directors' Report and the Auditor's Report.

*Note: There is no requirement for Shareholders to approve these reports.*

### Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **non-binding advisory resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2020 be adopted."*

**Notes:** The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

### Voting Prohibition Statement:

Pursuant to sections 250BD and 250R(4) of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of such a member.

However, these voting prohibitions do not prevent the casting of a vote on the above Resolutions if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Related Party to whom the Resolution would permit a financial benefit to be given, or their Associate.

Members of Key Management Personnel and their closely Related Parties (other than the Chairperson) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairperson may vote as proxy in accordance with an express authorisation for the Chair to exercise the proxy on the Proxy Form.

### Resolution 2 – Re-Election of Director – Mr Anthony Ho

To consider, and if thought fit, to pass with or without amendment, the following as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 14.4, clause 13.2 of the Constitution and for all other purposes, Mr Anthony Ho retires, and being eligible offers himself for election, be elected as a Director."*

### Resolution 3 – Election of Director – Mr Christopher Burton

To consider, and if thought fit, to pass with or without amendment, the following as an **ordinary resolution**:

*"That, for the purposes of Listing Rule 14.4, clause 13.4 of the Constitution and for all other purposes, Mr Christopher Burton retires, and being eligible offers himself for election, be elected as a Director."*

### Resolution 4 – Approval of Additional Placement Facility

To consider and, if thought fit, to pass with or without amendment, the following as a **special resolution**:

*"That the Company have the additional capacity to issue equity securities provided for in Listing Rule 7.1A."*

### Resolution 5 – Approval to issue 1,350,000 Performance Rights to Director – Mr Karl Smithson

To consider and, if thought fit, to pass with or without amendment, the following as an **ordinary resolution**:

*"That, for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 1,350,000 Performance Rights to Mr Karl Smithson, a Director of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

### Resolution 6 – Approval to issue 1,100,000 Performance Rights to Director – Mr Michael Lynn

To consider and, if thought fit, to pass with or without amendment, the following as an **ordinary resolution**:

*"That, for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 1,100,000 Performance Rights to Mr Michael Lynn, a Director of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

### Resolution 7 – Approval to issue 900,000 Performance Rights to Director – Mr Anthony Ho

To consider and, if thought fit, to pass with or without amendment, the following as an **ordinary resolution**:

*"That, for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 900,000 Performance Rights to Mr Anthony Ho, a Director of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

### Resolution 8 – Approval to issue 900,000 Performance Rights to Director – Mr Christopher Burton

To consider and, if thought fit, to pass with or without amendment, the following as an **ordinary resolution**:

*"That, for the purposes of sections 195(4) and 208 of the Corporations Act, Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of 900,000 Performance Rights to Mr Christopher Burton, a Director of the Company (or his nominee) on the terms and conditions set out in the Explanatory Statement."*

### Voting Exclusions for Resolutions 5 to 8:

Pursuant to the Listing Rules, the Company will disregard any votes by or on behalf of a person referred to in Listing Rule 10.14.1, 10.14.2, or 10.14.3 who is eligible to participate in the Plan (or their nominees), or any of their respective associates.

However, this does not apply to a vote cast in favour of Resolutions 5 to 8 by:

- the person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the Chairperson as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chairperson to vote on the Resolution as the Chairperson decides; or

- a holder acting solely in a nominee, trustee, custodial, or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

#### Voting Prohibition Statement for Resolutions 5 to 8:

A vote on Resolutions 5 to 8 must not be cast (in any capacity) by or on behalf of any of the following persons:

- a) the person named in each respective Resolution, or any other Related Parties to whom the Resolution would permit a financial benefit to be given.
- b) Members of Key Management Personnel and their Closely Related Parties in the capacity as proxy, except as stated below.

However, these voting prohibitions do not prevent the casting of a vote on Resolutions 5 to 8 if it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the Resolution, and it is not cast on behalf of a Related Party to whom the Resolution would permit a financial benefit to be given, or their Associate.

Members of Key Management Personnel and their closely Related Parties (other than the Chair) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chair may vote as proxy in accordance with an express authorisation on the Proxy Form.

## Other business

In accordance with section 250S(1) of the Corporations Act, Shareholders are invited to ask questions about or make comments on the management of the Company and to raise any other business which may lawfully be brought before the Annual General Meeting.

## Explanatory Statement

The Explanatory Statement accompanying this Notice is incorporated in and comprises part of this Notice. Shareholders are referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used both in this Notice and the Explanatory Statement.

## Impact of COVID-19 on the Meeting

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an in-person meeting to provide Shareholders with a reasonable opportunity to participate and vote at the Annual General Meeting, while complying with the COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affects the position above, the Company will provide an update ahead of the Meeting by releasing an ASX Announcement.

## Proxies

Please note that:

- A member entitled to attend and vote is entitled to appoint not more than two proxies to attend and vote on behalf of the member.
- A proxy need not be a member of the Company, but must be a natural person (not a corporation). A proxy may also be appointed by reference to an office held by the proxy (e.g. the Company Secretary).
- Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the member's voting rights. If no such proportion is specified, each proxy may exercise half of the member's votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any direct proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms.

## Voting Entitlements

For the purposes of section 1074E(2) of the Corporations Act 2001 and regulation 7.11.37 of the Corporations Regulations 2001, the Company has determined that members holding ordinary shares as set out in the Company's share register 48 hours before the Meeting will be entitled to attend and vote at the Annual General Meeting.

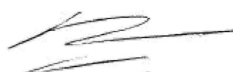
## Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

## Attorneys

If an attorney is to attend the meeting on behalf of a Shareholder, a properly executed original (or originally certified copy) of an appropriate power of attorney must be received by the Company by the deadline for the receipt of Proxy Forms, being no later than 48 hours before the Annual General Meeting.

