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ASX Announcement

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Tongo Mine Development Update

Newfield Resources Limited (**Newfield**) announces an operational update in relation to its Tongo Diamond Mine Development in Sierra Leone (**Tongo Mine Development** or **Tongo**).

Highlights

- **845m of underground development completed to date**
- **The focus is on the Return Air Way to the first ventilation shaft which is being developed on reef and yielding kimberlite ore for processing**
- **The Kundu decline development also progressed to access the first mining level**
- **All development is progressively supported and services such as power, air and water pump stations constructed to ensure a safe mining environment**
- **Operations continue unaffected by the COVID-19 Omicron variant**

Newfield Executive Director, Karl Smithson, commented:

"Following on from the AGM and project presentation released, Newfield is pleased to provide a more detailed update on the development of the Tongo diamond Mine in Sierra Leone.

"Some 845m of underground development has been achieved to date. Kimberlite ore is being yielded from the RAW on the Kundu kimberlite, and we are currently stockpiling this at our bulk sample plant for processing. The decline towards mining Level-1 on Kundu is also progressing which will lead to the first mining stopes being established at Tongo and providing the first run of mine ore.

"The operations have not been adversely affected by the various worldwide travel restrictions caused by the COVID-19 Omicron variant, but we continue to remain vigilant and maintain our strict screening and sanitation protocol on the mine site.

"We look forward to providing regular monthly updates on the progress towards production at the Tongo diamond mine."

No Restrictions due to the COVID-19 Omicron Variant

The Government of Sierra Leone has not implemented any travel or internal restrictions related to the new Omicron COVID-19 variant and operations continue unaffected. Nevertheless, the Company continues with its own COVID-19 protocol of daily screening and sanitation regime for all employees on the mine site.

Underground Mine Development

Kundu Return Air Way

The development of the Return Air Way (**RAW**) on Kundu Segment A towards the ventilation shaft continued. The RAW has been developed some 146m and there remains a further 46m before the ventilation raise is reached. The raise will be 2m x 2m in diameter and equipped with a travelling way (staircase) over a distance of 42m at a raise angle of 35-degrees from the RAW to the surface, to provide an escape way for mine personnel. The ventilation shaft at surface has been constructed where the raise will “hole out”. Two 75Kw fans will be installed at the surface of the ventilation shaft which will draw air out of the mine providing through ventilation and safe mine working conditions.

The RAW is being developed along strike (on reef) of the Kundu A kimberlite segment and each blast provides ore for stockpiling and processing via the 5tph plant.

Kundu Decline

Blasting of the 4m x 4m Kundu decline continued from the split with the Kundu incline to the RAW and will be developed down at an 8-degree angle to reach the first mining level of Kundu Segment A, some 35m below the surface. A further 61m will be developed before the decline turns towards the Level-1 rock drive which will be developed for 55m the first cross cuts to the mining raise and stopes which will yield increased run of mine ore.

Underground Support and Infrastructure

During development the underground support and infrastructure is progressively installed. This includes electrification, ventilation, compressed air and water pump stations. Some four pump stations have been constructed so far to dewater the mine and to provide dry working conditions. In addition, a rescue bay has been constructed for safe refuge of workers in the event of an underground incident.

Outlook

The next two months will see the continuation of the Kundu A RAW development and commencement of the ventilation raise, recovering ore from Kundu A in the process. In addition, the Kundu decline will progress towards mining Level-1 of Kundu A where a rock drive will be developed eastwards towards the first cross cuts that will access the first fissure raise and mining stopes of Level-1.

A series of pictures follow highlighting some of the development completed to date.

