



ACN 153 219 848

INTERIM FINANCIAL REPORT

31 December 2016

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DIRECTORS' REPORT

The Directors present their report on the consolidated entity consisting of Newfield Resources Limited (the **Company** or **Newfield**) and its subsidiaries (the **Group** or **Consolidated Entity**) for the half-year ended 31 December 2016 and the Auditor's Review Report thereon.

DIRECTORS

The Directors of the Company at any time during or since the end of the interim period and until the date of this report are noted below.

Mr Michael Lynn

Executive Director – appointed 24 August 2015

Mr Anthony Ho

Executive Director – appointed 14 September 2011

Mr Suryandy Jahja

Non-Executive Director – appointed 6 August 2015

REVIEW OF OPERATIONS

1. THE ALLOTROPES DIAMOND PROJECT – SIERRA LEONE (NEWFIELD 100%)

Newfield Resources Limited ("Newfield" or the "Company") is currently active in all five of its exploration licences covering 1002 km² of tenement holdings within the Bo, Bonthe, Moyamba, Pujehun and Kenema Districts in the Southern Province of Sierra Leone (Figure 1). Exploration activities for the first half of the reporting period were subject to a challenging wet season, which substantially curtailed field activities, but allowed the completion of plant infra-structure at Sumbuya and planning of the dry-season exploration program. Field activities resumed in September 2016, with the completion of the infill auger drilling program and subsequent collation of data for the Gboyeyia Alluvial Project, culminating in a Maiden JORC-compliant Diamond Resource statement. In addition, several geophysical anomalies generated from the 2016 airborne magnetometry (AM) survey have been followed up with soil-sampling and the completion of a large calibrating ground magnetometry (GM) mega-survey incorporating some 85 line-kilometres of survey completed to date. Soil samples submitted to the MSA laboratories in South Africa returned positive KIMs in three licences; EL 11/2104, EL 12/2014 and EL 20/2014. A drilling exercise on an interpreted kimberlite dyke anomaly was also completed in the period in EL 20/2014, near the village of Kponima. The swamp locality hosted some 4000 artisanal diggers for a period in the 1950's and a primary kimberlite source is suspected, with the Sewa River being some 4-km distant. No kimberlite was intersected from the drill-fence of seven (7) holes, and the source of the diamonds remains enigmatic. Diamond drilling was conducted on several anomalies in EL 11/2014, over positive kimberlite Indicator Minerals (KIMs) recovered from soil sampling, and a single observation trench also completed to establish a causative magnetic body, which proved to be a diabase dyke. The source of the KIM ilmenites recovered from the overlying soil cover, remains unresolved. GM surveys continue in the southern licences of EL 11/2014 and EL 12/2014.

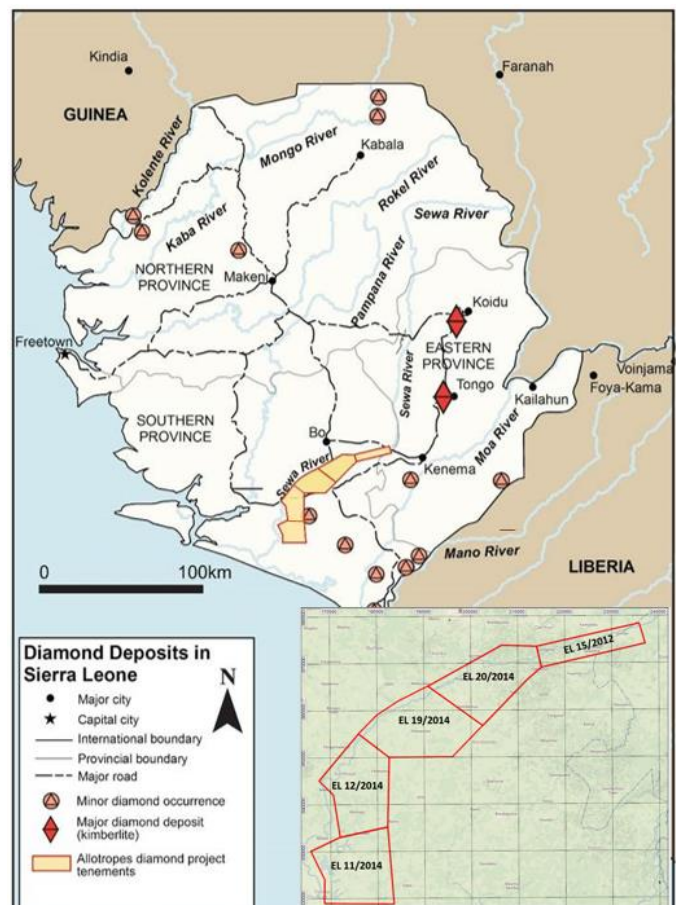


Figure 1. Status of Exploration Licence (EL) holdings, Sierra Leone.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

The trial-mining exercise at Golu was completed and the rehabilitation of disturbed and void areas continues. A comprehensive mine-closure report was submitted to the National Minerals Agency (NMA) in Freetown.

The wet-commissioning of the Company's new 10 ton per hour (tph) DMS processing plant which arrived from South Africa in November 2016, was also completed in the period. The plant site is located near the village of Sumbuya, in EL 12/2014, and will process diamondiferous material sourced from the southern-most licences.

1. Exploration Licence - EL 15/2012

1.1. Rehabilitation of Golu Small-scale Mining Licence (SML 01/2015)- Exploration Licence 15/2012

The SML was granted in September 2015 for a term of three (3) years. In May 2016, trial-mining activities were completed, with approximately 30,000 tons being processed since 2015. A total disturbed area of 9.04 ha required rehabilitation. The backfilling prior of all disturbed areas is almost complete and it is estimated that over 2 ha has been rehabilitated thus far (Figure 2). To date, over 5000 indigenous trees have been planted over rehabilitated ground, and a further >40,000 saplings are being cultivated for this purpose. A comprehensive mine-closure report was submitted to the NMA in October, 2016.



Figure 2. Depicting the sequence of rehabilitation at a portion of the Golu Mine, EL 15/2012. The Sewa River can be seen in the background (looking south).

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

1.2 Gboyeiya Alluvial Project: Maiden JORC-compliant Resource

An Inferred Diamond Resource estimation was completed for the Gboyeiya Alluvial Deposit (Figure 3; ASX announcement 28th December, 2016). The resource estimate relied on:

- Trial-mining information acquired from the Golu deposit, being similar in age and depositional environment, which demonstrated the natural attributes of the deposit (including a modelled diamond value of US\$ 280 per carat);
- Three (3) quasi-equidistant bulk-sample trenches up to 200m x 7m in dimension;
- A statistically-representative set of samples totalling approximately 500 tons of gravel, contributed to the resource grade estimation;
- Close-spaced (25m centres) in-fill auger drill-holes, which provided in-depth knowledge of geological continuity;
- A strong understanding of the geological and mineralisation model;
- Strong sampling and processing integrity and chain of custody.

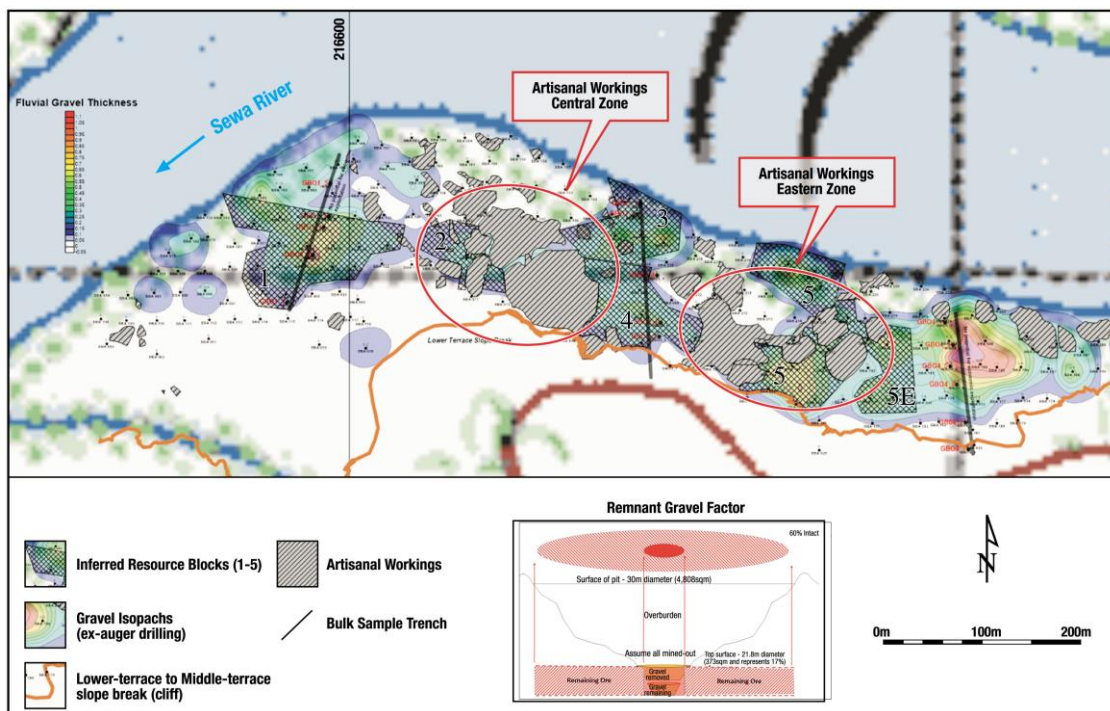


Figure 3. Showing combined Inferred Diamond Resource blocking for the Gboyeiya Alluvial Project, comprising intact, un-mined gravel (blocks 1-5) and remnant gravel occurrences (Artisanal workings: Central zone and Artisanal Workings: Eastern Zone).

Table 1 summarises both the *in situ* and remnant gravel resource. The Diamond Resource has been classified in the Inferred category, as outlined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. The reader is referred to additional details of the resource estimation methodology in the JORC Table 1, of the 28 December ASX announcement.

