

## Quarterly Report to 30 June 2015

ASX Code: **NWF**

### Highlights

#### Sierra Leone Diamond Projects

- The Company's extensive alluvial exploration program has continued to define numerous areas of largely intact prospective gravels throughout its recently expanded tenement areas.
- Subsequent to the end of the quarter the Company was granted its first mining licence at the Golu site.
- Trial mining has commenced within the recently granted Golu Mining Licence.
- Initial processing of the basal gravels from the Golu Mining Licence, through the recently commissioned Dense Media Separation ("DMS") Plant, has yielded 133.59 carats from 769 tonnes at average grade of 17.4 cph.
- In addition to the basal gravels the Company has also processed several lower grade stockpiles which comprise the basal gravels diluted with varying amounts of an overlying pebbly sand unit. Total production to date, inclusive of the lower grade stockpiles, has yielded a total of 410.80 carats.
- Planning for the drill testing of high priority kimberlite targets well advanced.

#### Australian Gold Projects

- Planning continued for first pass air core drilling program to test gold in auger anomalies on the Newfield Extended Project.

#### Corporate

- During the quarter 11,727,272 options were exercised raising \$2,931,818 in additional capital providing the Company with a sound financial platform to pursue its objectives.



Photograph of diamonds recovered from processing of bulk samples from Newfield Resources Ltd's Allotropes Diamond Project in Sierra Leone.

ASX Release: 31 July 2015

ACN 153 219 848

#### DIRECTORS

Mr Bryan Alexander  
(Executive Director)

Mr Anthony Ho  
(Executive Director)

Mr Joshua Letcher  
(Executive Director)

Mr Murray Kornweibel  
(Non-Executive Director)

Ms Sanny Nanang  
(Non-Executive Director)

#### CAPITAL STRUCTURE

Shares on Issue: 184.08M  
Options on Issue: 39M

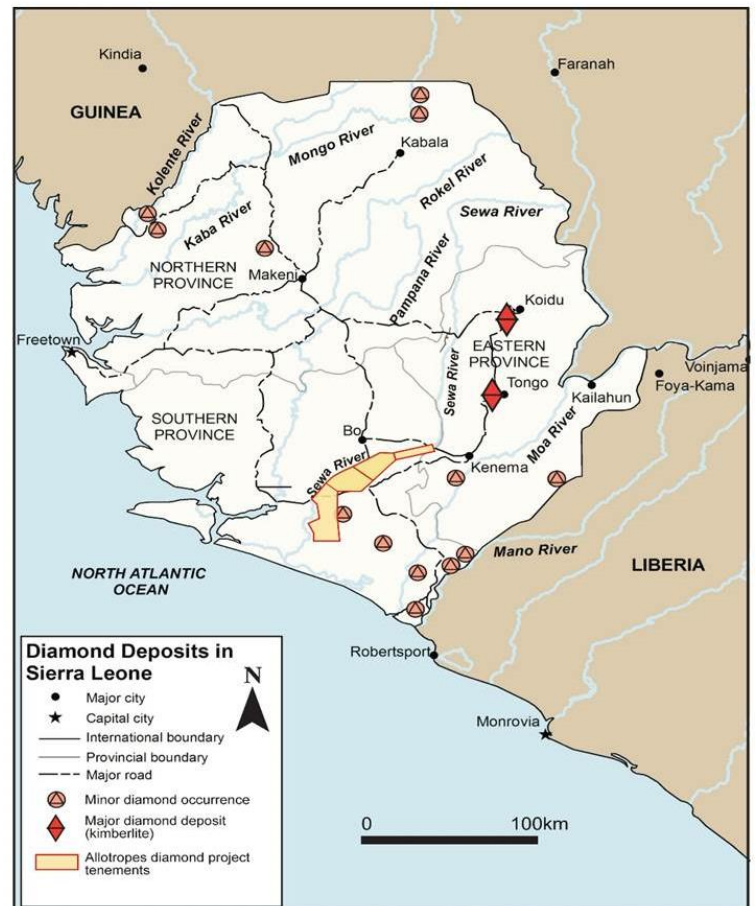
## 1. ALLOTROPES DIAMOND PROJECT – SIERRA LEONE (NEWFIELD 100%)

### 1.1 Alluvial Exploration Activities

Newfield Resources Limited (“Newfield” or the “Company”) is now active in all five of its exploration licences covering 790km<sup>2</sup> of tenement holdings within the Bo, Bonthe, Moyamba and Pujehun Districts in the Southern Province of Sierra Leone (Figure 1).

As with the bulk of the exploration activities conducted to date, the principle focus in this quarter has been directed towards defining the extent of the known and potentially diamondiferous alluvial gravel occurrences within the Company’s project tenements.

In tandem with this program, the Company continues to refine its numerous interpreted kimberlite targets that have been outlined on the project tenements to date.



**Figure 1.** Status of tenement holdings, Sierra Leone.

An outline of the exploration activities follows.

#### 1.1.1 Exploration Licence - EL 15/2012: Baoma Alluvial Project

Exploration trenching and pitting on the Sandia-Tugbebu (86 tons manually recovered) and Waima-Matugbe River Targets (80 tons manually recovered from 14m x 14m pit, with a 2.72 carat diamond recovered from semi-processed gravel) was completed and gravel is awaiting processing at the Golu DMS. Currently, the focus has shifted to the trial-mining phase underway at the Baoma (Golu) pit. This geological team has been re-assigned to ore-quality (grade) control, pit mapping as well as gravel protection and labelling of the various stockpiles for DMS processing. In addition, geological control is provided at the pre-stripping stage to exposure to the top of the ore. Once the gravel has been mechanically excavated it is thereafter manually cleaned to enable the bedrock gullies and crevices to be swept clean. Casual workers operate under the close supervision of the geologists and an armed presence has also been employed to assist the Company security personnel in enforcing strict security measures.

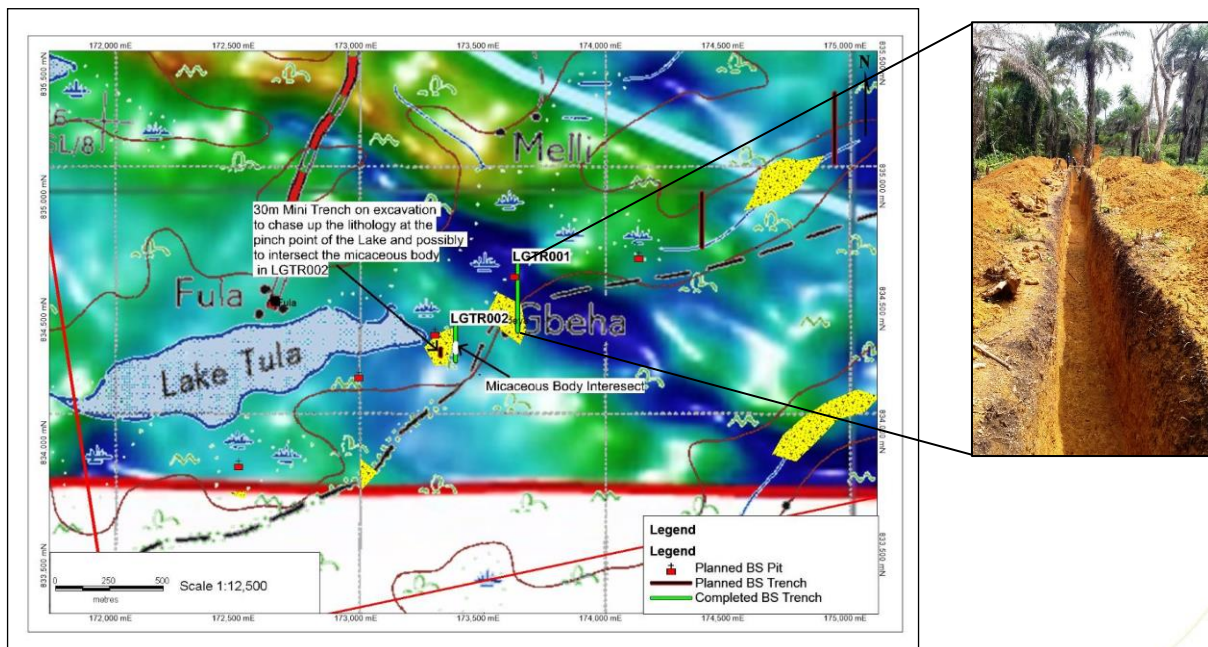
### 1.1.2 Exploration Licence - EL 19/2014: Venima-Hima Alluvial Program

A total of 376 mini pits (1m x 1m) have been completed on the Venima-Hima Alluvial Target with the processing of gravels for their heavy mineral content (HMC) being on those pits along the western (true right-hand) bank of the Sewa River. However, as the wet-season has commenced, a high water table has resulted in some of the excavations being deferred to the dry season.