Figure 1. Mine Development Progress

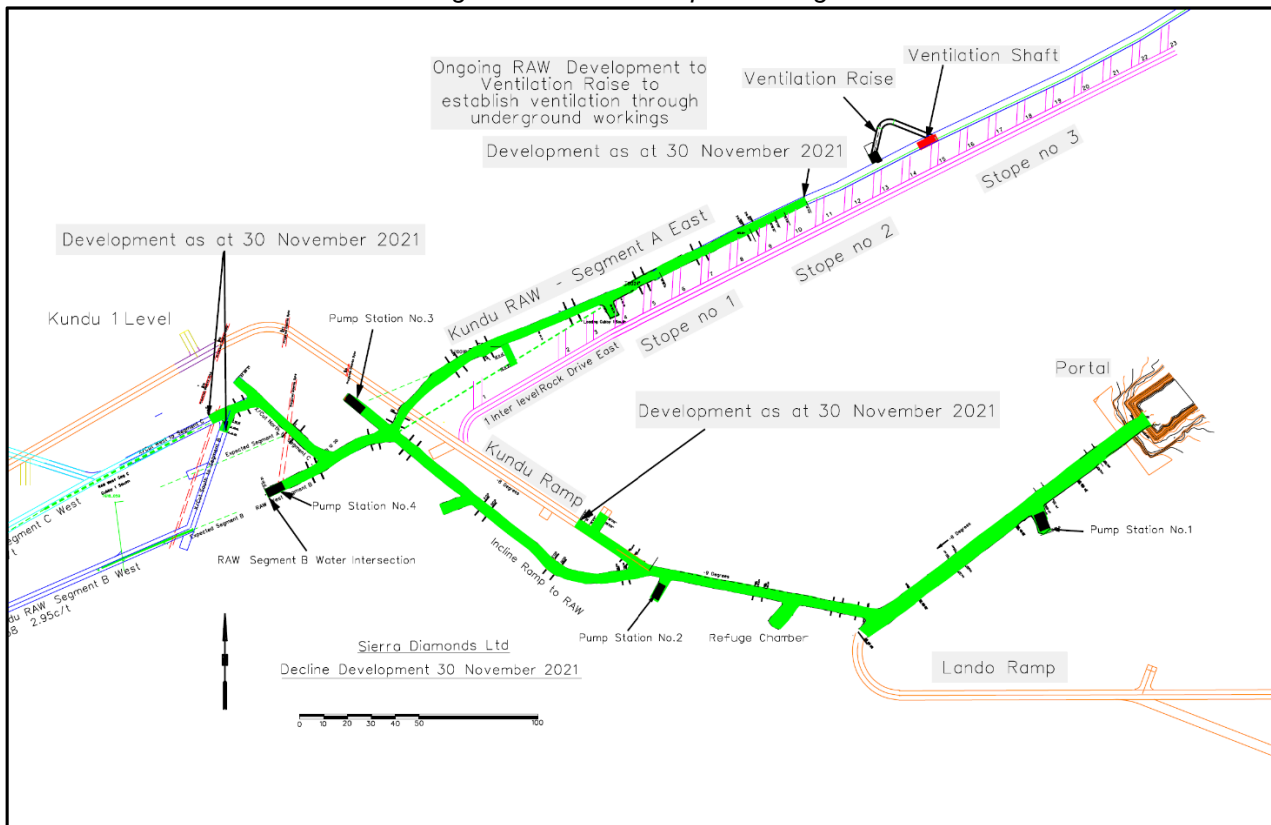


Figure 2. Box Cut (left) and Portal Entrance (right)



Figure 3. Drilling Kundu Decline (left) and Load and Haul (right)



Figure 4. Decline Entrance (left) and Decline Exit (right)



Figure 5. Installing Compressed air at Rescue Bay (left) and Pump Station 3 (right)



Authorised by:

The Board of Directors
Newfield Resources Limited

About the Tongo Diamond Project:

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. Of this resource, a 1.1 million carat probable reserve, has been estimated.

Competent Person's Statement:

The information in this ASX release that relates to Exploration Results, Mineral Resources or Ore Reserves on the Tongo Diamond Project, is based on information compiled and reviewed by Karl Smithson, Executive Director of Newfield and Chief Executive Officer of Newfield's subsidiary company Sierra Diamonds Limited, a qualified geologist and Fellow of the Institute of Materials, Metals, Mining, with 33 years' experience in the diamond and natural resources sector. Mr Smithson has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Smithson consents to the inclusion in this ASX release of this information in the form and context in which it appears.