#### BY ORDER OF THE BOARD



**Anthony Ho**

Executive Director

30 October 2020

## Introduction

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice.

This Explanatory Statement should be read in conjunction with the Notice. Capitalised terms used in this Notice and Explanatory Statement are defined in the Glossary.

### 1. Financial Statements and Reports

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the 2020 Annual Report of the Company for the financial year ended 20 June 2020. The Company's 2020 Annual Report is available on its website at [www.newfieldresources.com.au](http://www.newfieldresources.com.au).

There is no requirement either in the Corporations Act or the Company's Constitution for Shareholders to vote on, approve or adopt the 2020 Annual Report. Shareholders will have a reasonable opportunity at the Meeting to ask questions about or make comments on the Annual Report and on the management of the Company.

The Auditor of the Company is required to attend the Annual General Meeting and will be available to take Shareholders' questions about the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements and the independence of the Auditor in relation to the conduct of the audit.

### 2. Resolution 1 - Remuneration Report

#### 2.1 *General*

The Remuneration Report for the financial year ended 30 June 2020 is included in the Directors' Report of the 2020 Annual Report. The Remuneration Report sets out the Company's remuneration policy and remuneration arrangements in place for the executive Directors and specified executives and non-executive Directors.

#### 2.2 *Voting consequences*

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors or the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

At the Company's 2019 annual general meeting, the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for the 2020 Annual General Meeting.

#### 2.3 *Voting intention*

If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation to vote the proxy in accordance with the Chair's intention.

Given the material personal interests of all Directors in this Resolution, the Board makes no recommendation to Shareholders regarding Resolution 1.

### 3. Resolution 2 – Re-election of Director – Mr Anthony Ho

#### 3.1 *General*

Clause 13.2 of the Constitution requires that at the annual general meeting, one third of the directors must retire from office, provided always that no director (except a managing director) shall hold office for a period in excess of 3 years.

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity. The rule does not apply to the managing director (but if there is more than one, only one is entitled not to be subject to re-election).

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

A director who retires by rotation under clause 13.2 of the Constitution or Listing Rule 14.5 is eligible for re-election.

Mr Anthony Ho retires by rotation at this Meeting and, being eligible, offers himself re-election.

Mr Ho is a commerce graduate of the University of Western Australia. He qualified as a chartered accountant in 1983 with Deloitte and is presently a principal of a consultancy firm and has significant experience in the resource industry, having served as a director and secretary of a number of listed companies.

Mr Ho is an executive director, and the Board does not consider him to be an independent director.

If Resolution 2 is passed, Mr Ho will be re-elected as an executive Director of the Company.

If Resolution 2 is not passed, Mr Ho will no longer be an executive Director of the Company.

#### 3.2 *Board Recommendation*

The Board has considered Mr Ho's performance since his appointment to the Board and considers that Mr Ho's skills and experience will continue to enhance the Board's ability to perform its role.

The Board (other than Mr Ho) is not aware of any additional information that would be considered material to Shareholders' decision to elect Mr Ho and recommends Shareholders vote in favour of Resolution 2.

#### 3.3 *Voting intention*

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 2.

### 4. Resolution 3 – Election of Director – Mr Christopher Burton

#### 4.1 *General*

In accordance with clause 13.4 of the Constitution, any director appointed to fill a casual vacancy or as an addition to the Board holds office only until the next following general meeting and is then eligible for election by Shareholders.

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer. However, a director appointed to fill a casual vacancy or

as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity. The rule does not apply to the managing director (but if there is more than one, only one is entitled not to be subject to re-election).

Mr Christopher Burton was appointed as a non-executive director on 1 November 2019. He retires in accordance with clause 13.4 of the Constitution and Listing Rule 14.4 and, being eligible, is seeking election from Shareholders.

Mr Burton is a chartered accountant and registered company auditor with over 22 years of finance sector experience from roles in both public practice and the private sector. He is a former partner of accounting firm BDO where he spent eight years in audit and assurance services focusing on ASX listed companies in a wide range of industries including exploration and mining companies. He currently provides corporate, financial and compliance services to ASX listed and private clients to strengthen their reporting, risk and governance practices. He is a facilitator with the Australian Institute of Company Directors where he delivers the finance modules for the company directors' course.

If Resolution 3 is passed, Mr Burton will be re-elected as a non-executive Director of the Company.

If Resolution 3 is not passed, Mr Burton will no longer be a non-executive Director of the Company.

#### 4.2 Board Recommendation

The Board has considered Mr Burton's performance since his appointment to the Board and considers that Mr Burton's skills and experience will continue to enhance the Board's ability to perform its role.

The Board (other than Mr Burton) is not aware of any additional information that would be considered material to Shareholders' decision to elect Mr Burton and recommends Shareholders vote in favour of Resolution 3.

#### 4.3 Voting intention

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 3.

### 5. Resolution 4 – Approval of Additional Placement Capacity

#### 5.1 General

Resolution 4 seeks Shareholder approval for an additional issuing capacity under ASX Listing Rule 7.1A (**Additional Placement Facility**).

If approved, Resolution 4 would enable the Company to issue additional Equity Securities (calculated below) over a 12-month period without obtaining Shareholder approval.

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without approval of its shareholders over any 12-month period to 15% of the fully-paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An "eligible entity" means an entity which is not included in the S&P/ASX 300 index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes. At the date of this Notice, the Company's market capitalisation is approximately \$127.8 million.

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

#### 5.2 Information on Additional Placement Facility

##### a) Quoted securities

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX.

As at the date of this Notice, the Company has only one class of Equity Securities quoted on ASX, being its fully-paid ordinary Shares (ASX: NWF). Presently, there are 581,299,552 Shares on issue.