JORC COMPLIANT INFERRED RESOURCE: GLOBAL INFERRED ALLUVIAL RESOURCE: GBOYEIYA ALLUVIAL PROJECT									
LOCALITY	TARGET	GRAVEL TYPE (FACIES)	GRAVEL THICK. (m)	AREA (m ²)	VOLUME (m ³)	TONS	AV. REC. GRADE (cpi)	CARATS (cts)	AV. STN SIZE (cts)
EL 15/2102 Gboyeiya Alluvial Project, Bo District, Sierra Leone	UN-MINED IN SITU GRAVEL (BLOCKS 1-5)	LOWER TERRACE (PALAEO-FLUVIAL)	0.39	34,271	13,260	27,581	0.18	5,083	0.66
	REMNANT MINED-GRAVEL (ARTISANAL WORKINGS)	LOWER TERRACE (PALAEO-FLUVIAL)	0.38	11,270	4,328	9,001	0.24	2,203	0.66
				45,540	17,588	36,582		7,286	0.66
BSS cut-off = 2mm No mining dilution factors have been applied RD of gravels = 2.08 t/m ³ Anthropogenic and geological losses applied									

Table 1. Summary table of Inferred resource estimation attributes for both intact (*in situ*) and remnant gravels within the Gboyeiya Alluvial Deposit, EL 15/2012, Bo District, Sierra Leone.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

1.3 Dredging Activities-EL 15/2012

The September 2016 quarterly report announced that the Sewa River rose as much as five (5) metres above normal (dry season) level, resulting in the suspension of seasonal dredging operations. With the onset of the dry season, the receding water-level has allowed the recommencement of dredging operations, and two (2) new dredging units have been deployed within the EL (Figure 4) in January and February 2017.



Figure 4. Photo showing two (of three) newly-built dredge units, in operation at the Gbinima locality, Sewa River. Note stock-piled bags containing screened gravel after passing through on-board trommel. The sand overburden has been stockpiled as a community initiative, to allow villagers to pan it for gold (at left).

1.4 Komende-Buma Alluvial Project

Reconnaissance mapping of the Komende-Buma alluvial terrace and Sewa River flats, just east of the Golu small-scale mining licence (Figure 5), was completed. Geological features, as well as the location of artisanal workings, were mapped in preparation for auger-drilling. An auger-drilling exercise was recently completed over the Kpakru-south deposit (Figure 6) and is currently continuing south-wards on the fluvial flats, toward the village of Komende. These exploration programs, will assist in the location of any follow-up bulk-sample sites, should the results warrant it.

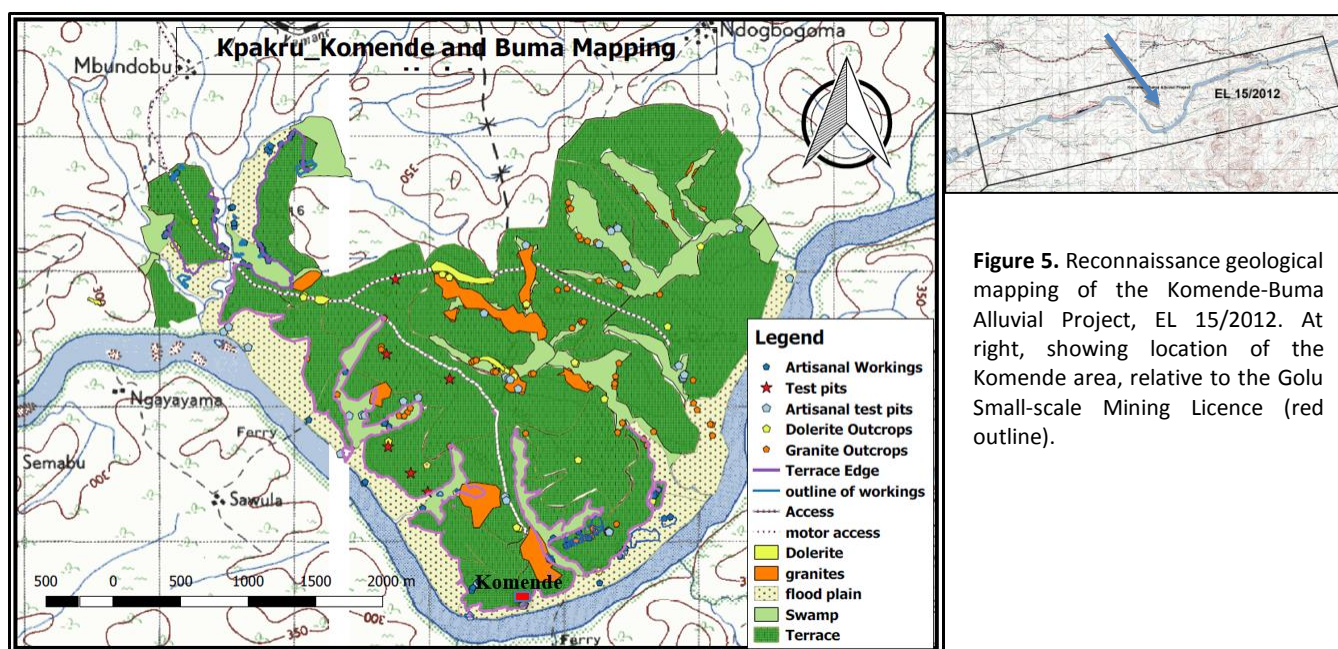


Figure 5. Reconnaissance geological mapping of the Komende-Buma Alluvial Project, EL 15/2012. At right, showing location of the Komende area, relative to the Golu Small-scale Mining Licence (red outline).

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

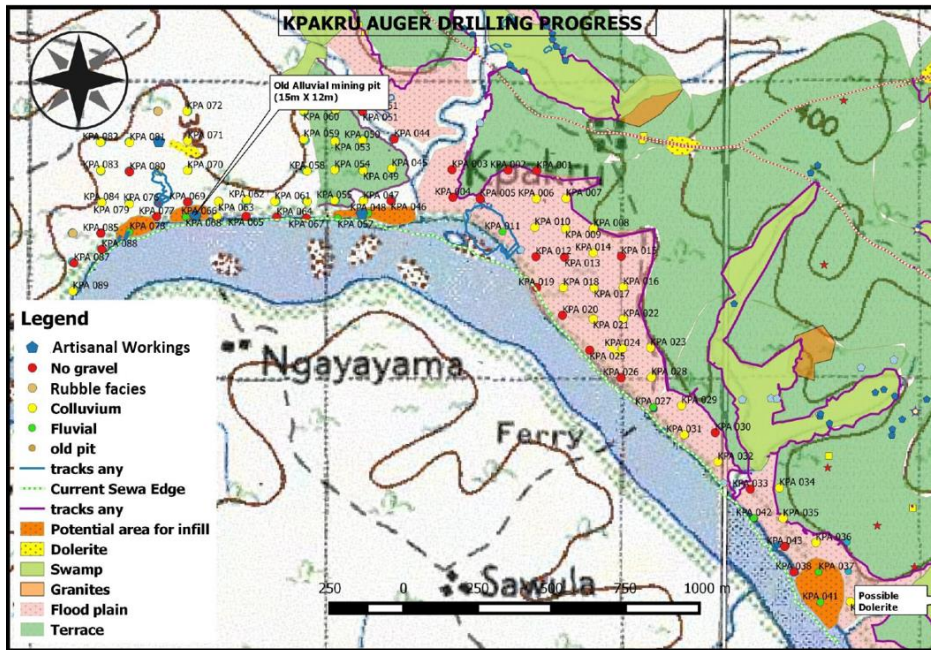


Figure 6. Geological mapping and results of the auger drilling exercise (at top), conducted at the Kpakru locality in EL 15/2012, in H2, 2016.

1.5 Kimberlite Exploration Program: EL 15/2012

An extensive GM survey was completed around the village of Gboyeyia, to further detail high-interest targets identified during the 2016 AM survey (Figure 7). In addition, geological and artisanal mapping was also completed over the area.

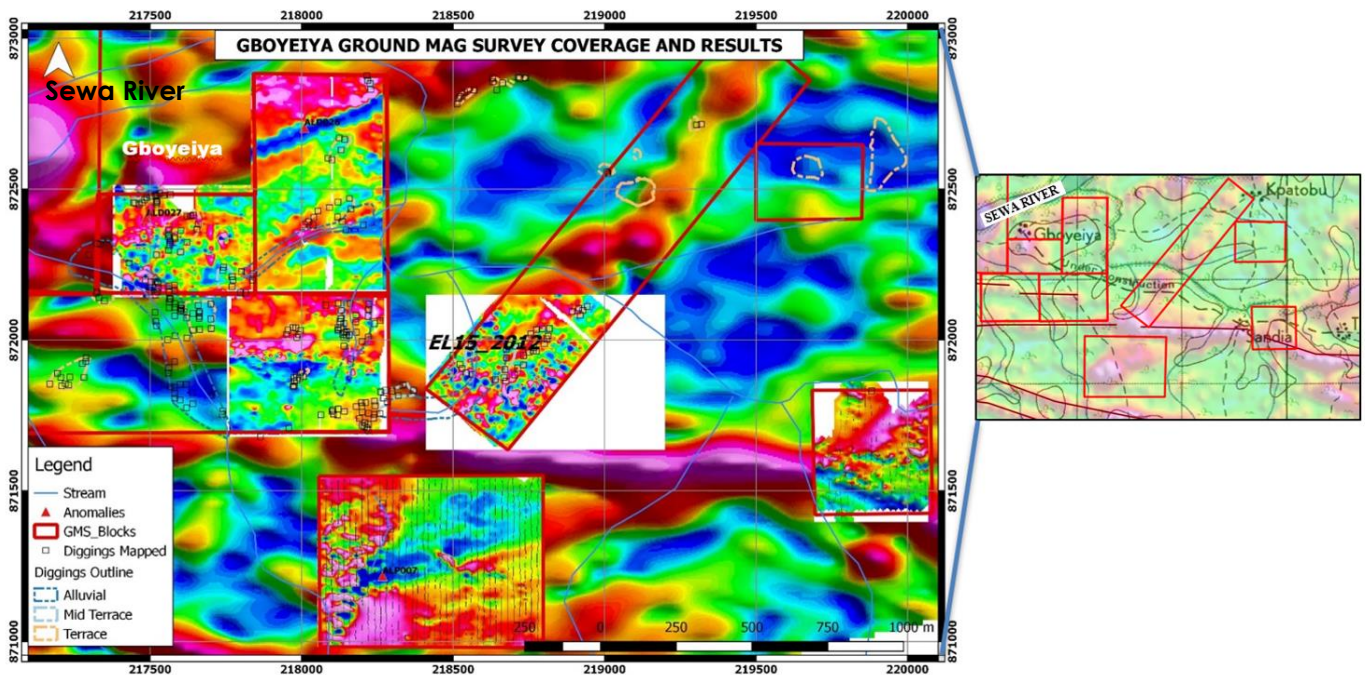


Figure 7. Magnetic image showing results of a high-resolution GM survey conducted over AM anomalies at the Gboyeyia locality, EL 15/2012 (at right). The detail shown in the GM survey blocks (above), has been superimposed on the 2016 AM survey (40m elevation) background (TMI).