In addition, work on the Hima-Mano flats (eastern or left-hand bank of the Sewa River) has been completed with twenty (20) 4m x 4m pits being completed, all intersecting palaeo-channel gravel. In the dry season, access is expected to improve and this alluvial target remains a high-priority for bulk-sampling to test for mineralisation, in order to replicate the results of the previous operator, Cream Minerals Ltd (cf. section 1.1.3 of the Quarterly Report for the Period Ending March 2015 - NWF ASX Release 29 April, 2015\*) who recovered grades ranging from 0.4-1.5 carats per cubic yard (29 cpht -109 cpht) (in Hall, 1972).

### 1.1.3 Exploration Licence - EL 12/2014: Lake Fula and Pongola-Mokombo Alluvial Programs

**Lake Fula (or Tula):** Over 292 test pits have been completed to date. In addition, trenching on the Lake Fula Target has been initiated, with 50kg composite samples from the entire 445m length of trenching completed to date (Figure 2). The trenches have been planned to locate the source of the diamonds informally being mined around the local Gbenya village. The exploration conducted to date supports a high-terrace, lacustrine deposit. In addition, the lake follows the ENE trend of the regional kimberlite dyke emplacement and two micaceous dykes have been intersected in the trenches. Follow up work is continuing to ascertain the nature of these features – a duricrust layer comprising coarse ilmenite, rutile and other mafic minerals, has also been exposed in the trenching.

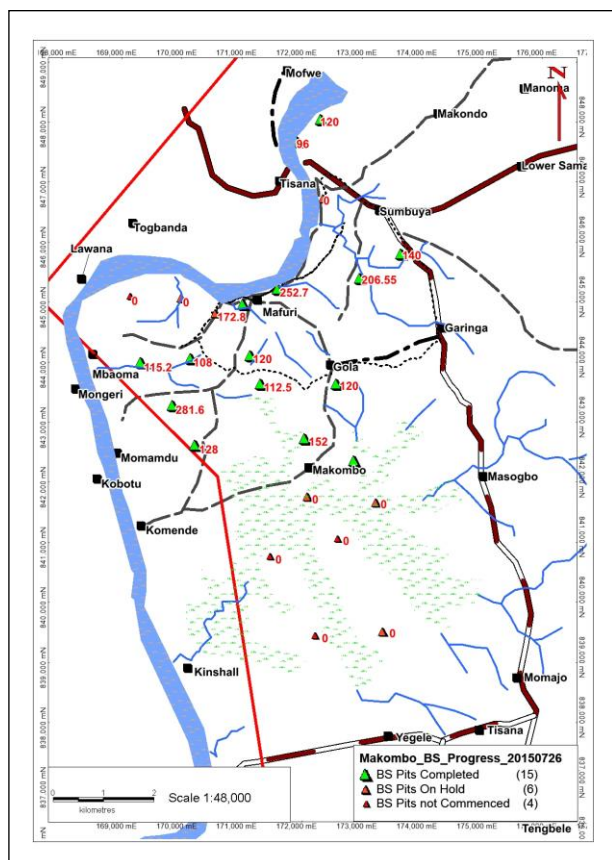


**Figure 2.** Trenching activities at the Lake Fula (Tula) Alluvial Target. Background image is total magnetic intensity (TMI) plot. Yellow polygons are artisanal workings.

\*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.



**Mokombo Bulk-sampling Program:** A total of fifteen (15) bulk-sample pits have been excavated to date in the Mokombo Target area of EL12/2014 (Figure 3 and 4), with a total extracted volume of 2278m<sup>3</sup> amounting to some +4000 tonnes of gravel awaiting processing. The program covers both the Kise and Mafuri River drainage catchments. Of the completed test pits, nine test pits have coincided with low terrace gravels in a swamp environment, one pit on fluvial, three on middle terrace and two on high terraces.



An additional seven bulk-sample pits have been planned and will be excavated as access allows at the completion of the wet season.

The majority of these areas are marshy throughout the year, with the lowest water level encountered between January and March. This period allows local artisanal miners to conduct active mining of the area. Anecdotally, diamonds have been reported in all of the swamps sampled so far, and this is supported by the high HMC counts, on the basis of which the bulk samples were planned.

**Pongolo Terrace Bulk-sampling Program:** Trenching has commenced on the Pongolo Terrace on a middle-terrace flat, intersecting rounded pebbles and cobbles associated with nearby Pongolo Lake, a remnant circular feature adjacent to the terrace. The lateritic terrace area (170053E -844883N) at least 1 kilometre in length, has been moderately mined by artisanal miners over the years, but the recovery of rounded cobbles, lends credence to the theory of a remnant palaeo-channel system being preserved and subsequently lateritised.

**Figure 3.** Showing bulk-sampling progress at the Mokombo and Pongolo Project localities. The exploration camp is located at Sumbuya.



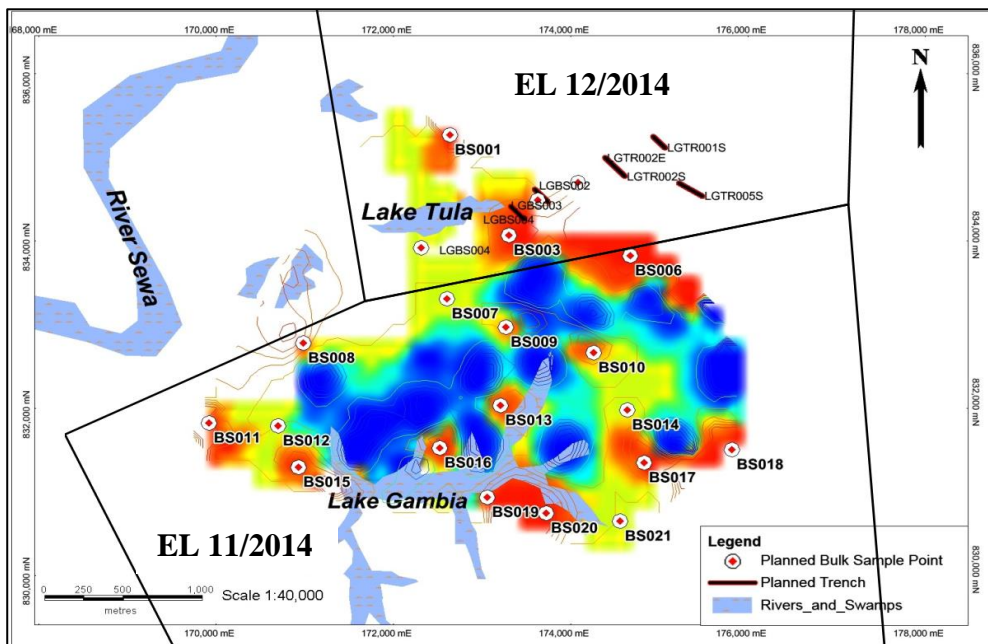
**Figure 4.** Mokombo Bulk-sampling Program. Figure 4 (a) at left, (b/s MABS023) showing oxidised fluvial terrace environment, and Figure 4 (b) at right, (b/s MABS019), showing reducing, low-terrace, swamp environment.