##### b) Formula for Additional Placement Facility

If this Resolution 4 is passed, the Company may issue or agree to issue, during the 12-month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula.

$$\text{Additional Placement Capacity} = (A \times D) - E$$

where:

A = the number of fully-paid ordinary securities on issue at the commencement of the relevant period:

- plus the number of fully-paid ordinary securities issued in the relevant period under an exception in ASX Listing Rule 7.2 other than exception 9, 16, or 17;

- plus the number of fully-paid ordinary securities issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:

- o the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
- o the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;

- plus the number of fully-paid ordinary securities issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16 where:

- o the agreement was entered into before the commencement of the relevant period; or
- o the agreement or issue was approved, or taken under the Listing Rules to have been approved under Listing Rule 7.1 or 7.4;

- plus the number of fully paid ordinary securities issued in the relevant period with approval under Listing Rule 7.1 or ASX Listing Rule 7.4;
- plus the number of partly-paid ordinary securities that became fully-paid in the relevant period;
- less the number of fully-paid ordinary securities cancelled in the relevant period;

D = 10%; and

E = the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.



### 5.3 ASX Listing Rule requirements

In accordance with Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the Additional Placement Facility:

#### a) Period for which the approval will be valid

The Additional Placement Facility would commence on the date of the Meeting and expire on the first to occur of the following:

- the date that is 12 months after this Meeting (i.e. 30 November 2021);
- the time and date of the Company's next annual general meeting; or
- the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

#### b) Minimum price at which equity securities may be issued

Any Equity Securities issued under the Additional Placement Facility must be in an existing quoted class of the Company's securities and issued for cash consideration per security which is not less than 75% of the VWAP for securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the securities are to be issued is agreed; or
- if the securities are not issued within 10 trading days of the above date, the date on which the securities are issued.

#### c) Purposes for which the funds raised by an issue of equity securities may be used

The Company may seek to issue Equity Securities under the Additional Placement Facility for cash consideration to fund business growth (including in relation to development of the Company's projects), to acquire new assets or make investments, to develop the Company's existing assets and operations, and for general working capital.

#### d) Risk of economic and voting dilution

If Resolution 4 is passed and the Company issues securities under the Additional Placement Facility, there will be a risk to existing Shareholders of economic and voting dilution, including the risk that:

- the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and
- the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

The numbers are calculated on the basis of the latest available market price of Shares before the date of this Notice and the current number of Shares on issue.

Variable A in Listing Rule 7.1A.2	Number of Shares issued under the Additional Placement Facility	Dilution		
		Funds raised based on an issue price of \$0.11 (50% decrease in Market Price)	Funds raised based on an issue price of \$0.22 (Current Market Price)	Funds raised based on an issue price of \$0.33 (50% increase in Market Price)
<b>Current Variable A</b> 581,299,552	<b>58,129,955</b>	\$6,394,295	\$12,788,590	\$19,182,885
<b>50% increase in current Variable A</b> 871,949,328	<b>87,194,933</b>	\$9,591,443	\$19,182,885	\$28,774,328
<b>100% increase in current Variable A</b> 1,162,599,104	<b>116,259,910</b>	\$12,788,590	\$25,577,180	\$38,365,770

Notes: The table has been prepared on the following bases/assumptions:

- The Company issues the maximum number of Equity Securities available under the Additional Placement Facility.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the Additional Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
- The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- The issue of Equity Securities under the Additional Placement Facility consists only of Shares.
- The current market price set out above is the last price at which Shares were traded prior to 20 October 2020, being \$0.22.

#### e) Allocation policy

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Security holders can participate;
- the effect of the issue of the new Equity Securities on the control of the Company;
- the financial situation and solvency of the Company; and
- advice from corporate and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under ASX Listing Rule 7.2. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A.4 and 3.10.3 upon issue of any Equity Securities under the Additional Placement Facility.

**f) Previous issues under Listing Rule 7.1A in previous 12 months**

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A and as such no securities have been issued pursuant thereto.

No voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded from voting on Resolution 4.

**5.4 Board recommendation**

The Board believes that Resolution 4 is in the best interests of the Company and recommends that Shareholders vote in favour of this Resolution.

**5.5 Voting intention**

The Chair of the Meeting intends to vote all undirected proxies in favour of Resolution 4.

**6. Resolutions 5 to 8 – Approval of the issue of Performance Rights to Directors**

**6.1 General**

The Company seeks Shareholders' approval of Resolutions 5 to 8 pursuant to Listing Rule 10.14 and Chapter 2E of the Corporations Act to issue a total of 4,250,000 Performance Rights to Messrs Karl Smithson, Michael Lynn, Anthony Ho and Christopher Burton (**Directors**) or their respective nominees, pursuant to the Company's Performance Rights Plan (**Plan**) which will vest on achievement of the milestones set out below (**Performance Rights**):

Director	Number of Class A Performance Rights	Number of Class B Performance Rights	Total
K Smithson	675,000	675,000	1,350,000
M Lynn	550,000	550,000	1,100,000
A Ho	450,000	450,000	900,000
C Burton	450,000	450,000	900,000
<b>Total</b>	<b>2,125,000</b>	<b>2,125,000</b>	<b>4,250,000</b>

The Company has carefully considered key projects and business objectives and believes that offering the Performance Rights is an appropriate method of linking the Company's current remuneration and incentive structure to the achievement of medium-term goals as it furthers the development of its flagship asset, the Tongo Diamond Project, located in eastern Sierra Leone.