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

2. Exploration Licence-EL 20/2014: Kimberlite Exploration Program

During the period, activities were confined wholly to the Kponima Target, which included a GM survey (Figure 8), conducted in tandem with a diamond-drilling, as reported in the September 2016 Quarterly Report to the ASX. In 1965, the area was the scene of intense artisanal activity, with some 4000 informal miners working the area, recovering diamonds from laterite and decomposed bedrock. No alluvial component was observed. The Noniyei Swamp, is aligned with an AM interpreted dyke anomaly, which lies on the Sierra Leone kimberlite emplacement trend. The drill-fence was planned to straddle the anomaly (Figure 8). All the boreholes in the seven-hole drill-fence have been completed (cf. Figure 9). No kimberlite was intersected.

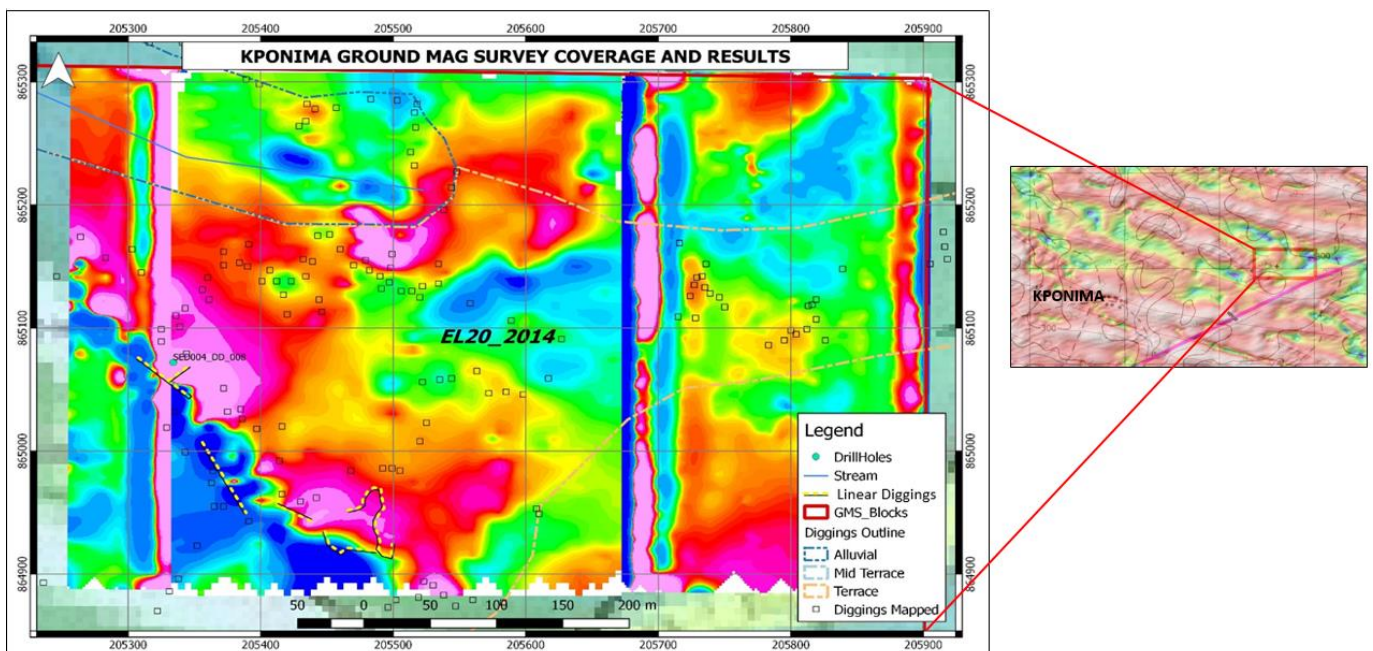


Figure 8. A GM survey was completed near the village of Kponima (at right), on high-interest AM targets. Image shows detail of the survey, with superimposed geology and artisanal workings.

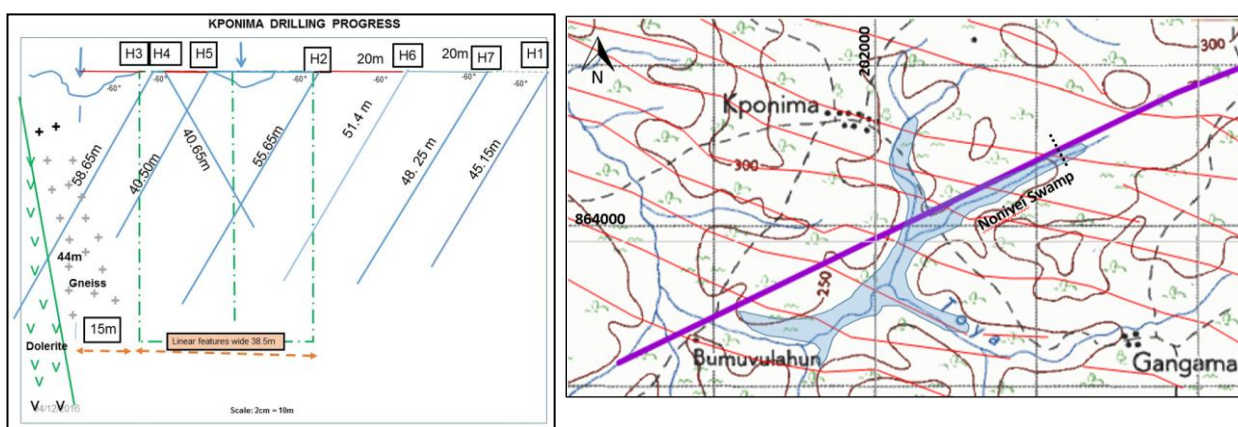


Figure 9. A drilling program (cross-section of bore-holes, shown above and plan-view, at right) has been completed over an interpreted kimberlite dyke anomaly (purple line, at right) near the village of Kponima. The drill-line, shown as a dotted black line (at right), straddles the anomaly. Red lines (at right), are Early-Jurassic dolerite dykes.

3. Exploration Licence - EL 19/2014: Hima-Mano Alluvial Project

The final in a series of alluvial bulk-sampling trenches was completed in July. Sample 19-HIM-BLK-002 (Figure 10) returned a poor result but confirmed the geological model (Quarterly report ending 30 June, 2016; Figure 6) in that gravels were only well-developed, and had economic significance, at the contacts of NW trending (Karoo) dolerite dykes in the area. This 'riffle-effect' depositional model (Figure 11), has enabled the Company to refine its targeting parameters in exploring for only high-grade alluvial occurrences in the Hima-Mano alluvial project.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

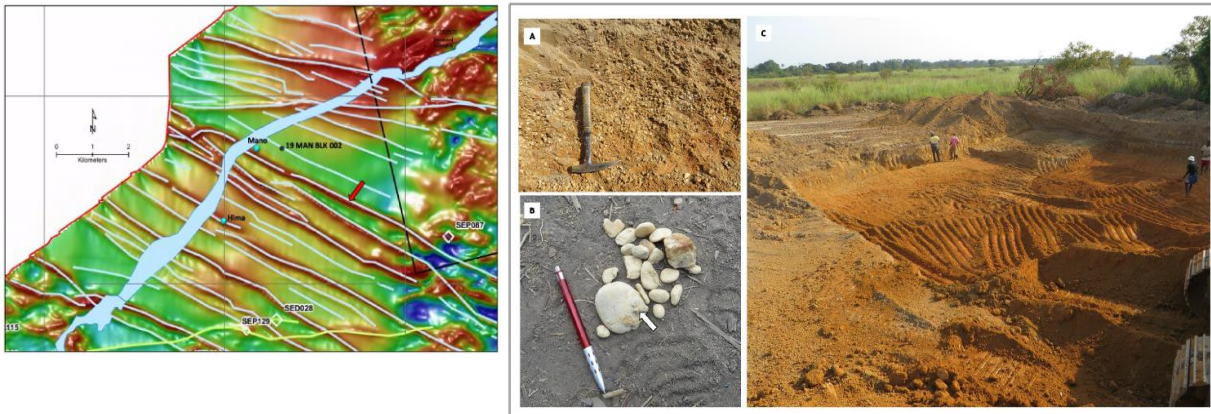


Figure 10. Bulk sample 19-MAN-BLK-002 at Mano. At right-down wasted gravel layer of possible lower terrace origin in A with well-rounded to rounded quartz pebbles having residual cemented sand and grit (arrowed) on surfaces in B. Bulk excavation is shown in C. Image at left – sample locality. NW-SE trending lines are dolerite dykes (e.g. red arrow). Gravel development was poor in this trench and results sub-economic, indicating the importance of the ‘riffle effect’ that these dykes have on economic gravel development

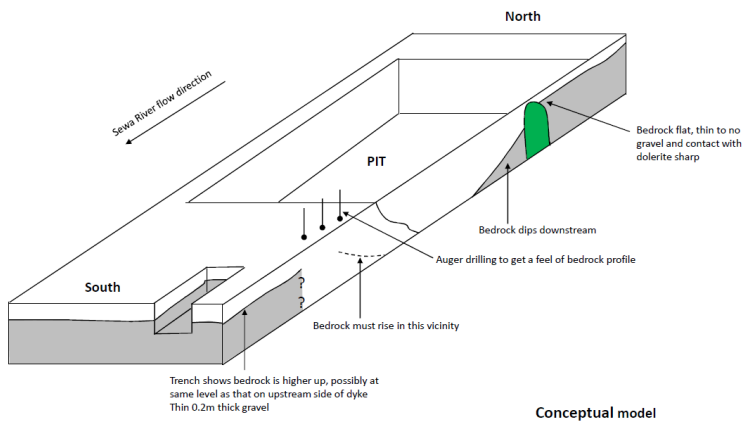


Figure 11. Conceptual ‘Riffle-effect’ depositional model showing dyke and associated scour setting. When compared against actual bulk-sampling results, there is a clear relationship.

A review of a proposed ground-penetrating radar (GPR) survey has been completed in the interim and it is expected to commence in Q1 2017, with a Namibian-based consultant, Earth Maps Consulting. The reconnaissance survey will be conducted over the dolerite dyke contacts, to assess the applicability of the GPR in locating fluvial scour-features. Preparatory work has commenced and is well underway (Figure 12).