#### 1.1.4 Exploration Licence - EL 11/2014: Yawei Flat (Malen River) and Lake Gambia Alluvial Program.

**Yawei Flat:** The 8m x 8m dimension bulk sample pit located on the Yawei Flat has been suspended and will be recommenced following the end of the wet season.

#### **Lake Gambia:**

To date, 300 pits have been completed over the Lake Gambia Target. The field teams have also completed the identification of heavy mineral concentrates (HMC) in over 80% of the pits. These results, along with geological logs, have been utilised in the selection of priority bulk-sample localities. To date, twenty-one (21) bulk sample pits (c.15m x 15m dimension) and five (5) trenches have been planned (Figure 5). Any potential alluvial resource here is very much intact, with only sporadic artisanal mining having occurred in the area. During a field survey, field teams confirm the recovery of diamonds being won from all the artisanal workings.



**Figure 5.** Lake Gambia bulk-sample sites. The background image is an isopach of heavy mineral content (HMC).

## 1.2 Golu Mining Licence

Subsequent to the end of the quarter the Company was granted its first small-scale mining licence (SSML) at the Golu alluvial project, located some 25km south-east of Bo (refer to ASX release ‘Mining Licence Granted at Allotrope’s Diamond Project’, 01 July, 2015\*).

The licence is held by a Newfield local subsidiary company, Allotropes Mining Company Ltd, and covers an area of diamondiferous alluvial (fluvial facies) gravels at the Golu site within the Exploration Licence 15/2012. The gravels occupy fringing terraces and embayments relating to the ancestral Sewa River system.

The approval of the SSML is the culmination of an extensive permitting process. The Company wishes to record its appreciation to the various government agencies in Sierra Leone, the leaders of the Baoma Chiefdom and the local community for their support during this process.

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Bulk samples of alluvial gravels undertaken by Allotropes and previous explorers on EL15/2012 have returned grades varying between 5.21 carats per hundred tonne (“cpht”) and 155.89 cpht (ASX announcement dated 29 November 2013\*). The wide variance in the grade of the bulk sampling pits is typical for alluvial diamond deposits and reflects the nuggetty distribution inherent in alluvial depositional environments.

The SSML is centred on the area of the Company’s more recent Golu bulk sampling program, as reported in ASX announcement dated 27 June 2014\*, which returned 32.1 carats from 74 tonnes of basal gravel for an average recovered grade of 43.51 carats per hundred tonne (cpht).

### ***Ore and Overburden Geology***

The Lower Terrace fluvial facies has been briefly described in the Company Update, June 2014 (NWF ASX Release 27 June, 2014\*). The target horizon comprises a thin (20cm-80cm) basal gravel unit that unconformably overlies the water-bevelled basement floor-rocks adjacent to the Modern Sewa River. The remainder of the fluvial sequence fines upwards, with a pebbly-sand overlying the basal gravels, grading into sand, silts and clays. The gravel occupies palaeo-embayments and low-elevation paired terraces that rarely extend beyond 150m inland from the Modern river course. Due to its high diamond tenor relative to its terrestrial Middle and Upper Terrace counterparts, the Lower (fluvial) Terrace has been un-systematically mined by artisanal miners over many decades. Due to the erratic nature of the mining and depth of the overburden cover, un-mined remnants however, do occur where the basal gravels have not always been intercepted and still remain intact. Due to poorer recoveries by artisanal mining methods, it may also be possible to economically re-process washed gravels in these areas, thereby adding to the total resource inventory.

### ***Trial-mining***

During the trial-mining phase (Figure 6), the Company implemented strict ore quality control measures in order to minimise mining dilution and optimise the recovery of the previously identified, more mineralised, basal gravel ore horizon (Figure 7; Figure 8). During the trial-mining phase, it was also decided to ascertain the degree of diamond mineralisation within the overlying and more matrix-supported gravel unit within the same fluvial stratigraphic sequence. Colloquially referred to as the ‘5’ layer (i.e. 5mm sieve-size), this finer-grained and sandier suspended unit historically has a lower ore tenor, and the Company has been testing this along with the basal unit to determine payability limits and thus the optimal cut-off position that delineates ore from overburden (waste) (cf. Figure 6; Figure 7).



**Figure 6.** Pre-stripping and mining activities in the Golu trial-mining pit, Baoma District. Note: a previous bulk-sample trench, excavated to test for mineralisation, lies at the top of the photo (green, grassy area trending left to right.) The tree-line marks the bank of the Sewa River.



**Figure 7.** The Lower Terrace ore horizon, Golu trial-mining pit. The basal gravels (note white quartz vein clast assemblage) are enriched in grade, relative to the buff coloured, overlying sandier unit (the '5' - note bedding planes). The dark-grey excavated material (at top) is a localised sandy organic unit overlying the '5' and deposited as a slack-water layer as the river gradually abandoned its course.



**Figure 8.** Supervised manual bedrock sweeping between gullies and crevices. Due to the high specific gravity of diamond, these bedrock perturbations contain much of the basal gravel mineralisation.



### *Summary of Results*

Since granting of the SSML, discriminatory testing of both the higher-tenor basal gravel unit and basal gravel unit, blended with the suspended '5' (sandy gravel to pebbly sand) unit, of the fluvial Lower Terrace, has commenced. This material has been separately processed through the DMS plant.

Initial processing of the basal gravels from the Golu SSML, through the recently commissioned Dense Media Separation ("DMS") Plant, has yielded 133.59 carats from 769 tonnes at average grade of 17.4 cpht (Table 1).

Table 1: Batch-runs of Lower Terrace Basal Gravels

Tons	Carats Recovered	Grade (cpht)	Average Stone Size (carats per stone)
769	133.59	17.4	0.32

An individual plant shift recorded a diamond grade peak of 31cpht (i.e. 24.81 cts recovered for 80 tons processed).

In addition to the basal gravels, the Company has also processed several lower grade stockpiles which comprise the basal gravels diluted with varying amounts of an overlying pebbly sand unit. Total production to date, inclusive of the lower grade stockpiles, has yielded a total of 410.80 carats from 5,167 tonnes and an average grade of 7.95cpht (Table 2).

Table 2: Batch-runs of Lower Terrace Basal Gravels and the Overlying Pebbly Sand Unit ('5' unit)

Tons	Carats Recovered	Grade (cpht)	Average Stone Size (carats per stone)
2210	251.0	11.38	0.32
2398	113.8	4.75	0.32
559	46.0	8.22	0.27

These data record the 'nugget effect' of the alluvial deposit over a short distance, and within a mining footprint/window of less than 0.6ha.

### *Diamond Parcel*

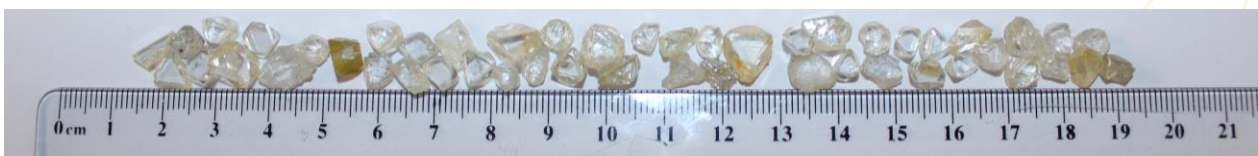
One of the further objectives of the trial-mining phase is to produce a parcel of diamonds for 'foot-printing' purposes (e.g. to assess size, shape [form], colour, quality [percentage gem/near-gem/industrial]). This parcel will also form the basis of a size-frequency distribution (i.e. SFD log-normal curve) determination of the various sieve classes sizes recovered from the Lower Terrace deposits. This SFD will allow the Company to appraise the diamonds for eventual marketing purposes (e.g. price-book categorisation). In addition, the diamonds will be analysed for their surface textures which exhibit a record of any diamond abrasion history and resorption features - information that can be utilised to guide further exploration of these deposits.