The above Performance Rights are subject to the following milestones:

- a. **Class A Performance Rights** – will vest upon the announcement by the Company to the ASX market announcements platform of:
  - i. at least a further 250 metres of underground development on the Kundu kimberlite dyke (when compared to the underground development as at the date of the Meeting), with all associated underground electrical, pumping and rescue bay infrastructure fully incorporated; and
  - ii. the establishment of underground Level-1 development and return airway development on the Kundu kimberlite dyke.
- b. **Class B Performance Rights** - will vest upon the announcement by the Company to the ASX market announcements platform of:
  - i. at least a further 250 metres of underground development on the Kundu kimberlite dyke (when compared to the

- underground development as at the date of the Meeting), with all associated underground electrical, pumping and rescue bay infrastructure fully incorporated;
- ii. the establishment of underground Level-1 development and return airway development on the Kundu kimberlite dyke; and
- iii. diamond production from the Kundu kimberlite dyke of not less than 5,000 carats.

Each class of Performance Rights expires 3 years from the date of issue.

A summary of the key terms of the Plan, which was approved by Shareholders at the Company's 2019 annual general meeting held on 27 November 2019, are set out in Schedule 1. A summary of the key terms and conditions of the Performance Rights are set out in Schedule 2. In addition, a copy of the Plan is accessible on the Company's website at [www.newfieldresources.com.au](http://www.newfieldresources.com.au).

The Board considers that the grant of the Performance Rights is reasonable given the Company's size and stage of development, and that the incentives represented by the issue of the Performance Rights are a cost effective and efficient reward incentive, as opposed to alternative forms of incentive, such as the payment of cash compensation. It is also not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Performance Rights on the terms proposed.

The Performance Rights have been set to align the Directors' interests with interests of the Company's Shareholders such that rewards will only vest on the achievement of the milestones set out above.

Resolutions 5 to 8 are ordinary resolutions.

**6.2 Listing Rule 10.14**

Listing Rule 10.14 provides that a listed company must not permit any of the following persons to acquire equity securities under an employee incentive scheme:

- 10.14.1—a director of the company;
- 10.14.2—an Associate of a director of the company; or
- 10.14.3—a person whose relationship with the company or a person referred to in Listing Rule 10.14.1 or 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by its shareholders,

unless it obtains the approval of its shareholders.

Messrs Karl Smithson, Michael Lynn, Anthony Ho and Christopher Burton are each a related party of the Company by virtue of being Directors.

The issue of the Performance Rights to the Directors under the Plan falls within Listing Rule 10.14.1 above and therefore requires the approval of the Company's Shareholders under Listing Rule 10.14.

Resolutions 5 to 8 seek the required Shareholder approval to the issue of the Performance Rights under and for the purposes of Listing Rule 10.14.

If any of Resolutions 5 to 8 are passed, the Company will be able to proceed with the issue and the relevant Director will be issued the Performance Rights under that Resolution.

If any of Resolutions 5 to 8 are not passed, the Company will not be able to proceed with the issue and the relevant Director will not be issued the Performance Rights under that Resolution.

**6.3 Chapter 2E of the Corporations Act**

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party (such as a director) of the company without shareholder approval unless either:

- a) the giving of the financial benefit falls within one of the exceptions set out in sections 210 to 216 of the Corporations Act; or
- b) shareholder approval is obtained prior to the giving of the financial benefit.

The grant of Performance Rights constitutes giving a financial benefit as the Directors are related parties of the Company by virtue of being directors. It is the view of the Directors that the exceptions under Chapter 2E of the Corporations Act may not apply in the current circumstances.

Accordingly, Shareholder approval pursuant to Chapter 2E of the Corporations Act is required for the issue of the Performance Rights to Directors (or their nominees).

#### 6.4 Section 208 of the Corporations Act

Director	Class A Performance Rights	Class B Performance Rights	Total
K Smithson	675,000	675,000	1,350,000
M Lynn	550,000	550,000	1,100,000
A Ho	450,000	450,000	900,000
C Burton	450,000	450,000	900,000
<b>Total</b>	<b>2,125,000</b>	<b>2,125,000</b>	<b>4,250,000</b>

Section 208 of the Corporations Act provides that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The offer of Performance Rights to the Directors (or their nominees), as contemplated by Resolutions 5 to 8, constitutes the giving a financial benefit for the purposes of the Corporations Act to each of the named Directors as Related Parties of the Company.

Accordingly, Shareholder approval is sought for the purposes of section 208 of the Corporations Act.

#### 6.5 Section 195 of the Corporations Act

Section 195(1) of the Corporations Act provides a general restriction on a director who has a material personal interest in a matter being considered at a directors' meeting from being present during any discussion on the resolution or voting on the resolution at the directors' meeting.

Section 195(4) of the Corporations Act provides that where there are insufficient directors to form a quorum at a directors' meeting because of section 195(1), the directors can call a general meeting of shareholders to consider the matter.

The Directors are unable to form a quorum to consider any matters relating to the proposed issue of the Performance Rights under Resolutions 5 to 8, as each Director has a material interest in the outcome of their respective Resolution. Therefore, the Directors are seeking approval under section 195(4) of the Corporations Act regarding the matter.

#### 6.6 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of Performance Rights under Resolutions 5 to 8:

#### a) Name of the person

Resolutions 5 to 8 contemplate the issue of Performance Rights to Messrs Karl Smithson, Michael Lynn, Anthony Ho, and Christopher Burton (or their nominees) respectively.

#### b) Which category in Listing Rules 10.14.1—10.14.3 the person falls within and why

Each of Messrs Karl Smithson, Michael Lynn, Anthony Ho and Christopher Burton are Directors of the Company and therefore fall within Listing Rule 10.14.1.

#### c) The number and class of securities proposed to be issued to the person

It is proposed that 1,350,000 Performance Rights be issued to Mr Smithson, 1,100,000 Performance Rights to Mr Lynn and 900,000 Performance Rights to each of Messrs Ho and Burton.