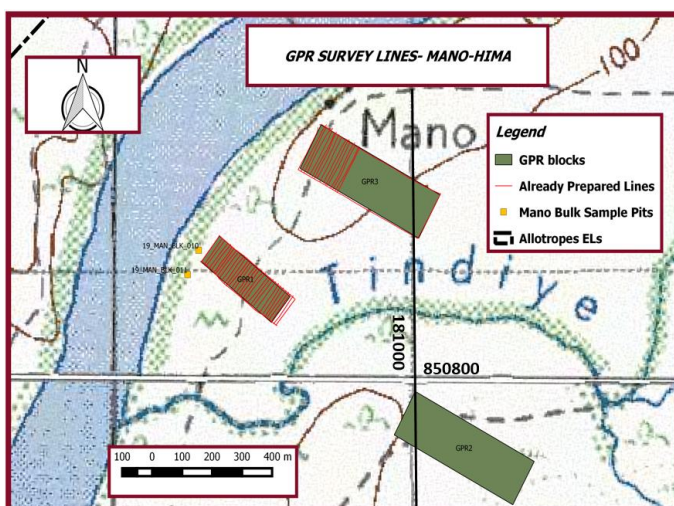


Figure 12. Locality of the planned GPR survey, Hima-Mano Alluvial Project, EL 19/2014.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

4. Exploration Licence - EL 12/2014: Sumbuya Project

4.1 Momajo bulk-sampling and motorised-auger drilling program

A total of forty-two (42) exploration pits and seven (7) motorised-auger holes in and around the active artisanal workings comprising the Momajo high alluvial terrace, were completed. These data were complemented with the excavation of bulk-samples. In addition, delineation-mapping of the high-level fluvial gravel terrace and the trench geology was conducted (Figure 13). A subtle, fluvial channel-like depression appears responsible for the gravel accumulation and may be linked to a wider-ranging fluvial system of the Ancestral Sewa and/or Malen Rivers. A case in point is the alluvial gravels discovered further south at the Lake Popei kimberlite dyke locality, which bear a striking resemblance to the fluvial gravels of the Momajo deposit.

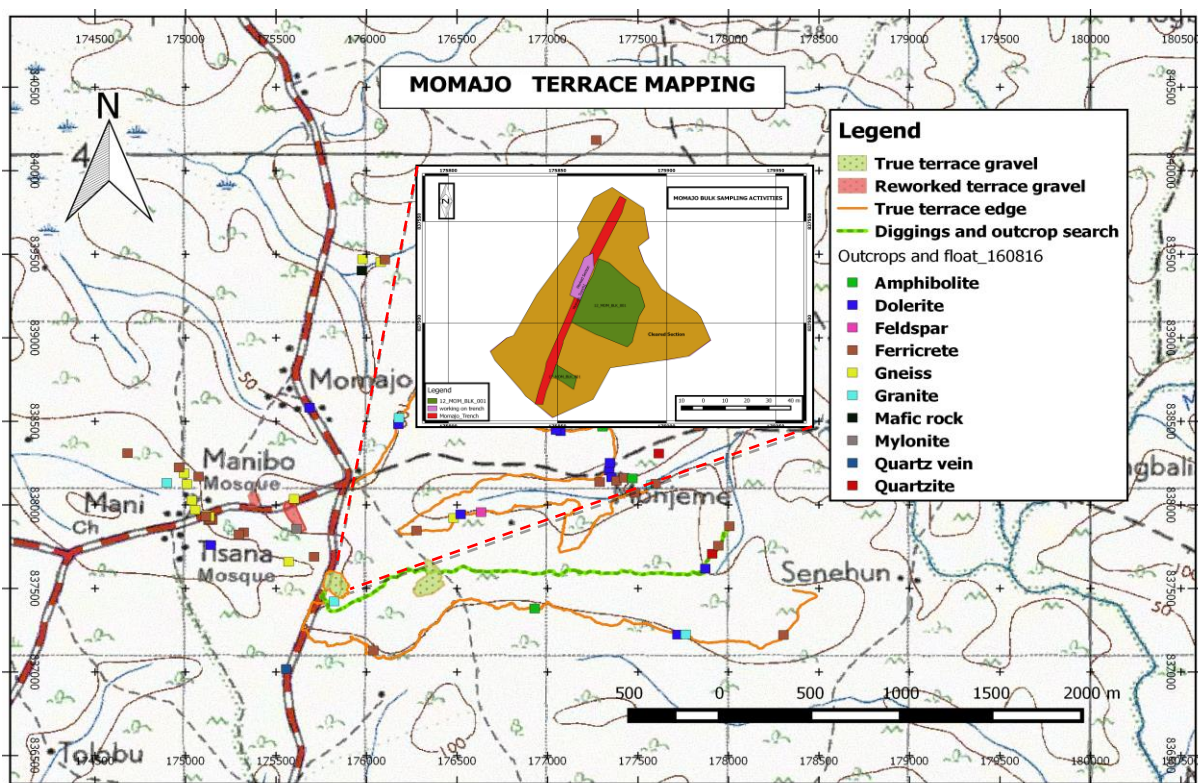


Figure 13. Image depicting bulk-sampling positions (trench [red] and pits [green], inset) at the Momajo alluvial fluvial high-terrace locality, EL 12/2014. The terrace is relatively extensive and its edge has been mapped-out (orange line). Reconnaissance mapping conducted adjacent to the Momajo Village, is also depicted.

4.2 Mokombo-Pongolo Alluvial Program-Sumbuya Project

Due to the 2016 wet season, much of the work associated with the low-lying fluvial terraces was limited, or put on hold. However, the fluvial high-level Pongolo Terrace remained accessible, and delineation-mapping (terrace edge, artisanal excavations and outcrop) of this down-wasted fluvial deposit was completed (Figure 14). The flank of the swamp dissecting the terrace, comprises a thick colluvium, containing re-worked, texturally-mature fluvial clasts. This site has been subjected to intermittent artisanal working over the years. Nonetheless, this terrace has been identified as a target, given the significant extent of *in situ* remnants. Bulk sampling sites are currently being planned, and the first of these excavations should commence toward the end of H1, 2017.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

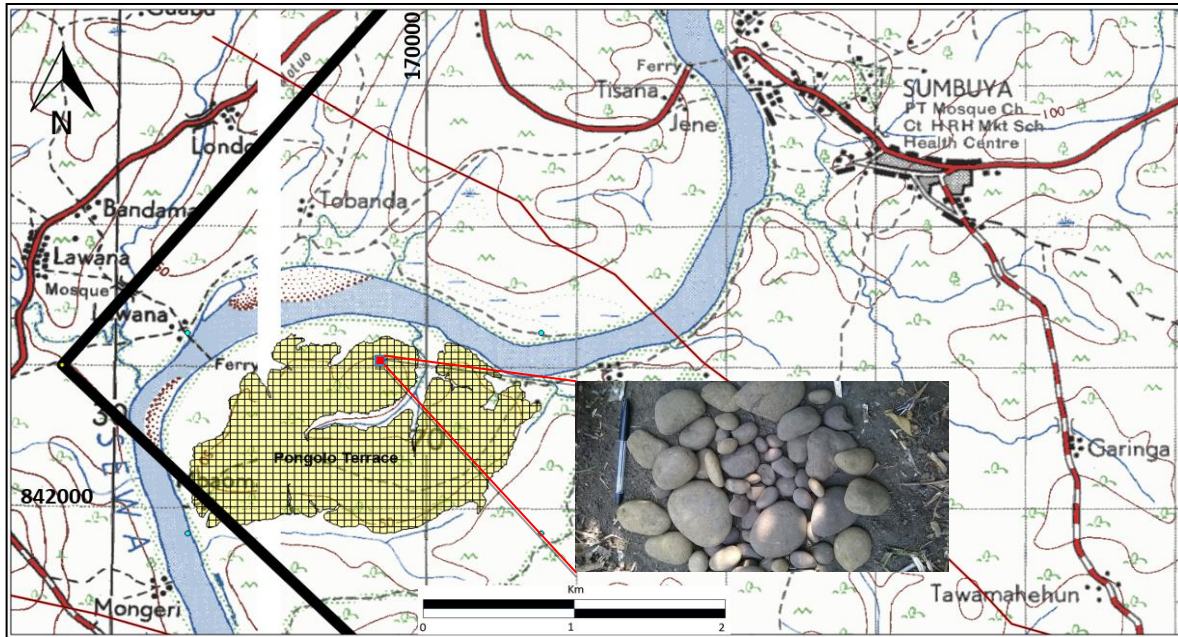


Figure 14. The Pongolo Terrace Alluvial Project, Sumbuya locality, EL 12/2014. The yellow hatching denotes the extent and distribution of the terrace colluvium, which has been intermittently worked by artisanal miners. The colluvium contains an inherited texturally-mature clast assemblage (inset), denoting the probable down-wasting of an older fluvial deposit.

In addition, reconnaissance mapping has been conducted on the lower terrace/alluvial flat (Figure 15), comprising the Mokombo-Pongolo point-bar. This terrace is significant, due to architectural similarities and spatial correlation with the Golu lower terrace fluvial deposits.

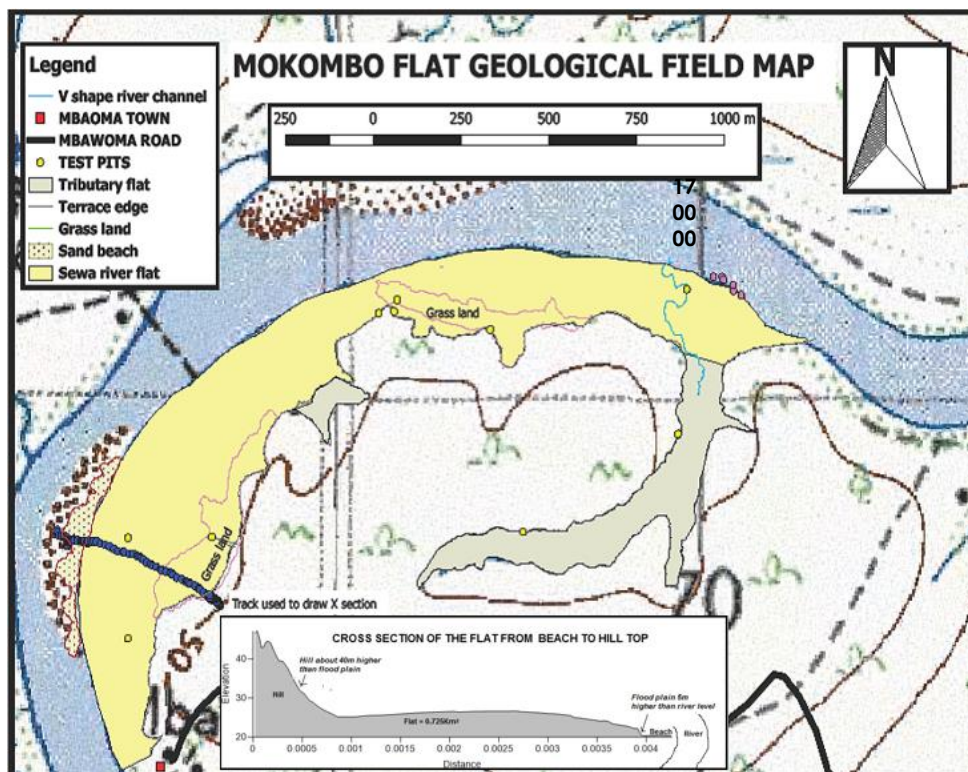


Figure 15. The lower terrace occurrence of the Mokombo-Pongolo Terrace deposits, Sumbuya locality, EL 12/2014. The yellow polygon denotes the extent and distribution of the fluvial terrace, with respect to the higher-elevation colluvium (cf. Figure 14), which has been intermittently worked by artisanal miners.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

4.3 Kamasu Alluvial Project

The Kamasu Alluvial Project is located North of Sumbuya Town and on the west-bank of the Sewa River. Vehicular access to this locality is challenging, however a tertiary road from Tissana, through Mofwe and Nyandehun, connects Kamasu. An initial mapping exercise identified two fluvial terraces, comprising four (4) gravel sequences (Figure 16):

- River flat gravel (fluvial gravel).
- *In situ* colluvium gravel (true terrace gravel).
- Remobilised colluvium gravel (Reworked).
- Colluvium bedrock

Mapping of the terrace edges coincided with the 50m and 100m contour intervals, and artisanal activities show that the gravel sequences are diamond-bearing. In addition, the tributary streams of the Sewa River also support intense artisanal activity, with the Yanoi River being the most productive.