Photographs of the diamonds recovered to date from the trial mining at the Golu SSML are presented in Photographs 1 - 3.





**Photograph 1 and 2.** Photograph 1 (top) and Photograph 2 (above) of the diamond inventory from processing of the gravels from the Golu Mining Licence.



**Photograph 3.** Photograph of selected diamonds from processing of the gravels from the Golu Mining Licence.

### 1.3 Kimberlite Exploration Activities

#### *Exploration Licence - EL 20/2014: Jomu-Maina-Tongie*

The Company-owned Dando Multitec 4000 drill rig has been commissioned and the crew has begun on-site training and familiarisation with the rig (Photograph 4). The Company commissioned the manufacture of the rig late last year, which has been specifically adapted to suit the operating environment in the Allotropes Project.

A target definition and ranking exercise involving the review of all the available historical geological, geophysical and geochemical datasets for the licence area, has been completed. In addition, a consulting geophysicist, with significant experience in diamond exploration, was also engaged by the Company to reprocess and interpret this historic airborne geophysical data-set. On the basis of the target definition exercise, the Company has defined a total 183 kimberlite targets within the Allotropes Project, of which 46 are considered to be high-priority targets.

However, the legacy data is considered reconnaissance level detail, and preliminary quotes have been received for a second airborne magnetic survey. This new survey will comprise both reconnaissance-level coverage over Exploration Licence (EL) 11/2014, which was not covered by the legacy airborne data-set, as well high-resolution coverage over select target groupings.

The intention is to merge the new reconnaissance-level data obtained from the EL 11/2014 fly-over, with the existing remodelled and micro-levelled Company data-set, and from this combined data-set, to conduct low-elevation flying (e.g. crop-duster-style) over selected blocks of prioritised targets. In this way, the Company expects the airborne survey to produce additional drill-ready high-resolution aeromagnetic kimberlite targets.

An initial drilling phase of high-priority kimberlite targets will be then be systematically tested over H1 2016.



**Photograph 4.** The Company's Dando drill rig during its field commissioning phase. The rig's arrival on site, inset.

## 2. NEWFIELD EXTENDED GOLD PROJECT (NEWFIELD EARNING UP TO 80%)

During the quarter the Company continued the planning for a first pass air core drilling program to test the recently defined gold-in-auger drilling anomalies in the western target area on the Newfield Extended Project.

The Newfield Extended Project comprises one granted exploration licence (E77/1394), covering approximately 60 square kilometres, immediately to the north and west of the Newfield Mining Centre (Figure 9).

A historical broad-spaced auger soil geochemistry program completed by the tenement operators in 2011 - 2012 together with a detailed aeromagnetic survey, had outlined three high priority gold targets within the project area.

A recent infill and expanded auger soil sampling program completed by Newfield confirmed and extrapolated several gold anomalies in the western and north eastern target areas. (NWF ASX Release 29 April, 2014\*)

In the western target area several distinct, greater than 10ppb, gold-in-auger soil anomalies have been outlined (Figure 10). These low-order gold anomalies are considered significant as the majority of the western target area is covered by recent transported sands, which mask the surface geochemical response from any potential gold mineralisation at depth.

The western gold anomalies are also largely coincident with an area of anomalous nickel geochemistry (greater than 100ppm nickel) in the auger soil sampling (Figure 11). The anomalous nickel geochemistry supports the Company's recent interpretation that the granite – greenstone boundary may be located further west than had been inferred by previous explorers.

Planning has continued for a first pass air core drilling program to test the coincident gold and nickel anomalies in the western target area. The proposed program will comprise several east – west orientated drill traverses across the auger anomalies and the interpreted position of the granite- greenstone contact.

Once the planning for the program has been finalised then the relevant Program of Works – Exploration (PoW-E) approvals will be sought for the Department of Mines and Petroleum (DMP) to enable the program to be undertaken.

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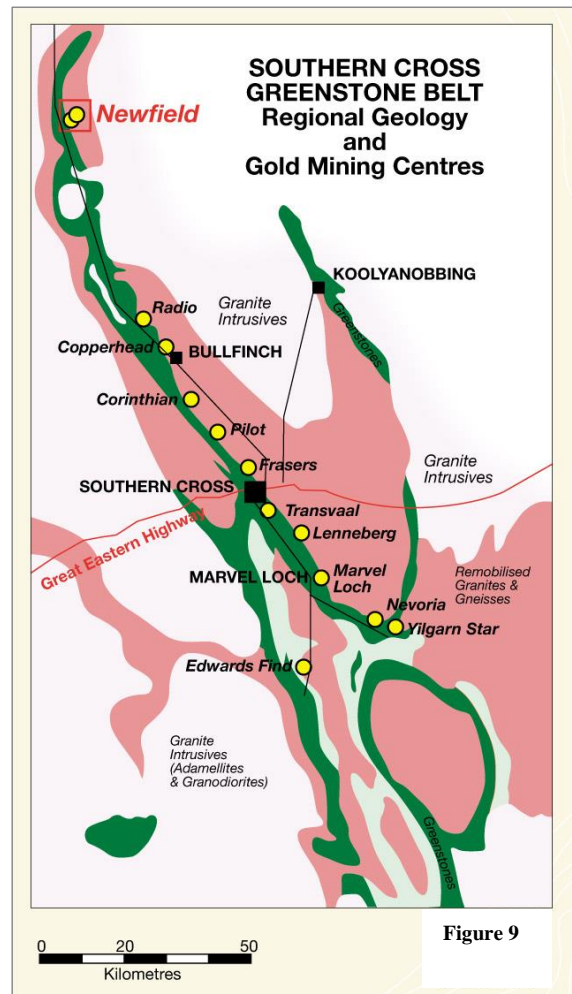
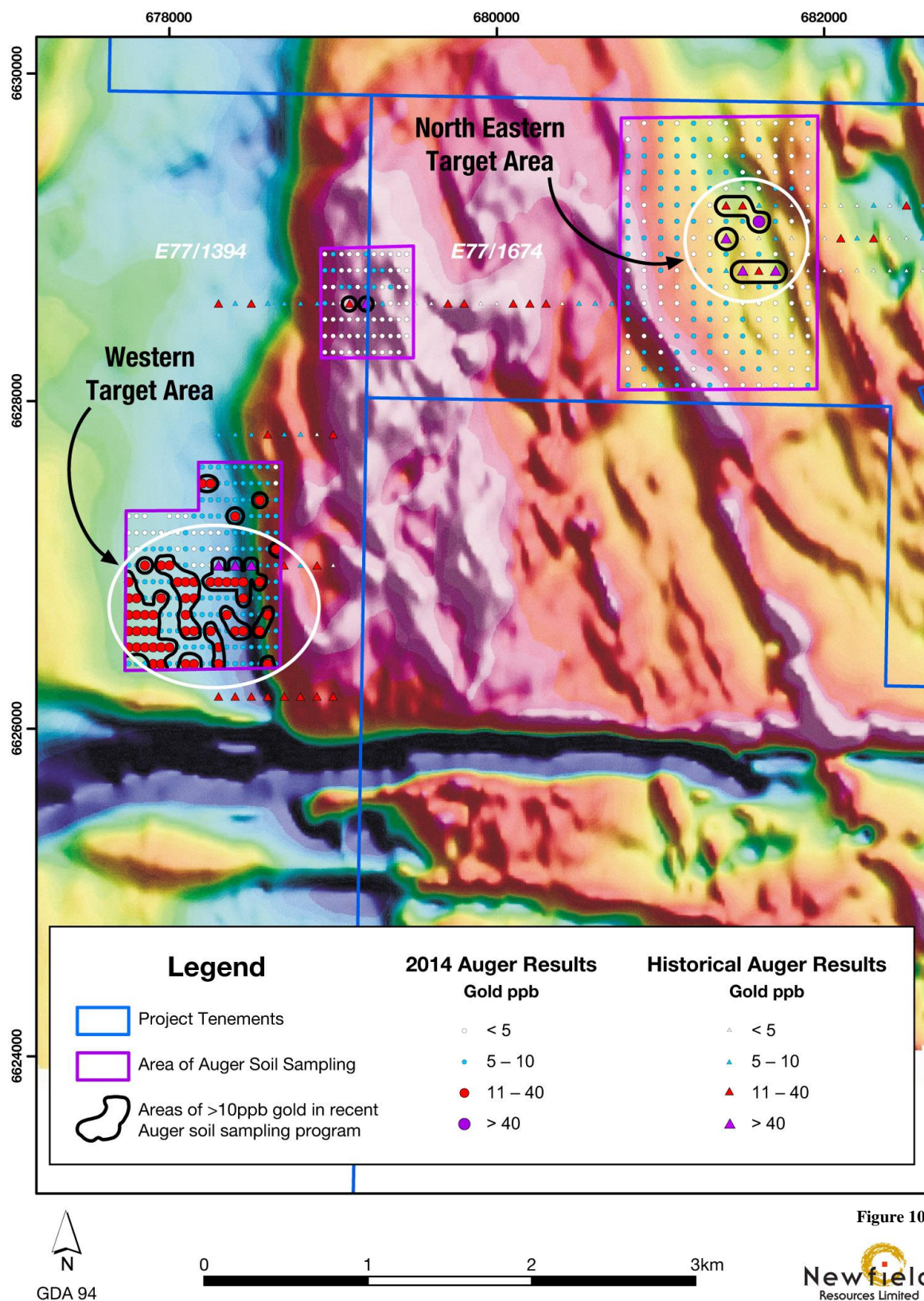