#### d) Details of the Directors' current total remuneration package

Details of the Directors' current total remuneration packages are set out below:

Director	Remuneration (FY20) (\$)	Remuneration (FY19) (\$)
K Smithson	395,865	278,166
M Lynn	355,407	251,658
A Ho	144,984	144,984
C Burton	36,000	N/A <sup>1</sup>

Notes:

1. Mr Christopher Burton was appointed as director on 1 November 2019.

#### e) The number and acquisition price of securities previously issued to the recipients under the employee incentive scheme

Nil. No securities have been previously issued to the Directors under the Plan.

#### f) Material terms of securities and reason for issue

A summary of the key terms and conditions of the Performance Rights are set out in Schedule 2.

The Performance Rights are subject to the Performance Milestones set out at section 6.1 above and expire 3 years from the date of issue.

The primary purposes of the grant of Performance Rights to the Directors are to provide a performance linked incentive component in the remuneration package for the Directors, as well as cost effective form of remuneration for their ongoing commitment and contribution to the Company and to align their interest with those of the Shareholders.

#### g) Date of issue

The Performance Rights will be issued no later than 12 months after the date of the Meeting (or such later date to the extent permitted under the Listing Rules).

#### h) Price of issue

The Performance Rights will be issued for nil consideration.

#### i) Material terms of employee incentive scheme

A summary of the key terms and conditions of the Plan are set out in Schedule 1. In addition, a copy of the Plan is accessible on the Company's website at [www.newfieldresources.com.au](http://www.newfieldresources.com.au).



j) **A summary of the material terms of any loan that will be made to the person in relation to the acquisition**

No loan has been or will be given to Messrs Karl Smithson, Michael Lynn, Anthony Ho and Christopher Burton in relation to the grant of the Performance Rights.

k) **Statement**

As required by Listing Rule 10.15.11, the Company confirms that:

- Details of any securities issued under the Plan will be published in the Company's annual report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under Listing Rule 10.14.
- Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of securities under the Plan after the resolution is approved and who were not named in the notice of meeting will not participate until approval is obtained under that rule.

*6.7 Specific information required by Chapter 2E of the Corporations Act*

Section 219 of the Corporations Act requires that the following information be provided to Shareholders in relation to Resolutions 5 to 8 for the purposes of obtaining approval under Section 208 of the Corporations Act:

a) **Names of the Related Parties**

The names of the Related Parties are:

- in respect of Resolution 5 – Mr Karl Smithson (or his nominee);
- in respect of Resolution 6 – Mr Michael Lynn (or his nominee);
- in respect of Resolution 7 – Mr Anthony Ho (or his nominee); and
- in respect of Resolution 8 – Mr Christopher Burton (or his nominee).

b) **Nature of the financial benefit**

The nature of financial benefit that will be given to the Directors (or their nominees) of the Company if Resolutions 5 to 8 are approved is the issue of a total of 4,250,000 Performance Rights as follows:

- Mr Karl Smithson (or his nominee) is to be 1,350,000 Performance Rights (being 675,000 Class A Performance Rights and 675,000 Class B Performance Rights);
- Mr Michael Lynn (or his nominee) is to be 1,100,000 Performance Rights (being 550,000 Class A Performance Rights and 550,000 Class B Performance Rights);
- Mr Anthony Ho (or his nominee) is to be 900,000 Performance Rights (being 450,000 Class A Performance Rights and 450,000 Class B Performance Rights); and
- Mr Christopher Burton (or his nominee) is to be 900,000 Performance Rights (being 450,000 Class A Performance Rights and 450,000 Class B Performance Rights).

c) **Value of the financial benefit**

A valuation of the Performance Rights is set out in Schedule 3.

d) **Remuneration of Related Parties**

Details of the Directors' current total remuneration packages are set out below.

Director	Remuneration (FY20) (\$)	Remuneration (FY19) (\$)
K Smithson	395,865	278,166
M Lynn	355,407	251,658
A Ho	144,984	144,984
C Burton	36,000	N/A <sup>1</sup>

Notes:

1. Mr Christopher Burton was appointed as director on 1 November 2019.

e) **Security holdings of Related Parties**

The table below sets out the securities and rights in the Company in which the Directors have a direct or indirect interest at the date of the Notice. The table does not include the Performance Rights to be issued to the Directors subject to Shareholder approval of Resolutions 5 to 8:

Director	Shares	Options
K Smithson	4,354,359	Nil
M Lynn	972,000	1,500,000 <sup>1</sup>
A Ho	Nil	400,000 <sup>1</sup>
C Burton	Nil	Nil

Notes:

1. Unquoted options exercisable at \$0.50 each on or before 31 December 2020.

f) **Voting interests and voting power**

If the Performance Rights granted to the Directors vest and are subsequently exercised, a total of 4,250,000 Shares would be issued. This will increase the number of Shares on issue from 581,299,552 to 585,549,552 (assuming that no other Options are exercised, and no other Shares are issued). The respective interests of the Directors in the Company would be as follows:

- Mr Karl Smithson's interest would represent approximately 0.97% of the Company's expanded capital;
- Mr Michael Lynn's interest would represent approximately 0.35% of the Company's expanded capital;
- Mr Anthony Ho's interest would represent approximately 0.15% of the Company's expanded capital; and
- Mr Christopher Burton's interest would represent approximately 0.15% of the Company's expanded capital.

g) **Trading History**

The trading history of the Shares on ASX in the 12 months before the date of this Notice is set out below:

	Price	Date
Highest	\$0.230	25 September 2020
Lowest	\$0.145	6 February 2020
Last	\$0.22	19 October 2020

h) **Dilution**

If Resolutions 5 to 8 are approved, a total 4,250,000 Performance Rights will be offered to Messrs Karl Smithson, Michael Lynn, Anthony Ho and Christopher Burton (or their nominees). The offer of these 4,250,000 Performance Rights will not, at the time of grant, have any dilutionary effect to the shareholding interests of existing Shareholders.