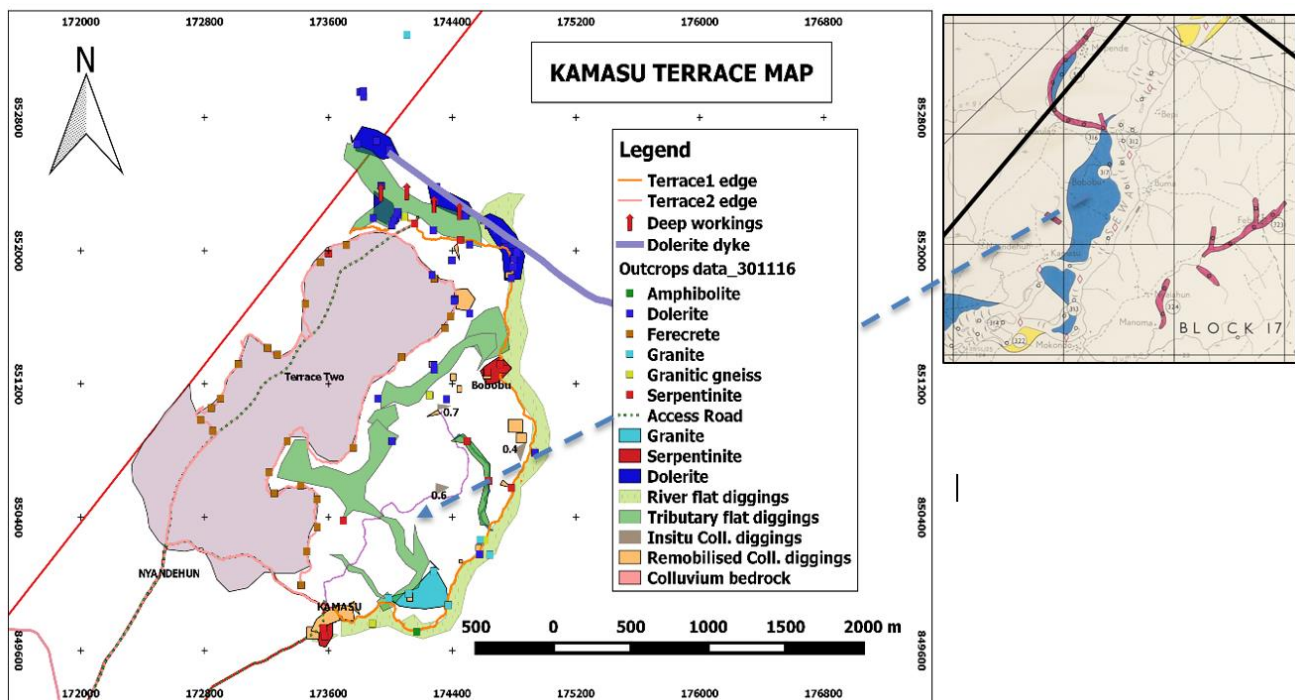


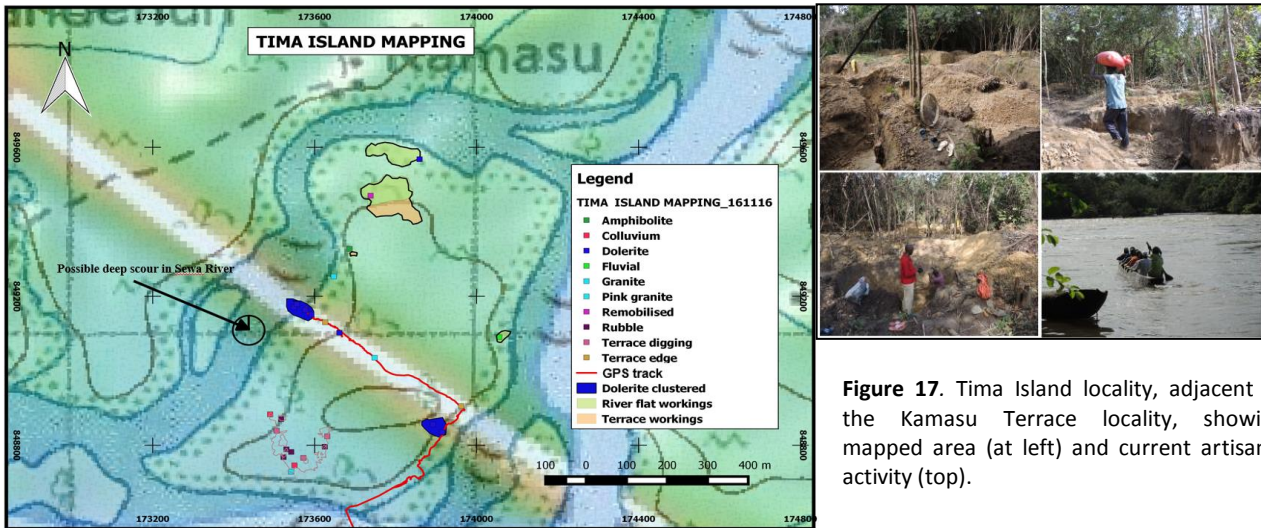
Figure 16. Kamasu Terrace locality-EL 12/2014 (at right, after Hall, PK., 1972), showing geology of mapped area and fluvial terrace outlines. (The western boundary of the EL is shown as black and red lines respectively, on the maps).

4.4 Tima Island-Kamasu Alluvial Project

Lying within the Sewa River, the adjacent Tima Island was also mapped in the period (Figure 17). This island is the site of extensive artisanal activity and may host substantial remnant gravel accumulations.

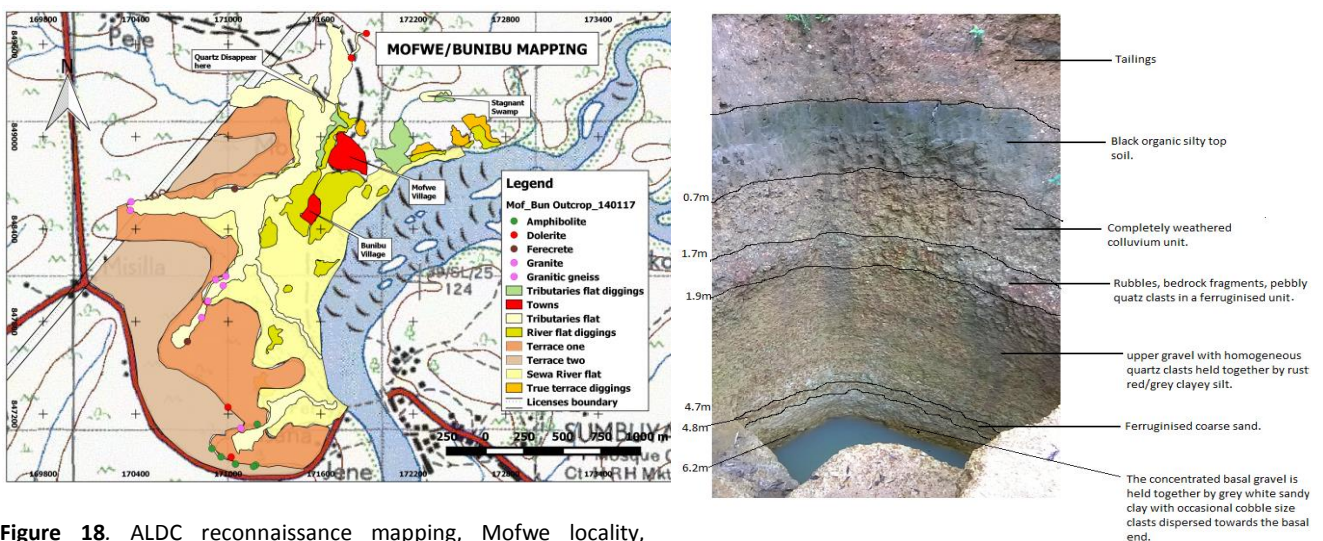
DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)



4.5 Mofwe-Bunibu Orientation Visit

This area, just north-west of Sumbuya township, on the right-hand bank of the Sewa River, was considered to have both high-alluvial and kimberlite potential for former operator, Sierra Leone Diamond Company (SLDC). They conducted intensive exploration in the form of pitting and test-mining was conducted, with a five (5) ton/per hour DMS plant commissioned to treat the gravels. Close-spaced reverse-circulation (RC) drilling, delineated some 330,000 cubic metres of gravels, with only 1500m³ of recovered gravels subsequently being treated, with poor results. SLDC reported average basal gravel thicknesses of up to 1m, below 4-7m of overburden. SLDC's inability to reach the basal gravels due to water ingress, combined with the erratic distribution of gravels, led to the abandonment of the project. A reconnaissance mapping exercise was completed by Allotropes to determine the location of their old workings and the extent of remnant gravel distribution (Figure 18).



DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

4.6 Jene-Tissana Alluvial Project

The project covers the Modern and palaeo-gravels pertaining to a well-developed accretionary point-bar of the Sewa River (Figure 19), mirror-imaging the north bank point bar of the Mokombo-Pongolo Alluvial Project (*cf.* Figure 15). Three predominant and compositionally distinct, gravel elevations were mapped, comprising youngest to oldest; river flats, Terrace 1 (lower terrace), Terrace 2 (upper terrace). The riffle-and-scour model developed for the Hima-Mano deposits in EL 19/2014, seems to be corroborated by the development of deep alluvial workings adjacent to a large NW-trending dolerite cutting the area. The initial results of the reconnaissance mapping are encouraging, and warrant further follow-up work.

