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NEWFIELD ISSUES \$16.98M EQUITY THROUGH LOAN CONVERSION AND PLACEMENT

ANNOUNCEMENT

18 SEPTEMBER 2023

HIGHLIGHTS

- Conversion of A\$13.86 million Wonder Holdings loan to equity at A\$0.15 per share
- US\$2 million (~A\$3.11 million) share placement to a substantial shareholder at A\$0.15 per share

Newfield Resources Limited (ASX: **NWF**) (**Company**) is very pleased to announce the support of major shareholders in a combined A\$16.98 million equity issue, comprising:

- the conversion of an existing A\$13.86 million loan to equity; and
- a US\$2 million (~A\$3.11 million) share placement.

Loan Conversion

The Company refers to its ASX announcement dated 14 March 2023, in respect of the A\$15 million unsecured loan provided by Wonder Holdings Pty Ltd (**Wonder Holdings**).

The Company is pleased to advise that the parties have agreed to an early repayment of A\$13.86 million owed under the loan (A\$13.56M of principal and A\$301K of outstanding interest) through the conversion into fully paid ordinary shares in the Company. The Company may still draw on the undrawn balance of the loan, being A\$1.44 million. It expects that it will be drawn down in the current quarter.

The conversion is to be conducted at a rate of A\$0.15 per share and will result in the Company issuing 92,424,094 conversion shares pursuant to its existing 15% placement capacity under Listing Rule 7.1. The conversion shares will rank equally with existing fully paid ordinary shares. The loan conversion price of A\$0.15 per share represents a discount of 11.3% to the 15-trading day VWAP of A\$0.1691 per share and is equal to the last closing price prior to this announcement of A\$0.15 per share on 13 September 2023.

The loan conversion represents a saving of approximately A\$254K in interest payments per quarter for the Company, with the loan originally due for repayment on 31 August 2024. There are no penalties associated with the early repayment, and the undrawn amount of A\$1.44 million remains available to the Company¹.

The Company anticipates issuing the conversion shares at the same time as settlement of the Placement (see below).

¹ For more information on the loan, refer to ASX announcements dated 14 March 2023 and 15 March 2023.

Prior to the conversion of the loan, Wonder Holdings held 31,250 shares in Newfield, representing a 0.04% shareholding. Upon issuing the conversion shares, Wonder Holdings' shareholding will increase to 92,455,344 shares, representing an estimated 10.48% of the expanded issued capital after the Placement.

Wonder Holdings is not a related party of the Company.

Share placement

The Company is also pleased to advise that it has entered into binding agreement with its largest shareholder and sophisticated investor², Mr Rustiyan Oen, for a private placement of shares to raise USD\$2 million (~A\$3,112,840.95³) to fund working capital (**Placement**).

Under the Placement, the Company will issue 20,752,273 fully paid ordinary shares at an issue price of A\$0.15 per share. Settlement of the Placement is expected to occur on or around 22 September 2023. The Placement was managed internally by Newfield and no fees will be deducted from this Placement. The funds raised will be applied to the Company's working capital requirements.

The Company will issue 14,243,555 shares using its existing 15% placement capacity under Listing Rule 7.1, and the remaining 6,508,718 shares under its 10% placement capacity pursuant to Listing Rule 7.1A. The Placement shares will rank equally with the Company's existing fully paid ordinary shares.

The Placement issue price of A\$0.15 per share represents a discount of 11.3% to the 15-trading day VWAP of A\$0.1691 per share and is equal to the last closing price prior to this announcement of A\$0.15 per share on 13 September 2023.

On completion of the Placement and loan conversion, Mr Oen's shareholding will decrease from 24.68% to 23.86%.

Mr Oen is not a related party of the Company, nor is he represented by any nominee director on the Board of the Company.

Executive Commentary

Karl Smithson, Executive Director, said: "*We are incredibly appreciative of Wonder Holdings' long-term support for Newfield by agreeing to convert the outstanding balance of the loan and interest to equity. We are also very grateful to have the continuing support of Mr Oen through the Placement.*"

The Board continues to develop a broader funding strategy required to support the ongoing development of the Tongo Diamond Mine. This strengthening of the balance sheet through reducing debt will positively contribute to this strategy."

-ENDS-

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

² Pursuant to s708(8) of the Corporations Act 2001 (Cth)

³ Applying the AUD/USD exchange rate of A\$1.00 for US\$0.6425



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