If 4,250,000 Performance Rights are exercised by each Director into Shares, the dilution to the shareholding interests of existing Shareholders will be approximately 0.7%.

i) **Funds raised**

The Performance Rights are being offered to the Directors (or their nominees) at a nil issue price, accordingly, the Company will not raise any funds from the issue of the Performance Rights.

j) **Directors' interests in the proposed Resolutions**

Karl Smithson has a material personal interest in the outcome of Resolution 5 and will be the only Director to receive a benefit from that Resolution.

Michael Lynn has a material personal interest in the outcome of Resolution 6 and will be the only Director to receive a benefit from that Resolution.

Anthony Ho has a material personal interest in the outcome of Resolution 7 and will be the only Director to receive a benefit from that Resolution.

Christopher Burton has a material personal interest in the outcome of Resolution 8 and will be the only Director to receive a benefit from that Resolution.

The Board is not aware of any other information that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interest of the Company to pass Resolutions 5 to 8.

**6.8 Recommendations of Directors**

Each recipient of Performance Rights as contemplated by Resolutions 5 to 8 is a Related Party of the Company by virtue of being a Director of the Company.

In the interests of good corporate governance, Messrs Karl Smithson, Michael Lynn, Anthony Ho and Christopher Burton decline to make any recommendations as to how Shareholders should vote on any of Resolutions 5 to 8 (not just in respect of those Resolutions in which they individually have a material personal interest), as they may each acquire a relevant interest in Performance Rights if Resolutions 5 to 8 are approved.

**GLOSSARY**

**2020 Annual Report** means the annual financial report of the Company for the year ended 30 June 2020.

**\$** means an Australian dollar, unless specified otherwise.

**Annual General Meeting** means the annual general meeting the subject of this Notice.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) and where the context permits the Australian Securities Exchange operated by ASX Limited.

**Auditor** refers to the auditor of the Company, BDO Audit (WA) Pty Ltd (ACN 112 284 787).

**AWST** means Western Standard Time, as observed in Perth, Western Australia.

**Board** means the current board of directors of the Company.

**Chair** means the Chair of the Meeting.

**Closely Related Party** of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependant of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity; a company the member controls; or
- (e) a person prescribed by the *Corporations Regulations 2001 (Cth)*.

**Company** or **Newfield** means Newfield Resources Limited (ACN 153 219 848).

**Constitution** means the Company's constitution.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Director** means a Director of the Company and **Directors** means the directors of the Company.

**Equity Security** means:

- (a) a share;
- (b) a unit in a trust;
- (c) a right to a share or option or unit in a trust;
- (d) an option over an issued or unissued security;
- (e) a convertible security; or
- (f) any security that ASX decides to classify as an equity security.

**Explanatory Statement** means this explanatory statement accompanying the Notice of Annual General Meeting.

**Listing Rules** means the official listing rules of ASX.

**Meeting** means the 2020 Annual General Meeting of the Company as convened by this Notice.

**Notice** means the notice of annual general meeting accompanying this Explanatory Statement.

**Performance Rights** means the performance rights as described in Section 6.1 of the Notice.

**Plan** means the Company's Performance Rights Plan approved by Shareholders at the annual general meeting held on 27 November 2019.

**Proxy Form** means the proxy form accompanying the Notice.

**Remuneration Report** means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2020.

**Resolution** mean the resolutions set out in this Notice, or any one of them, as the context requires.

**Section** means a section of this Notice of Meeting.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**VWAP** volume weighted average price.

## Key terms of the Performance Rights Plan

### Offers

The Company may from time to time during the operation of the Performance Rights Plan (**Plan**) make an offer in writing to any Eligible Employee specifying:

- the number of Performance Rights for which the Eligible Employee may subscribe;
- the period during which the offer may be accepted;
- any conditions that will apply;
- the period (if any) that an Eligible Employee must wait before any ordinary shares acquired on the exercise of any Right may be disposed of;
- the date on which the Eligible Employee's right to subscribe for and be issued or transferred ordinary shares will lapse;
- circumstances in which the Eligible Employee's right to subscribe for and be issued or transferred ordinary shares will lapse; and
- any other matters required to be specified by the Corporations Act or the ASX Listing Rules.

### Eligible Employees

Any full-time or part-time employee, or any Director of the Company or any subsidiary and any casual employee or contractor, subject to the necessary ASIC relief being obtained.

### Grant of Performance Rights

Performance Rights offered to an Eligible Employee will entitle the Eligible Employee to subscribe for and be issued the relevant number of fully paid ordinary shares.

### Exercise price

There will be no exercise price required to be paid on exercise of the Right.

### Not transferable

Performance Rights are not transferable.

### Vesting conditions

The Board will determine the vesting conditions (if any) that must be satisfied before a Performance Right vests and can be exercised, and the date by which a vesting condition must be satisfied.

If a participant dies, becomes permanently disabled, is retrenched, reaches the age of retirement or is given a bona fide redundancy, or if the Company is in the process of winding-up, and at that time the participant holds Performance Rights which are subject to the satisfaction of any relevant vesting condition, the Board may resolve that all or a specified number of the participant's Performance Rights vest immediately.

### Cessation of employment

If a participant ceases to be an employee before or after he or she has satisfied the vesting conditions attaching to an offer of Performance Rights, then all rights in respect of those Performance Rights lapse, unless the participant ceases to be an employee by reason of death, permanent disability, retrenchment, retirement or redundancy.

### Death, permanent disability, retirement, retrenchment or redundancy

If a participant dies, becomes permanently disabled, is retrenched, reaches the age of retirement or is given a bona fide redundancy, and at that time the participant holds a right to subscribe for ordinary shares (whether or not subject to satisfaction of any relevant vesting condition), the participant, or in the event of death or legal incapacity, the participant's legal personal representative, retains the Performance Rights subject to lapsing for any other reason under the Plan.