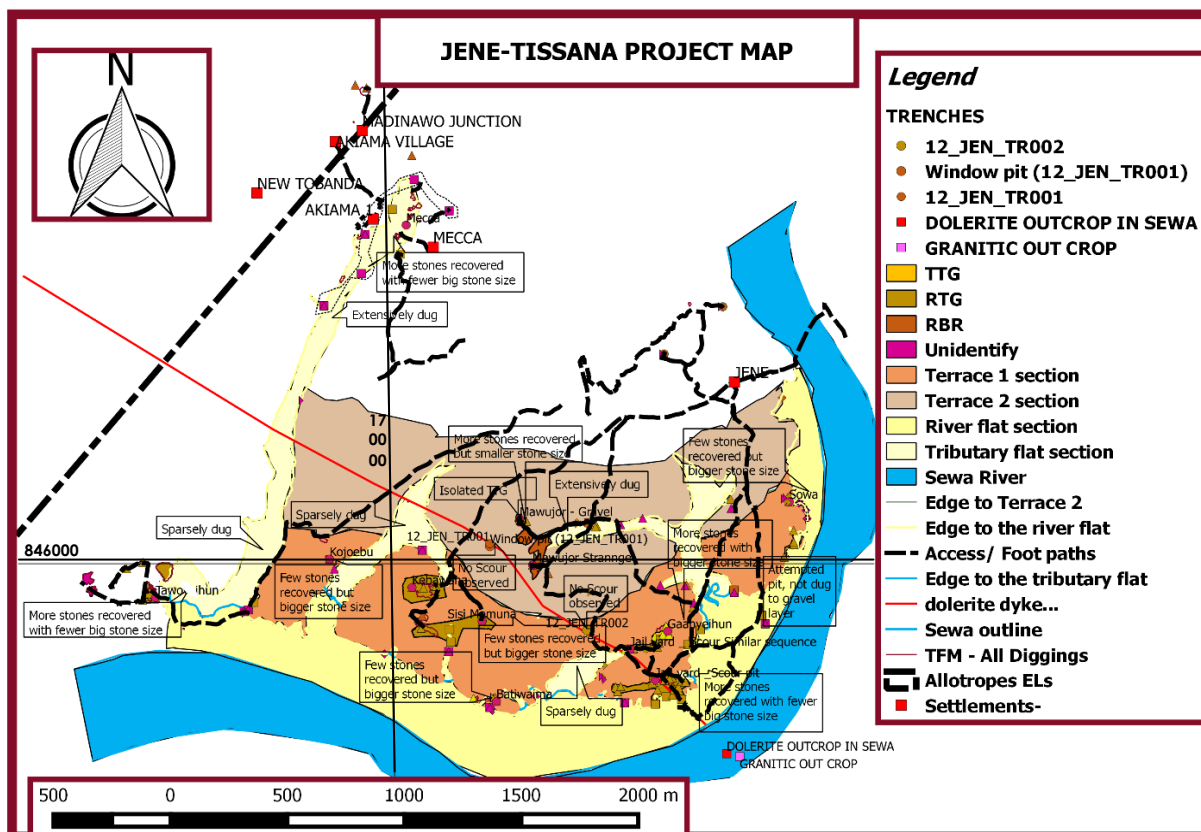


Figure 19. Showing locality and geological mapping of the Jene-Tissana palaeo-point bar deposit, EL 12/2014.

4.7 Kimberlite Exploration Program

Reconnaissance mapping of artisanal workings and reconnaissance soil-sampling for KIMs, was conducted within the EL during Q4 2016. In addition, several high-priority magnetic anomalies were investigated, adjacent to the village of Tawamaehun, just south of Sumbuya. Kimberlitic ilmenite was confirmed in this area from samples submitted to MSA in South Africa, and this supports results reported by previous operator SLDC, who also reported probe-positive kimberlitic ilmenites from this locality. It is pertinent to note that historic alluvial diamond diggings occur some 150m away from this anomaly. Thus, several ground-magnetometry (GM) blocks have been designed for follow up geophysical surveying within the EL.

5. Exploration Licence - EL 11/2014: Alluvial and Kimberlite Exploration Program

5.1 Lake Popei Alluvial Exploration Program

Limited alluvial work was conducted in the EL in the six-month period, as exploration activities to date have centred on the kimberlite exploration program. However, the fluvial high-level terrace near the Lake Popei kimberlite dyke was mapped to ascertain any similarities in sedimentary architecture and elevation (erosion level), to the fluvial gravels delineated at the Momajo Terrace in EL 12/2104. It is uncertain at this stage, whether the diamond content of these Lake Popei gravels bears any relationship to the nearby kimberlite dyke.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

5.2 Follow-up Ground-magnetometry (GM) Surveys and Soil Sampling Activities-Lake Popei

A consignment of heavy minerals sent to the MSA laboratories in South Africa returned probe-positive kimberlitic ilmenites from AM anomalies adjacent to the known Lake Popei kimberlite. In addition, KIMs were recovered from soil samples collected directly over the surface trace of the Lake Popei kimberlite. These samples were included in the consignment, to act as an orientation exercise, and to test the efficacy of the other field sampling and laboratory results for comparative purposes.

An orientation mega-ground magnetometry (GM) survey, overseen by an experienced geophysical consultant, was completed in the latter part of FY2016, and the results from these data are currently being processed. The 'Lake Popei Block' mega-GM survey was designed to cover all known high interest AM anomalies in the Lake Popei area. A first-pass plot (1VD) of the GM mega-survey is shown in Figure 20.

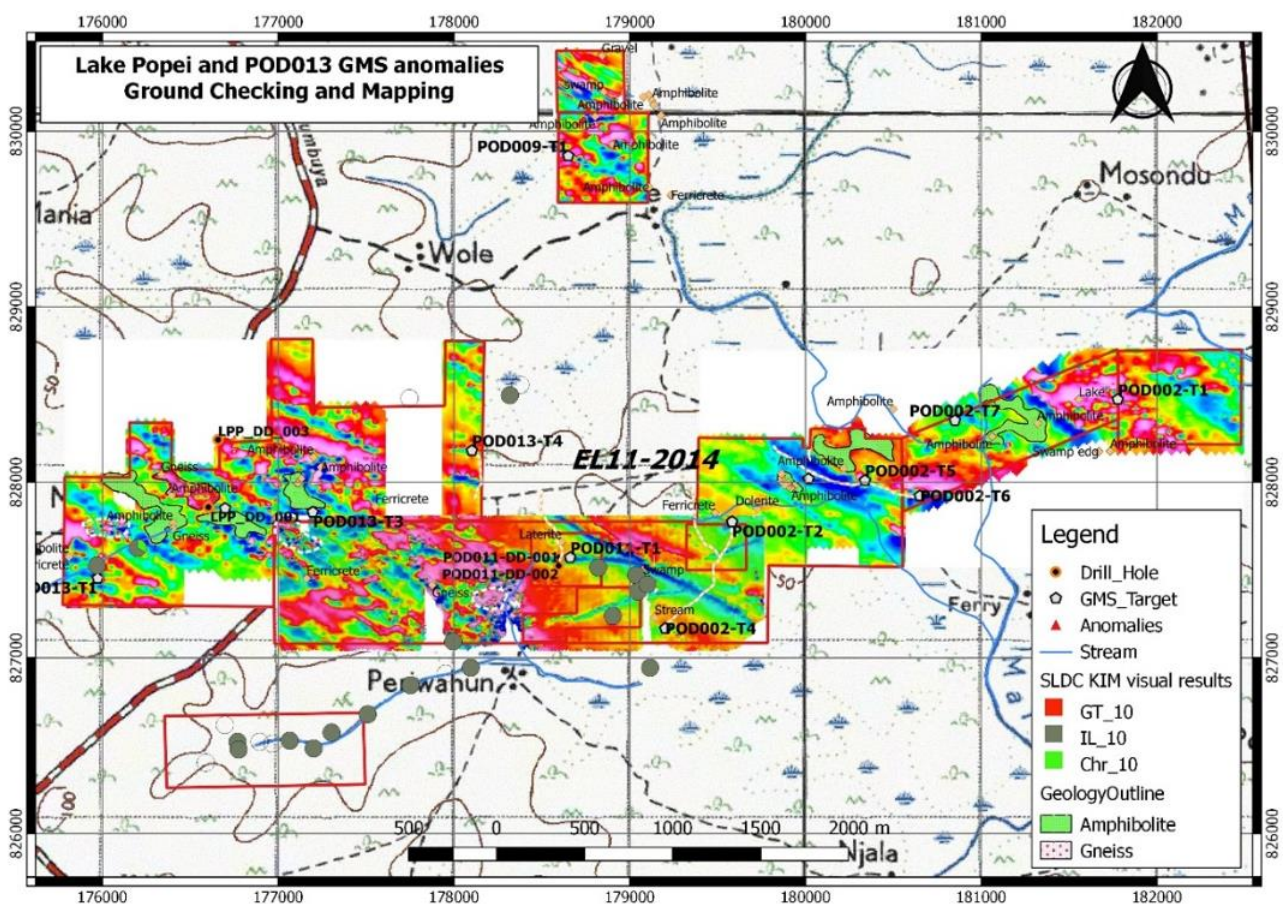


Figure 20. First-pass image (1VD) of GM results overlain on AM TMI background in the 'Lake Popei Block', EL 11/2014. Kimberlite dyke-like features are apparent within the magnetically quieter background with the red outlines of the GM survey blocks. POD 001-T1 (image centre), refers to the original Lake Popei kimberlite dyke discovery.

A single observation trench of c.20m x 6m x 3m dimensions (Figure 21), was excavated over probe-positive KIMs recovered from a soil sample taken from the AM anomaly POD 011. The trench exposed a thin dolerite/diabase dyke, which was assumed to be a causative body of the GM anomaly. Whilst the GM anomaly has been resolved, the source of the indicators is yet to be resolved.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)



Figure 21. Excavation of trench (at left), over probe-positive KIM soil-sampling results obtained for the AM Geophysical anomaly, POD 011, EL 11/2014. The causative magnetic body proved to be a diabase dyke (at right). The source of the KIM ilmenites is unresolved.

A drilling program has begun on selected high-interest targets near the site of the Lake Popei kimberlite dyke (Figure 22). The first diamond-drill hole targeted the AM and GM anomaly POD 011. No kimberlite has been intersected from three (3) boreholes drilled to date, and the program continues.



Figure 22. Ongoing drilling program over follow-up GM anomalies in the Lake Popei area, EL 11/2014.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

6. Sumbuya DMS Processing Plant, EL 11/2014.

The Company is pleased to report the successful commissioning of a new 10 ton per hour (tph) DMS plant (Figure 23), during the period. The plant, complete with twin flowsort X-Ray recovery units, is fully mobile and will service the exploration and trial-mining bulk-sample material obtained from the southern-most Els.