Figure 9

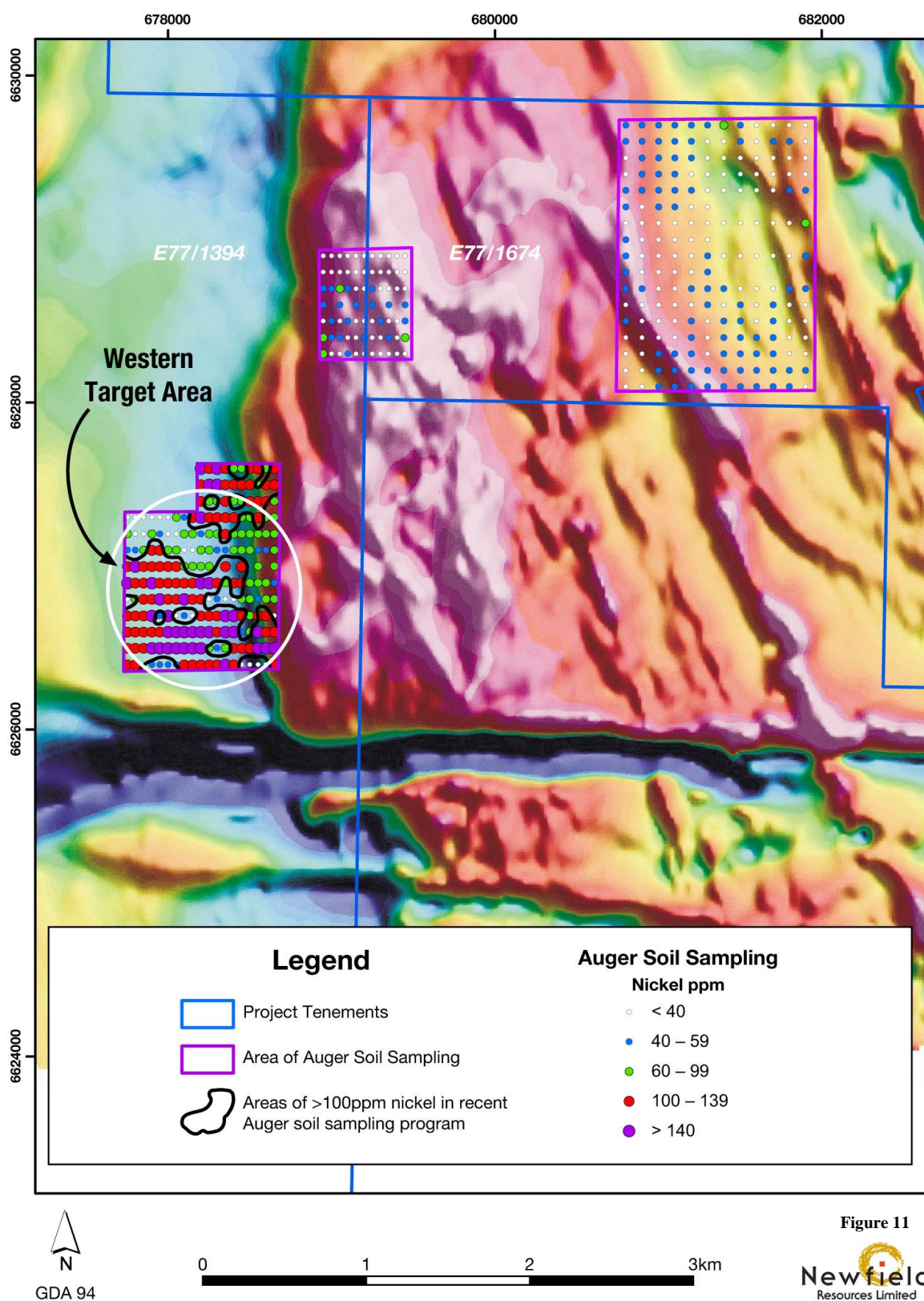


**Auger Soil Sampling Program – Gold Results Over Total Magnetic Intensity Image  
Newfield Extended Project**





**Auger Soil Sampling Program – Nickel Results Over Total Magnetic Intensity Image  
Newfield Extended Project**



### 3. CREST YARD GOLD PROJECT (NEWFIELD 70%)

The Crest Yard Gold Project, covers 2,455 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 recently completed 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\*)

The Company continues to review and interpret the results of the aircore drilling programs with a view to refining targets for deeper drill testing in the coming quarters.

During the quarter the Company's option to acquire an additional 30% equity in the Crest Yard Gold Project tenements lapsed.

\*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.

### 4. CORPORATE

During the quarter 11,727,272 options at \$0.25 each expiring 15 June 2015 were exercised raising \$2,931,818.

The fresh capital raised provides Newfield with a sound financial platform to further the Company's development of the Allotropes Diamond Project.

The Directors express their appreciation for the continued support from shareholders at this important period of the Company's development.



## REFERENCES

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

**Ikona, C. K. (2006).** Technical Report on Alluvial Diamond Properties –EPL 1/94 & EPL 5/94, Sierra Leone, for Cream Minerals Ltd., 77pp.

## 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 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.

## COMPETENT PERSON'S STATEMENT- GOLD

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves on the Newfield, Newfield Extended 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 and is an employee of Newfield Resources Limited.

Mr Alexander is a director and substantial shareholder of Archaeon Exploration Services Pty Ltd. Archaeon Exploration Services Pty Ltd holds 499,500 fully paid ordinary shares in Newfield Resources Limited. Mr Alexander is the sole director and substantial shareholder of Crest Metals Pty Ltd. Crest Metals Pty Ltd holds 750,000 fully paid ordinary shares in Newfield Resources Limited.

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.