### Adjustments and reorganisations

A participant has no right to any variation in the offer price or the number of securities to be granted in an offer of shares upon the occurrence of a new issue of shares or other securities to holders of shares, unless the participant has validly exercised their Performance Rights in accordance with the Plan prior to the record date for the new issue.

In respect of a participant who has accepted an offer of Performance Rights, if there is a bonus issue to the Company's Shareholders prior to the time at which the Right has been exercised, that participant will be entitled, upon later issue of the relevant ordinary shares, to receive an issue of so many additional shares as would have been issued to a Shareholder who, on the record date for determining entitlements under the bonus issue, held ordinary shares equal in number to the shares comprised in the offer of Performance Rights.

In the event of any reorganisation of the issued capital of the Company other than a bonus issue, the rights of each participant will be changed to the extent necessary to comply with the ASX Listing Rules (where relevant) applying to a reorganisation of capital of a body corporate.

### Takeover

If the Board determines that there has been a change of control of the Company, the replacement of a majority of the Board is imminent or that a bidder who did not have a relevant interest in more than 50% of the Company's issued shares has acquired (or become entitled to acquire) a relevant interest in more than 50% of the Company's issued shares, then the Board may resolve that the Company notify each participant in writing that some or all of the participant's unvested Performance Rights have vested on the basis of a pro-rated achievement of any vesting conditions applying to those unvested Performance Rights.

### Termination or suspension

Subject to the Listing Rules, the Plan may be amended at any time by a resolution of the Board.

### Plan Limit

The Directors will not make an Offer or issue Performance Rights in accordance with the Plan unless they have reasonable grounds to believe that the number of underlying Shares that form part of the issued capital of the Company that have been or may be issued in any of the circumstances covered by the following paragraphs will not exceed 5% of the total number of underlying Shares in that class on issue:

- Underlying Shares that may be issued under the Offer; and
- Underlying shares issued or that may be issued as a result of offers made at any time during the previous 3-year period under:
  - (a) an employee incentive scheme covered by ASIC Class Order [CO 14/1000];
  - (b) An ASIC exempt arrangement of a similar kind to an employee incentive scheme.

## Terms and Conditions of Performance Rights

### Entitlement

The Performance Rights entitle the holder (**Holder**) to subscribe for one Share upon the conversion of the Performance Rights. The Performance Rights will be granted for nil cash consideration.

### Conversion price

The conversion price of each Performance Right is nil.

### Vesting Conditions

Subject to these terms and conditions, the vesting of a Performance Right subject to the satisfaction of the relevant milestones specified below (each referred to as a Milestone):

Performance Right	Applicable Milestone	Expiry Date	Number
Class A	<b>Class A Performance Rights</b> – will vest upon the announcement by the Company to the ASX market announcements platform of: <ol style="list-style-type: none"> <li>at least a further 250 metres of underground development on the Kundu kimberlite dyke (when compared to the underground development as at the date of the Meeting), with all associated underground electrical, pumping and rescue bay infrastructure fully incorporated; and</li> <li>the establishment of underground Level-1 development and return airway development on the Kundu kimberlite dyke.</li> </ol>	3 years from the date of issue	2,125,000
Class B	<b>Class B Performance Rights</b> - will vest upon the announcement by the Company to the ASX market announcements platform of: <ol style="list-style-type: none"> <li>at least a further 250 metres of underground development on the Kundu kimberlite dyke (when compared to the underground development as at the date of the Meeting), with all associated underground electrical, pumping and rescue bay infrastructure fully incorporated;</li> <li>the establishment of underground Level-1 development and return airway development on the Kundu kimberlite dyke; and</li> <li>diamond production from the Kundu kimberlite dyke of not less than 5,000 carats.</li> </ol>	3 years from the date of issue	2,125,000

### Note:

- For further information and details on the progress of the Tongo Diamond Project, please refer to the March 2019 Quarterly Activities Report dated 30 April 2020 and the market update entitled "Tongo Ore Reserve Estimate and FEED Study Outcomes" dated 19 May 2020 as well as all relevant ASX market announcements released to date.

### Change of Control

Upon:

- a takeover bid under Chapter 6 of the Corporations Act having:
  - been made in respect of the Company;
  - received acceptances for not less than 50.1% of the Company's shares on issue; and
  - been declared unconditional by the bidder; or
- a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent the Performance Rights have not vested due to satisfaction of the Vesting Condition, the Performance Rights automatically vest to that number of Shares which when issued together with all Shares issued under any other class of Performance Rights then on issue, is equal to the lesser of one Share per Performance Right and 10% of the total Shares on issue in the Company at that time. Performance Rights that are not vested and converted into Shares will continue to be held by the holder on the same terms and conditions.

### Takeovers Limitation

Notwithstanding any other provisions of these terms, if the conversion of any Performance Rights would result in any person being in breach of section 606(1) of the Corporations Act, the conversion of each Performance Right that would cause the contravention will be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1).

### Expiry of Performance Rights

A Performance Right will lapse upon the relevant Milestone becoming incapable of satisfaction on or before the date that is 3 years from the date of issue.

### Shares Issued on Exercise

Shares issued on the exercise of a Performance Rights rank equally with the then Shares of the Company.

### No cash consideration

The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the issue of Shares after vesting.

### Timing of issue of Shares

- As soon as practicable after the satisfaction of a Performance Right Milestone, the Company shall give written notice to the holder that the relevant Milestone has been satisfied.
- As soon as practicable after the later of the following:
  - the Company receives a notice of conversion or the Performance Rights; and
  - excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceasing to be excluded information,
 the Company will:
  - issue the Shares pursuant to the exercise of the Performance Rights;
  - give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and
  - apply for official quotation on ASX of Shares issued pursuant to the exercise of the Performance Rights.



**Quotation**

The Company will not apply for quotation of the Performance Rights on ASX.