Figure 23. The 10 tph plant is the second to be successfully commissioned by the Company. It will process bulk-samples recovered from the southern licences and is located near the village of Sumbuya and the ADCL exploration camp, in EL 12/2014.

7. Community Initiatives and Public Relations

As part of its ongoing social initiatives with communities' resident in Allotrope's exploration licences, the Company handed over structures and furniture to three communities/villages, viz: Gerihun, Nongoba and Golu, all situated within the Baoma Chiefdom.

The following infrastructure development projects were completed within and adjacent to the Golu Alluvial Project, as part of the Company's Community Development Action Plan (CDAP):

- Access road, bridge construction and ongoing road maintenance from the village of Gerihun to the mine site, passing through the villages of Konia and Golu (~USD 55,000 plus maintenance costs). This road provides greater market access for both producers and consumers in the villages of Golu, Konia and surrounding areas.
- Ferry at Kpatobu (~USD 10,000)
- Construction of Court Barre's at Golu and Nongoba, and refurbishment of the Court Barre at Gerihun (~USD 35,000, Figure 24)
- Construction of a clinic in the village of Golu (USD 10,000; cf. Figure 24)
- Refurbishment of three hand pumps in Golu village (USD 3,500)

Approximately eight-hundred (800) people attended the ceremony to mark the event and at which, Mike Lynn, CEO of Allotopes Diamond Company Ltd (ADCL), accepted an award of appreciation on behalf of the Company (Figure 25).

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)



Figure 24. At left -Medical clinic constructed by ADCL at Golu Village. At right- A Court Barre built by ADCL at Nongoba Village, EL 15/2012.



Figure 25. At left-Mike Lynn, CEO of ADCL, accepting title of Honourary Chief by the people of the Baoma Chiefdom. At right-receiving certificate of appreciation from Paramount Chief on behalf of ADCL's investment initiatives.

In anticipation of the 2017 dry-season exploration activities, the Company has renewed/re-negotiated royalty contracts with those communities adjacent to its operations.

REFERENCES

Hall, P.K., (1972). The diamond fields of Sierra Leone. Geol. Surv. Sierra Leone Bull. 5 (1); 133 pp.

COMPETENT PERSON'S STATEMENT- DIAMONDS

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves on the Allotropes Diamond's Sierra Leone Diamond Project, is based on information compiled by Mr Richard Hall (*M.Sc. Geology, Cum Laude*) who is a Fellow of the Australasian Institute of Mining and Metallurgy and a member of the Australian Geological Society, and who is an employee of Newfield Resources Limited.

Mr Hall has sufficient experience which is relevant to the style of mineralisation 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 Hall consents to the inclusion in this ASX release of this information in the form and context in which it appears.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

2. NEWFIELD GOLD PROJECT (NEWFIELD 100%)

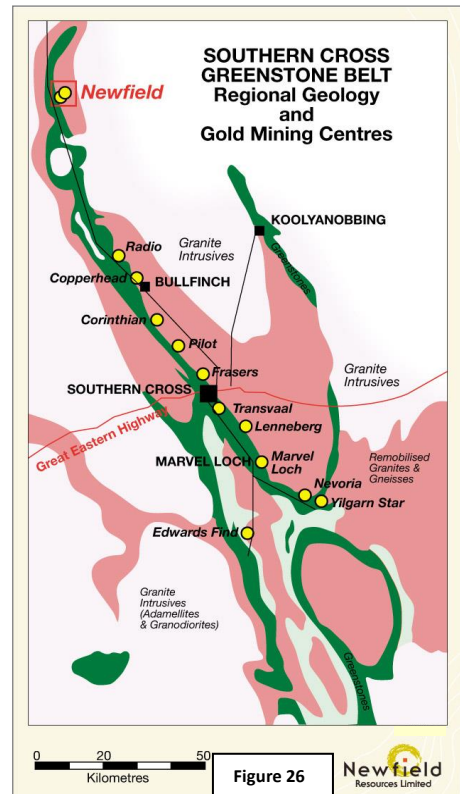
The Newfield Project comprises two granted mining leases and one granted prospecting licence. The project is centred approximately 60km NNW of Bullfinch, in the Yilgarn Mineral Field (Figure 26).

The project covers the historical Newfield (also known as Carterton) Mining Centre, which is located at the northern end of the highly endowed Southern Cross greenstone belt. Historical, pre-1940, gold production for the Carterton group was 8,552 oz. from 8,700t of ore at an average grade of 30.5 g/t Au, with production mainly coming from the Newfield Central workings.

More recent production at the Newfield Central Mine during the period from 2001 – 2005 resulted in 33,200 tonnes of ore extracted for a total of 24,200 ounces at a recovered grade of 22.68g/t Au.

During the quarter exploration activities comprised inspection of historical diamond drill core from the Newfield Central Prospect and ongoing prioritisation of gold targets within the project area.

A review of the existing datasets has identified several high priority gold targets, which include near surface targets within the strike extensions of the Newfield Central Fault Zone.



3. CREST YARD GOLD PROJECT (NEWFIELD 70%)

The Crest Yard Gold Project, covers 987 ha, centred between the historical gold mining centres of Kintore and Dunnsville, located approximately 60km northwest of Kalgoorlie, Western Australia.

Exploration undertaken by the Company on the project to date has included an aeromagnetic survey, a detailed auger geochemical program and aircore drilling programs. This work has defined several areas of bedrock gold mineralisation associated with zones quartz veining, Fe-staining, sericite alteration and haematite alteration within the previously untested Doyle Dam Granodiorite.

The phase two aircore drilling program returned several areas of anomalous bedrock gold mineralisation (greater 100ppb Au) at or near bottom of drill holes within the southern target area. (NWF ASX Release 30 January, 2015*)

Newfield Resources Ltd continues to review and interpret the results of the previously completed aircore drilling programs with a view to refining targets for deeper drill testing in the coming quarters.

*In accordance with Listing Rule 5.23.2, the Company confirms in the subsequent public report that it is not aware of any new information or data that materially affects the information included in the relevant market announcement 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 announcement continue to apply and have not materially changed.

COMPETENT PERSON'S STATEMENT- GOLD

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves on the Newfield and Crest Yard Gold Projects is based on information compiled by Mr Bryan Alexander who is a member of the Australasian Institute of Mining and Metallurgy.

Mr Alexander has sufficient experience which is relevant to the style of the mineralisation 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 Alexander consents to the inclusion in this ASX Release of this information in the form and context in which it appears.

DIRECTORS' REPORT

RESULTS

The Group incurred a loss of \$729,464 after income tax for the half-year (2015: \$1,528,114).

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* requires our auditors, BDO Audit (WA) Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 30 and forms part of this Directors' report for the half-year ended 31 December 2016.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the *Corporations Act 2001*.



Anthony Ho
Executive Director

Dated at Perth, Western Australia this 14th day of March 2017.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the half-year ended 31 December 2016

	Note	31 Dec 2016 \$	31 Dec 2015 \$
Mining expenses		-	(288,395)
Exploration and evaluation expenses		(408,641)	(408,191)
Corporate and administrative expenses		(387,470)	(539,502)
Exploration and evaluation assets written off	7	(5,663)	(221,281)
Provision for non-recovery of loans		-	(97,013)
Finance income		73,522	27,653
Finance costs		(1,212)	(1,385)
Loss before income tax		(729,464)	(1,528,114)
Income tax expense		-	-
Net loss for the half-year		(729,464)	(1,528,114)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences		733,598	(2,765,028)
Other comprehensive income for the half-year, net of tax		733,598	(2,765,028)
Total comprehensive income/(loss) for the half-year		4,134	(4,293,142)
Loss attributable to:			
Owners of the Company		(729,464)	(1,528,114)
Non-controlling interest		-	-
		(729,464)	(1,528,114)
Total comprehensive income/(loss) attributable to:			
Owners of the Company		4,134	(4,293,142)
Non-controlling interest		-	-
		4,134	(4,293,142)
Basic loss per share (cents)		(0.32)	(0.79)

Diluted loss per share is not shown as all potential ordinary shares on issue would decrease the loss per share and are thus not considered dilutive.

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2016

	Note	31 Dec 2016 \$	30 Jun 2016 \$
CURRENT ASSETS			
Cash and cash equivalents		3,378,240	8,636,589
Trade and other receivables		10,913	62,001
Inventory		255,322	167,562
Other current assets		224,806	239,082
Total Current Assets		3,869,281	9,105,234
NON-CURRENT ASSETS			
Trade and other receivables		70,584	-
Property, plant and equipment	6	3,594,877	2,619,132
Exploration and evaluation assets	7	18,535,164	14,824,010
Total Non-Current Assets		22,200,625	17,443,142
TOTAL ASSETS		26,069,906	26,548,376
CURRENT LIABILITIES			
Trade and other payables		242,002	773,077
Provision for employee benefits		133,553	167,053
Loans and borrowings		-	31,962
Total Current Liabilities		375,555	972,092
NON-CURRENT LIABILITIES			
Income tax payable		32,772	32,772
Total Non-current Liabilities		32,772	32,772
TOTAL LIABILITIES		408,327	1,004,864
NET ASSETS		25,661,579	25,543,512
EQUITY			
Contributed equity		36,141,400	36,141,400
Other reserves	8	(2,424,426)	(3,271,957)
Accumulated losses		(8,055,461)	(7,325,997)
Non-controlling interest		66	66
TOTAL EQUITY		25,661,579	25,543,512

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the half-year ended 31 December 2016

	Contributed Equity \$	Other Reserves \$	Accumulated Losses \$	Total \$	Non- controlling interests \$	Total Equity \$
Balance as at 1 July 2015	18,211,624	2,209,586	(3,137,434)	17,283,776	66	17,283,842
Loss for the half year	-	-	(1,528,114)	(1,528,114)	-	(1,528,114)
Other comprehensive income	-	(2,765,028)	-	(2,765,028)	-	(2,765,028)
Total comprehensive loss for the half year	-	(2,765,028)	(1,528,114)	(4,293,142)	-	(4,293,142)
<i>Transactions with equity holders in their capacity as equity holders:</i>						
Contribution of equity net of transaction costs	9,692,500	-	-	9,692,500	-	9,692,500
Balance as at 31 December 2015	27,904,124	(555,442)	(4,665,548)	22,683,134	66	22,683,200
Balance as at 1 July 2016	36,141,400	(3,271,957)	(7,325,997)	25,543,446	66	25,543,512
Loss for the half year	-	-	(729,464)	(729,464)	-	(729,464)
Other comprehensive income	-	733,598	-	733,598	-	733,598
Total comprehensive income for the half year	-	733,598	(729,464)	4,134	-	4,134
<i>Transactions with equity holders in their capacity as equity holders:</i>						
Issue of options to employees and consultants	-	113,933	-	113,933	-	113,933
Balance as at 31 December 2016	36,141,400	(2,424,426)	(8,055,461)	25,661,513	66	25,661,579