## APPENDIX 1 – REPORTING ON EXPLORATION RESULTS-JORC (2012) TABLE 1

### Allotropes Diamond's Alluvial Diamond Project -Sierra Leone.

#### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>A drill rig is on site and being commissioned. Sampling techniques are not applicable as no substantive drilling of a reportable nature has been conducted.</li> <li>With respect to alluvial exploration, the delineation of the distribution of diamondiferous gravels has been determined by reconnaissance level pitting and additional bulk-sampling activities have been conducted on sedimentologically desirable and statistically representative localities, with a view to eventually determining a JORC compliant maiden diamond resource.</li> <li>Excavation of reconnaissance and bulk-sample pits is conducted both mechanically where suitable or manually, to recover the basal gravel wash and clean the bedrock contact.</li> <li>Bulk-samples are considered suitable for resource estimation purposes i.e. provide an indicative estimation of their contained mineralisation.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>A drill rig is on site and being commissioned. No substantive drilling results are available as drill rig is being commissioned.</li> <li>Diamond drilling to be conducted with 3m double tube core-barrel. HQ core recovery (63.5mm diameter).</li> <li>Tricone and impregnated and surface-set drill bits to be utilised.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>A drill rig is on site and being commissioned. Not applicable as no substantive drilling of a reportable nature has been conducted</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Logging</b>	<ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>A drill rig is on site and being commissioned. No substantive drilling results are available as drill rig is being commissioned.</li> <li>Regarding alluvial exploration, all excavations are lithologically logged to capture overburden and gravel thickness, depth to bedrock, footwall contacts (sharp, gradual) and footwall lithology and character (weathered, fresh).</li> <li>Many pits are photographically recorded.</li> </ul>
<b>Sub-sampling techniques and</b>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no substantive drilling of a reportable nature has been conducted.</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>sample preparation</b>	<ul style="list-style-type: none"> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• With respect to alluvial exploration, 50 kg of gravel collected to process for heavy mineral concentrate (HMC) and kimberlite indicator minerals (KIM). All samples collected are <i>in situ</i> material.</li> <li>• All samples are cleaned to bedrock.</li> <li>• All samples are transported and processed with minimum handling to ensure sample integrity and minimise loss of ore material.</li> <li>• Sub-sampling techniques involved reducing (washing) the gravel material to a concentrate residue.</li> <li>• HMC content recorded in terms of high-medium-low concentrations and mineral type.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• Recovery of HMC completed under appropriate guidelines for QA/QC purposes.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• No independent verification of the sampling process has been undertaken.</li> <li>• No adjustments to sampling data have been made.</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• Sample sites selected in the field via hand-held Garmin GPS with a nominal (horizontal) accuracy of 5m In-pit measurements recorded with tape measures/ranging rods.</li> <li>• The grid system is WGS84, UTM Zone 29N.</li> <li>• Planned waypoint transferred to ExpertGPS, GlobalMapper and ArcGIS programs.</li> <li>• DTM data utilised is the NASA Africa SRTM (90m cell).</li> <li>• DEM collected from a legacy aeromagnetic survey (100m line spacing; 55m vertical height) is also available for topographic control purposes.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• The pit spacing is considered geo-statistically representative.</li> <li>• Sample representivity is considered appropriate concerning geographical location and sample elevation and taking cognisance of the geological continuity within, and with respect to, the various depositional (facies) environments in which the alluvial deposits are developed.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• If the relationship between the drilling</li> </ul>	<ul style="list-style-type: none"> <li>• Alluvial bulk-samples and reconnaissance pits are cognisant of depositional and geographical environments.</li> <li>• The dominant facies types identified are: <ol style="list-style-type: none"> <li>1. Modern River deposits;</li> <li>2. Swamps and Flats;</li> </ol> </li> </ul>



Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<i>orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	3. Alluvial terraces (Low and High Terraces in to proximity to the Modern river) 4. Colluvial/eluvial aprons (surface residual deposits) over and adjacent to interpreted kimberlite geophysical anomalies. • Any historic sample orientation/bias is unknown.
<b>Sample security</b>	• <i>The measures taken to ensure sample security.</i>	• Adequate protection measures of the samples at source and off-site, have been taken.
<b>Audits or reviews</b>	• <i>The results of any audits or reviews of sampling techniques and data.</i>	• No independent audits or reviews have been undertaken.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The exploration licences (ELs) are 100% owned by Allotropes. In the ownership structure, there is no equity participation (free-carry or otherwise) with the Sierra Leone government other than a 6.5% royalty levied for precious stones (15% for specials valued over US\$0.5M per stone) as well as an export tax that is applied to all diamonds sent out of the country.</li> <li>• The EL is issued initially for a 4 year period, and 2 subsequent renewals are permitted – the second renewal being for a 3 year period and the last being for a 2 year period, for a total of 9 years. There is no requirement at this stage for Allotropes to reduce their licence size.</li> <li>• The EL tenure and planned work program for the forthcoming year is in good standing.</li> </ul>
<b>Exploration done by other parties</b>	• <i>Acknowledgment and appraisal of exploration by other parties.</i>	<ul style="list-style-type: none"> <li>• Sierra Leone Diamond Company (SLDC, now rebadged as African Minerals) conducted an extensive umbrella, multi-commodity and diamond exploration program, comprising an airborne magnetic survey for kimberlites (28 000 km<sup>2</sup>), a ground-based reconnaissance stream sediment sampling (RSS) and bulk-sample pitting program over their alluvial deposits, over approximately 40 000km<sup>2</sup> of the country.</li> <li>• Artisanal miners have also exploited significant diamondiferous swamps and river gravels in the ELs over the years – however, these activities have not formally been documented or their depletions recorded.</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Geology</b>	• <i>Deposit type, geological setting and style of mineralisation.</i>	<ul style="list-style-type: none"> <li>• Dominant diamondiferous alluvial facies types identified are:               <ul style="list-style-type: none"> <li>○ Modern River deposits;</li> <li>○ Swamps and Flats;</li> <li>○ Alluvial (fluvial) terraces (Low and High Terraces of the ancestral river located in proximity to the Modern river);</li> <li>○ Surface residual deposits (remnant regolith landforms) comprising colluvial/eluvial aprons (laterites) over, and adjacent to, interpreted kimberlite geophysical anomalies are considered the principal alluvial (host) gravel horizon.</li> <li>○ Primary diamond ore bodies - geophysical anomalies/models indicate pipe and blows and lozenge-shape en-echelon kimberlite dyke swarms (considered of Jurassic (c.145Ma) age as per the known kimberlite occurrences.</li> </ul> </li> </ul>
<b>Drill hole Information</b>	• <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i>	• Not applicable as no substantive drilling of a reportable nature has been conducted.

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> <li>● If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>● In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>● Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>● The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>● No weighting, averaging or grade truncation methods have been utilised.</li> <li>● No metal equivalent values have been considered.</li> <li>● Isopach models have occasionally utilised kriging to mitigate skewed data, due to the inherent ‘nugget effect’ in alluvial diamond deposits.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>● These relationships are particularly important in the reporting of Exploration Results.</li> <li>● If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>● If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</li> </ul>	<ul style="list-style-type: none"> <li>● Results, where quoted, are from surface pits, excavated to bedrock.</li> <li>● The pervasive single storey (multi-storey in some of the fluvial deposits associated with the Modern river) basal gravels present forms the preferred target horizon for diamond mineralisation.</li> <li>● Results, where quoted, are from surface or open-cast excavations excavated to bedrock where possible.</li> <li>● Much of the historic and anecdotal data appears not to have intersected the bedrock basal contact, especially in water-logged areas adjacent to the river. This is particularly the case in the artisanal workings, where lack of mechanisation and water ingress, has impeded efforts to reach the bedrock contact</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>● Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>● Appropriate maps and plans have been complied.</li> <li>● Historic and 3<sup>rd</sup> party maps are also available from government sources (e.g. Sierra Leone National Minerals Agency ([NMA])).</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>● Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>● Reported results encompass both low and high grade (i.e. actual) values. No compositing has taken place.</li> <li>● The base-data has not been capped to reduce the ‘nugget-effect’ inherent in many diamond alluvial deposits.</li> <li>● The modelling of these data however, has incorporated Kriging, a regression analysis designed to reduce and smooth the effect of skewed (‘nuggety’) data.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>● Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock</li> </ul>	<ul style="list-style-type: none"> <li>● A trial-mining/ mega-bulk-sampling program is underway in EL 15/2012. To date, over 5000 tons has been processed from fluvial gravels of the Lower Terrace, Baoma Alluvial Project.</li> <li>● There is wide variance in recovered grades: grade varies from spot highs of 31 carats per hundred tons (cpht) for the basal gravel horizon, to c.5 cpht for low grade, blended ore. Excavation has been limited to c.0.6ha</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<i>characteristics; potential deleterious or contaminating substances.</i>	<ul style="list-style-type: none"> <li>excavation footprint.</li> <li>Other substantive exploration data is available over all the tenements. Legacy data obtained from the National Minerals Agency (NMA) compiled by previous operators has been acquired – this includes but is not limited, to: <ul style="list-style-type: none"> <li>Reconnaissance resolution airborne magnetic data (100m line spacing; 55m flight height; 20m grid spacing)</li> <li>Exploration bulk localities and sample grades</li> <li>Maps of potential resource areas</li> <li>Drilling and sampling programs</li> </ul> </li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Future exploration work will be aimed at establishing the repeatability of historic diamond grades and further identifying the mode and occurrence (distribution and geographic locality) of diamondiferous gravels within the tenements.</li> <li>Further bulk sample sites will be identified on the basis of the gravel distribution of additional facies types with the tenements and evaluating the mineral content of these gravels in a systematic, geo-statistically representative manner.</li> <li>This work is an iterative process and scalable and the method planned is one that can be adapted and applied over each newly identified potential resource area.</li> </ul>

### Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Database integrity</b>	<ul style="list-style-type: none"> <li><i>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</i></li> <li><i>Data validation procedures used.</i></li> </ul>	<ul style="list-style-type: none"> <li>No code-compliant Mineral Resource estimation has been attempted, or mineral resource inventory reported.</li> <li>All work has been conducted at a reconnaissance level of confidence only.</li> <li>Any reference to resource parameters reported are indicative data only.</li> <li>A JORC compliant maiden resource is yet to be issued.</li> </ul>
<b>Site visits</b>	<ul style="list-style-type: none"> <li><i>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</i></li> <li><i>If no site visits have been undertaken indicate why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>Site visits have been undertaken on a regular basis to monitor exploration activities.</li> </ul>
<b>Geological interpretation</b>	<ul style="list-style-type: none"> <li><i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i></li> <li><i>Nature of the data used and of any assumptions made.</i></li> <li><i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i></li> <li><i>The use of geology in guiding and controlling Mineral Resource estimation.</i></li> <li><i>The factors affecting continuity both of grade and geology.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Dimensions</b>	<ul style="list-style-type: none"> <li><i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Estimation and modelling techniques</b>	<ul style="list-style-type: none"> <li><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters</i></li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal resource estimation has been undertaken.</li> </ul>



Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<p>used.</p> <ul style="list-style-type: none"> <li>• The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</li> <li>• The assumptions made regarding recovery of by-products.</li> <li>• Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</li> <li>• In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</li> <li>• Any assumptions behind modelling of selective mining units.</li> <li>• Any assumptions about correlation between variables.</li> <li>• Description of how the geological interpretation was used to control the resource estimates.</li> <li>• Discussion of basis for using or not using grade cutting or capping.</li> <li>• The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</li> </ul>	
<b>Moisture</b>	<ul style="list-style-type: none"> <li>• Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Cut-off parameters</b>	<ul style="list-style-type: none"> <li>• The basis of the adopted cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Mining factors or assumptions</b>	<ul style="list-style-type: none"> <li>• Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> <li>• No mining methods or mine plans have been reported or submitted</li> </ul>
<b>Metallurgical factors or assumptions</b>	<ul style="list-style-type: none"> <li>• The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Environmental factors or assumptions</b>	<ul style="list-style-type: none"> <li>• Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<p>extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</p>	
<b>Bulk density</b>	<ul style="list-style-type: none"> <li>• Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</li> <li>• The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</li> <li>• Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Classification</b>	<ul style="list-style-type: none"> <li>• The basis for the classification of the Mineral Resources into varying confidence categories.</li> <li>• Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</li> <li>• Whether the result appropriately reflects the Competent Person's view of the deposit.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>• The results of any audits or reviews of Mineral Resource estimates.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>
<b>Discussion of relative accuracy/confidence</b>	<ul style="list-style-type: none"> <li>• Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</li> <li>• The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>• These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal resource estimation has been undertaken</li> </ul>

## Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Mineral Resource estimate for conversion to Ore Reserves</b>	<ul style="list-style-type: none"> <li>• Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</li> <li>• Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</li> </ul>	<ul style="list-style-type: none"> <li>• No attempt at a code compliant Mineral Reserve has been reported as the data is at a reconnaissance level.</li> </ul>
<b>Site visits</b>	<ul style="list-style-type: none"> <li>• Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</li> <li>• If no site visits have been undertaken indicate why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Study status</b>	<ul style="list-style-type: none"> <li>• The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</li> <li>• The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Cut-off parameters</b>	<ul style="list-style-type: none"> <li>• The basis of the cut-off grade(s) or quality parameters applied.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Mining factors or assumptions</b>	<ul style="list-style-type: none"> <li>• The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</li> <li>• The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</li> <li>• The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.</li> <li>• The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</li> <li>• The mining dilution factors used.</li> <li>• The mining recovery factors used.</li> <li>• Any minimum mining widths used.</li> <li>• The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</li> <li>• The infrastructure requirements of the selected mining methods.</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Metallurgical factors or assumptions</b>	<ul style="list-style-type: none"> <li>• The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</li> <li>• Whether the metallurgical process is well-tested technology or novel in nature.</li> <li>• The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery</li> </ul>	<ul style="list-style-type: none"> <li>• Not applicable as no formal reserve estimation has been undertaken</li> </ul>



Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<p>factors applied.</p> <ul style="list-style-type: none"> <li>Any assumptions or allowances made for deleterious elements.</li> <li>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</li> <li>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</li> </ul>	
<b>Environmental</b>	<ul style="list-style-type: none"> <li>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Infrastructure</b>	<ul style="list-style-type: none"> <li>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Costs</b>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made, regarding projected capital costs in the study.</li> <li>The methodology used to estimate operating costs.</li> <li>Allowances made for the content of deleterious elements.</li> <li>The source of exchange rates used in the study.</li> <li>Derivation of transportation charges.</li> <li>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</li> <li>The allowances made for royalties payable, both Government and private.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Revenue factors</b>	<ul style="list-style-type: none"> <li>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</li> <li>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Market assessment</b>	<ul style="list-style-type: none"> <li>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</li> <li>A customer and competitor analysis along with the identification of likely market windows for the product.</li> <li>Price and volume forecasts and the basis for these forecasts.</li> <li>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<p><i>estimated inflation, discount rate, etc.</i></p> <ul style="list-style-type: none"> <li>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</li> </ul>	
<b>Social</b>	<ul style="list-style-type: none"> <li>The status of agreements with key stakeholders and matters leading to social licence to operate.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</li> <li>Any identified material naturally occurring risks.</li> <li>The status of material legal agreements and marketing arrangements.</li> <li>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Classification</b>	<ul style="list-style-type: none"> <li>The basis for the classification of the Ore Reserves into varying confidence categories.</li> <li>Whether the result appropriately reflects the Competent Person's view of the deposit.</li> <li>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Audits reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of Ore Reserve estimates.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Discussion of relative accuracy/confidence</b>	<ul style="list-style-type: none"> <li>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</li> <li>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</li> <li>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</li> <li>It is recognised that this may not be</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<i>possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i>	

## Section 5 Estimation and Reporting of Diamonds and Other Gemstones

(Criteria listed in other relevant sections also apply to this section. Additional guidelines are available in the ‘Guidelines for the Reporting of Diamond Exploration Results’ issued by the Diamond Exploration Best Practices Committee established by the Canadian Institute of Mining, Metallurgy and Petroleum.)