**Transferability of Performance Rights**

The Performance Rights are not transferable.

**Participation in New Issues**

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

**Adjustments for Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the holders of Performance Rights will be varied in accordance with the Listing Rules.

**Voting rights**

A Performance Right does not entitle the Holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the Listing Rules where such rights cannot be excluded by these terms.

**Dividend rights**

A Performance Right does not entitle the Holder to any dividends.

**Return of capital rights**

The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

**Rights on winding up**

The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

**Valuation of Performance Rights**

The Performance Rights to be issued to the Related Parties pursuant to Resolution 5 to 8 have been valued using Black & Scholes valuation model based on the assumptions set out below:

<b>Assumptions</b>	<b>Class A Performance Rights</b>	<b>Class B Performance Rights</b>
Valuation Date	19 October 2020	19 October 2020
Market price of Shares (at Valuation Date)	\$0.22	\$0.22
Exercise price	Nil	Nil
Performance/ vesting period (years)	3 years	3 years
Risk free interest rate	0.14%	0.14%
Share price volatility	24.61%	24.61%
Dividend yield	Nil	Nil
<b>Theoretical value per Performance Right</b>	<b>\$0.22</b>	<b>\$0.22</b>
<b>Number of Performance Rights per Tranche</b>	<b>2,125,000</b>	<b>2,125,000</b>
<b>Total theoretical value per Tranche</b>	<b>\$467,500</b>	<b>\$467,500</b>

<b>Indicative theoretical value of Rights</b>	<b>Class A Performance Rights</b>	<b>Class B Performance Rights</b>
Mr Karl Smithson	\$148,500	\$148,500
Mr Michael Lynn	\$121,000	\$121,000
Mr Anthony Ho	\$99,000	\$99,000
Mr Christopher Burton	\$99,000	\$99,000

**Notes:**

Australian Accounting Standards require the Performance Rights to be expensed over the vesting period in accordance with AASB 2 – Share Based Payments. Accordingly, the Performance Rights are expected to be expensed over a 3-year period. Expensing the Performance Rights will have the effect of increasing both expenses and the equity of the Company. There will be no impact on the net assets, cash position or financial resources of the Company as a result of expensing the Performance Rights.

## LODGE YOUR PROXY APPOINTMENT ONLINE



### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



### MOBILE DEVICE PROXY APPOINTMENT

Lodge your proxy by scanning the QR code below, and enter your registered postcode.

It is a fast, convenient and a secure way to lodge your vote.

## 2020 ANNUAL GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Newfield Resources Limited and entitled to attend and vote hereby:

### APPOINT A PROXY

The Chair of the Meeting **OR**



**PLEASE NOTE:** If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit), at the Annual General Meeting of the Company to be held at **15 McCabe Street, North Fremantle WA 6159 on 30 November 2020 at 1:00 pm AWST** and at any adjournment or postponement of that Meeting.

**Chair's voting intentions in relation to undirected proxies:** The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

**Chair authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chair of the Meeting as my/our proxy (or the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 1, 5, 6, 7 & 8 (except where I/we have indicated a different voting intention below) even though these resolutions are connected directly or indirectly with the remuneration of a member(s) of key management personnel, which includes the Chair.

### VOTING DIRECTIONS

#### Resolutions

	For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-Election of Director – Mr Anthony Ho	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Election of Director – Mr Christopher Burton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of Additional Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to issue 1,350,000 Performance Rights to Director – Mr Karl Smithson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval to issue 1,100,000 Performance Rights to Director – Mr Michael Lynn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Approval to issue 900,000 Performance Rights to Director – Mr Anthony Ho	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Approval to issue 900,000 Performance Rights to Director – Mr Christopher Burton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



\* If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

### SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)




Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address



Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

## HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU.  
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

### CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

### APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

### DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

### VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each Resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any Resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given Resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a Resolution, your vote on that Resolution will be invalid.

### PROXY VOTING BY KEY MANAGEMENT PERSONNEL

If you wish to appoint a Director (other than the Chair) or other member of the Company's key management personnel, or their closely related parties, as your proxy, you must specify how they should vote on Resolutions 1, 5, 6, 7 & 8, by marking the appropriate box. If you do not, your proxy will not be able to exercise your vote for Resolutions 1, 5, 6, 7 & 8.

**PLEASE NOTE:** If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a Resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that Resolution.

### APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning **Advanced Share Registry Limited** or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

### COMPLIANCE WITH LISTING RULE 14.11

In accordance with Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company you are in compliance with Listing Rule 14.11.

### CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

### SIGNING INSTRUCTIONS ON THE PROXY FORM

#### Individual:

Where the holding is in one name, the shareholder must sign.

#### Joint Holding:

Where the holding is in more than one name, all of the shareholders should sign.

#### Power of Attorney:

If you have not already lodged the Power of Attorney with Advanced Share Registry Limited, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

#### Companies:

Where the company has a sole director who is also the sole company secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a company secretary, a sole director can sign alone. Otherwise this form must be signed by a director jointly with either another director or a company secretary. Please sign in the appropriate place to indicate the office held.

### LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 1:00 pm AWST on 28 November 2020, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.

**Due to the ongoing COVID-19 pandemic, the Company strongly encourages shareholders to either lodge a direct proxy form or vote online prior to the Meeting.**



#### ONLINE PROXY APPOINTMENT

[www.advancedshare.com.au/investor-login](http://www.advancedshare.com.au/investor-login)



#### BY MAIL

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009; or  
PO Box 1156, Nedlands WA 6909



#### BY FAX

+61 8 6370 4203



#### BY EMAIL

[admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)



#### IN PERSON

Advanced Share Registry Limited  
110 Stirling Hwy, Nedlands WA 6009



#### ALL ENQUIRIES TO

Telephone: +61 8 9389 8033