The Consolidated Statement of Changes in Equity is to be read in conjunction with accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the half-year ended 31 December 2016

	31 Dec 2016 \$	31 Dec 2015 \$
Cash flows from operating activities		
Payments to suppliers and employees	(448,675)	(1,111,691)
Interest received	73,078	9,916
Interest paid	(1,212)	(1,385)
Income tax paid	-	(435)
Net cash (outflow) used in operating activities	(376,809)	(1,103,595)
Cash flows from investing activities		
Payments for exploration and evaluation assets – capitalised costs	(3,786,943)	(3,836,690)
Proceeds from disposal of property, plant and equipment	2,654	-
Payments for purchase of property, plant and equipment	(1,043,421)	(345,848)
Payments for Mine Development	-	(219,716)
Net cash (outflow) used in investing activities	(4,827,710)	(4,402,254)
Cash flows from financing activities		
Proceeds from the issue of share capital	-	10,000,000
Payments of share issue costs	(24,349)	(307,500)
Repayment of borrowings	(31,961)	(38,071)
Net cash inflow/(outflow) from financing activities	(56,310)	9,654,429
Net increase/(decrease) in cash and cash equivalents	(5,260,829)	4,148,580
Cash and cash equivalents at the beginning of the half year	8,636,589	2,425,929
Effects of exchange rate changes on cash and cash equivalents	2,480	50,965
Cash and cash equivalents at the end of the half year	3,378,240	6,625,474

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the half-year ended 31 December 2016

1. REPORTING ENTITY

Newfield is a public company limited by shares incorporated in Australia whose shares are traded on the Australian Securities Exchange.

These consolidated financial statements comprise the Company and its subsidiaries (collectively the “Group” and individually “Group companies”). They were authorised for issue by the Board of Directors on 14 March 2017.

The annual financial report of the Group as at and for the financial period ended 30 June 2016 is available upon request from the Company’s registered office or may be viewed on the Company’s website, www.newfieldresources.com.au.

2. BASIS OF PREPARATION

This interim financial report for the half-year reporting period ended 31 December 2016 has been prepared in accordance with accounting standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 ‘Interim Financial Reporting’.

This interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this interim financial report be read in conjunction with the annual financial report for the financial year ended 30 June 2016 and considered together with any public announcements made by Newfield Resources Limited during the half-year ended 31 December 2016 in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001* and the ASX Listing Rules.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the impact of the new or amended standards became applicable for the current reporting period. However, the group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

From 1 July 2016, the Group’s subsidiaries in Sierra Leone changed their functional currency from Sierra Leonean leone to US dollars following reviews of their activities and estimate of future operations. The Directors believe that using USD as functional currency for the subsidiaries operating in Sierra Leone would most faithfully represent the economic effects of the operations of these subsidiaries.

Going Concern

For the half year ended 31 December 2016 the entity recorded a loss of \$729,464 and had net cash outflows from operating and investing activities of \$5,204,519. The ability of the entity to continue as a going concern is dependent on securing additional funding through capital raising to continue to fund its operational activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity’s ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Group has the ability to adjust its expenditure outlays subject to results of its exploration activities and the Group’s funding position.
- The Directors are confident that the Group will be able to raise further working capital as required by debt or equity.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2016

3. ESTIMATES

The preparation of the interim financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2016.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate option pricing model and these observable inputs are the best estimates available at the time of performing the calculation but are subject to variability and may be materially different if hindsight was to be used.

4. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the financial year ended 30 June 2016.

5. SEGMENT INFORMATION

The Group operates predominantly in the mineral exploration industry in Australia and Sierra Leone. The Board has determined that the Group has three reportable segments, being mineral exploration Australia, mineral exploration Sierra Leone and corporate.

	Mineral Exploration Australia \$	Mineral Exploration Sierra Leone \$	Corporate \$	Group \$
Half-year ended 31 December 2016				
Segment income	-	-	73,522	<u>73,522</u>
Segment result	(5,663)	(361,548)	(362,253)	<u>(729,464)</u>
As at 31 December 2016				
Segment assets	1,330,810	21,402,815	3,336,281	<u>26,069,906</u>
Segment liabilities	-	(350,570)	(57,757)	<u>(408,327)</u>
Half-year ended 31 December 2015				
Segment income	-	-	27,653	27,653
Segment result	(221,281)	(696,585)	(610,248)	(1,528,114)
As at 30 June 2016				
Segment assets	1,285,468	17,091,256	8,171,652	26,548,376
Segment liabilities	(14,465)	(845,655)	(144,744)	(1,004,864)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2016

6. PROPERTY, PLANT & EQUIPMENT

	Furniture & fittings \$	Motor vehicles \$	Plant & equipment \$	Capital spares & WIP \$	Total \$
At 30 June 2016					
Cost	116,960	448,381	2,234,105	394,549	3,193,995
Accumulated depreciation	(49,902)	(121,283)	(403,678)	-	(574,863)
Net book amount	<u>67,058</u>	<u>327,098</u>	<u>1,830,427</u>	<u>394,549</u>	<u>2,619,132</u>
Half-year ended 31 December 2016					
Opening net book amount	67,058	327,098	1,830,427	394,549	2,619,132
Exchange differences	1,669	10,698	59,868	12,905	85,140
Additions	3,150	-	43,829	1,044,077	1,091,056
Depreciation charges	(15,821)	(57,182)	(127,449)	-	(200,452)
Closing net book amount	<u>56,056</u>	<u>280,614</u>	<u>1,806,675</u>	<u>1,451,531</u>	<u>3,594,876</u>
At 31 December 2016					
Cost	123,150	450,890	2,351,010	1,451,531	4,376,581
Accumulated depreciation	(67,094)	(170,276)	(544,335)	-	(781,705)
Net book amount	<u>56,056</u>	<u>280,614</u>	<u>1,806,675</u>	<u>1,451,531</u>	<u>3,594,876</u>

	31 Dec 2016 \$	30 Jun 2016 \$
7. EXPLORATION AND EVALUATION ASSETS		
Exploration, evaluation and development costs carried forward in respect of areas of interest	<u>18,535,164</u>	<u>14,824,010</u>
Movements for half-year ended 31 December	2016 \$	2015 \$
Carrying amount at beginning of period	14,824,010	10,817,809
Foreign exchange difference on opening balance	414,997	(1,562,709)
Exploration and evaluation expenditure – Australia	51,005	129,116
Exploration and evaluation expenditure – Sierra Leone	3,210,799	2,764,100
Foreign exchange difference on valuation of Baoma tenement at balance date	40,016	58,231
Exploration Expenditure written-off	(5,663)	(221,281)
Carrying amount at end of period	<u>18,535,164</u>	<u>11,985,266</u>

The value of the exploration, evaluation and development costs carried forward is dependent upon the continuance of the Group's rights to tenure of the area of interest, the results of future exploration, and the recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2016

	31 Dec 2016 \$	30 Jun 2016 \$
8. OTHER RESERVES		
Share Based Payments Reserve		
Balance at beginning of year	40,000	40,000
Issue of options to employees and consultants of the Company	113,933	-
Balance at end of year	153,933	40,000
Foreign Currency Translation Reserve		
Balance at beginning of year	(3,311,957)	2,169,586
Currency translation differences on translation of foreign operations	733,598	(5,481,543)
Balance at end of year	(2,578,359)	(3,311,957)
Total	2,424,426	(3,271,957)

Share based payments reserve

The reserve is used to recognise the values attributed to options over ordinary shares granted to employees and consultants in consideration for the provision of services.

Foreign currency translation reserve

The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars.

9. SHARE BASED PAYMENTS

The following options were granted to employees and consultants of the Company during the half-year:

Class	Grant Date	Expiry Date	Exercise Price	Number of Options
Unlisted Options	1 December 2016	30 December 2020	\$0.50	6,000,000

Fair value of options granted

The fair value of options granted during the half year was calculated at the date of grant using the Black-Scholes option-pricing model. The following table gives the assumptions made in determining the fair value of options on grant date:

Fair value per option	1.90 cents
Grant date	30 November 2016
Number of options	6,000,000
Expiry date	30 December 2020
Expected average exercise period	2.04 years
Exercise price	\$0.50
30-day VWAP*	\$0.2305
Estimated volatility	50.65%
Risk-free interest rate	2.30%
Dividend yield	0%

*The calculation of 30-day VWAP includes share trading prices for both on-market and off-market trades.

The expected price volatility is based on the historical volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to public available information.

These options have no vesting conditions attached to them and are expensed in full on issue. Total expense recognised as share-based payments in the half-year was \$113,933 (2015: nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the half-year ended 31 December 2016

10. COMMITMENTS AND CONTINGENCIES

The changes to the commitments and contingencies disclosed in the most recent annual report are specified below. Other than the changes mentioned below, all other commitments and contingencies remain consistent with those disclosed in the 2016 annual report.

The Company entered into a lease agreement for its office in Australia for a term of four years (**Office Head Lease Agreement**). Commitments in relation to the Office Head Lease Agreement at reporting date but not recognised as a liability are payable as follows:

	31 Dec 2016 \$	30 Jun 2016 \$
Within one year	301,500	-
After one year but not more than five years	903,588	-
	1,205,088	-

11. RELATED PARTY TRANSACTIONS

The following transactions occurred with related parties during the reporting period:

	Transactions value for the half-year ended 31 Dec 2016 \$	Balance outstanding as at 31 Dec 2016 \$
Payment for secretarial services from Anthony Ho & Associates (director-related entity of Anthony Ho)	30,000	5,500

Unless otherwise stated, all transactions were made on normal commercial terms and conditions and at market rates.

12. EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the half-year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

DIRECTORS' DECLARATION

In the opinion of the Directors of Newfield Resources Limited:

- (a) the financial statements and notes set out on pages 20 to 28 are in accordance with the Corporations Act 2001, including:
 - i. complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
 - ii. giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the half-year ended on that date, and
- (b) there are reasonable grounds to believe that Newfield Resources Limited will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Anthony Ho
Executive Director

Perth, Western Australia
14 March 2017

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF NEWFIELD RESOURCES LIMITED

As lead auditor for the review of Newfield Resources Limited for the half-year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Newfield Resources Limited and the entities it controlled during the period.



Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 14 March 2017

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Newfield Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Newfield Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Newfield Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Newfield Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Newfield Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of matter - Material uncertainty relating to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Glyn O'Brien', is written over a faint, light blue BDO logo.

Glyn O'Brien

Director

Perth, 14 March 2017