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
<b>Indicator minerals</b>	<ul style="list-style-type: none"> <li>Reports of indicator minerals, such as chemically/physically distinctive garnet, ilmenite, chrome spinel and chrome diopside, should be prepared by a suitably qualified laboratory.</li> </ul>	<ul style="list-style-type: none"> <li>Kimberlite Indicator Minerals (KIMs) in the search for both secondary and primary orebodies have been reported by previous operators and by Allotropes.</li> <li>KIMs predominantly comprise kimberlitic ilmenites and chromites, with kimberlitic magnesian (picro-) ilmenite dominating the recoveries (90%).</li> <li>KIMs are recovered using standard laboratory techniques - heavy liquid separation (R.D. 2.9 g/cm<sup>3</sup>), followed by magnetic separation and then hand-picked mineral grain counts (most reported at 0.6mm size in +1 sieve fraction).</li> <li>A soil loaming program for KIMs is ongoing and is fundamental to the exploration program at large.</li> </ul>
<b>Source of diamonds</b>	<ul style="list-style-type: none"> <li>Details of the form, shape, size and colour of the diamonds and the nature of the source of diamonds (primary or secondary) including the rock type and geological environment.</li> </ul>	<ul style="list-style-type: none"> <li>The tenements contain a portion of the medial reach of the diamondiferous Sewa River.</li> <li>The diamonds contained in secondary or alluvial deposits adjacent and inland of, the Sewa River banks, are long thought to be derived from the weathering and erosion of primary ore bodies in its catchment area to the north, which straddles the known primary or kimberlite occurrences in the Kono District (Koidu and Tongo pipe and dykes clusters of Jurassic age [c.143-146 Ma]).</li> <li>Mass balance problems (c.60M carats [officially] recovered to date in the alluvials), coupled with anomalously large average stone sizes than at the supposed source, seem to refute this theory and point to a more localised source for the Sewa alluvial diamonds.</li> <li>Widespread colluvial/eluvial deposits derived from apparently down-wasted primary kimberlite sources form the main secondary (i.e. alluvial) host. Distribution of these gravels by hill-slope and sheetwash processes probably account for the extensive laterally developed surface residual gravels, comprised predominantly of a locally derived lateritic clast assemblage.</li> <li>Inherited fluvial clasts (high-rounding; high-sphericity) are uncommon, except where alluvials are proximal to the Modern river or form palaeo deposits relating the ancestral river.</li> <li>An endorheic component (i.e. swamp deposits) seems apparent for many of these diamondiferous drainages, thereby promoting the view that the diamonds are sourced locally or from near-source deposits.</li> </ul>
<b>Sample collection</b>	<ul style="list-style-type: none"> <li>Type of sample, whether outcrop, boulders, drill core, reverse circulation drill cuttings, gravel, stream sediment or soil, and purpose (eg large diameter drilling to establish stones per unit of volume or bulk samples to establish stone size distribution).</li> <li>Sample size, distribution and representivity.</li> </ul>	<ul style="list-style-type: none"> <li>The bulk-samples comprised the basal gravel horizon of the fluvial Lower Terrace facies. Wash samples were obtained partly through mechanical excavation and manual labour and delivered to the plant via wheeled loaders.</li> <li>The purpose of the gravel processing is to establish the mineral (diamond) content of the gravels. The samples are treated through a 10tph DMS (40tph front-end) processing plant to extract diamonds and provide Allotropes with a representative (indicative) grade (measured in carats per hundred tons or cpht) for that facies.</li> <li>Individual results are representative in relation to their</li> </ul>



Criteria	JORC Code explanation	Allotropes Diamonds Commentary
		sample size to allow an indicative (non-compliant) resource estimation.
<b>Sample treatment</b>	<ul style="list-style-type: none"> <li>• <i>Type of facility, treatment rate, and accreditation.</i></li> <li>• <i>Sample size reduction. Bottom screen size, top screen size and re-crush.</i></li> <li>• <i>Processes (dense media separation, grease, X-ray, hand-sorting, etc).</i></li> <li>• <i>Process efficiency, tailings auditing and granulometry.</i></li> <li>• <i>Laboratory used, type of process for micro diamonds and accreditation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Samples were treated through purpose-built 10tph DMS plant, suitable for exploration work in the tropics.</li> <li>• Bottom screen size (BSS) is 1.6mm cut-off (square slots).</li> <li>• All sorting is hands-on, in the absence of a hands-off (glove-box) final recovery.</li> <li>• Plant efficiencies are in the range of 96% (cf. ceramic density tracers) using density tracers. The plant operation is QA/QC's with low luminescence marble slingshot tracers. All tailings have been retained for future processing through the DMS.</li> </ul>
<b>Carat</b>	<ul style="list-style-type: none"> <li>• <i>One fifth (0.2) of a gram (often defined as a metric carat or MC).</i></li> </ul>	<ul style="list-style-type: none"> <li>• Reported as carats.</li> </ul>
<b>Sample grade</b>	<ul style="list-style-type: none"> <li>• <i>Sample grade in this section of Table 1 is used in the context of carats per units of mass, area or volume.</i></li> <li>• <i>The sample grade above the specified lower cut-off sieve size should be reported as carats per dry metric tonne and/or carats per 100 dry metric tonnes. For alluvial deposits, sample grades quoted in carats per square metre or carats per cubic metre are acceptable if accompanied by a volume to weight basis for calculation.</i></li> <li>• <i>In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive sample grade (carats per tonne).</i></li> </ul>	<ul style="list-style-type: none"> <li>• Sample grades are reported as carats per hundred tons (with a R.D. component), or cpht. The use of carats per ton (cpt) are used where the grade permits i.e. the mineral tenor is high enough to warrant it.</li> <li>• Previous use of carats per cubic yard converted to carats per cubic metre and then cpt or cpht.</li> <li>• Kimberlite samples as and when reported, are likely to be quoted as carats per ton (cpt) due to the inherent higher grades (mineral tenor) in these primary deposits.</li> </ul>
<b>Reporting of Exploration Results</b>	<ul style="list-style-type: none"> <li>• <i>Complete set of sieve data using a standard progression of sieve sizes per facies. Bulk sampling results, global sample grade per facies. Spatial structure analysis and grade distribution. Stone size and number distribution. Sample head feed and tailings particle granulometry.</i></li> <li>• <i>Sample density determination.</i></li> <li>• <i>Per cent concentrate and undersize per sample.</i></li> <li>• <i>Sample grade with change in bottom cut-off screen size.</i></li> <li>• <i>Adjustments made to size distribution for sample plant performance and performance on a commercial scale.</i></li> <li>• <i>If appropriate or employed, geostatistical techniques applied to model stone size, distribution or frequency from size distribution of exploration diamond samples.</i></li> <li>• <i>The weight of diamonds may only be omitted from the report when the diamonds are considered too small to be of commercial significance. This lower cut-off size should be stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient diamond recoveries to date have warranted classification via sieve classes or the compilation of size frequency distribution (SFD) curves for the diamond population of the fluvial Lower Terrace facies.</li> <li>• An approximation of the gravel relative density at this stage of exploration has been estimated in the range 1.6 tonnes per cubic metre to 1.8 tonnes per cubic metre, where more consolidated. Bulking factors have been applied.</li> <li>• Grade variations associated with changes in BSS have not been determined, but will be assessed in the future.</li> <li>• The size and frequency of sampling is considered to be geo-statistically representative for this level of reporting (low-level inferred).</li> <li>• To date, approximately c.410 carats of diamonds have been recovered from trial-mining activities (av. 0.3 carats per stone).</li> <li>• The commercial significance of these carats is yet to be tested.</li> </ul>
<b>Grade estimation for reporting Mineral Resources and Ore Reserves</b>	<ul style="list-style-type: none"> <li>• <i>Description of the sample type and the spatial arrangement of drilling or sampling designed for grade estimation.</i></li> <li>• <i>The sample crush size and its relationship to that achievable in a commercial treatment plant.</i></li> <li>• <i>Total number of diamonds greater than the specified and reported lower cut-off sieve size.</i></li> <li>• <i>Total weight of diamonds greater than the specified and reported lower cut-off</i></li> </ul>	<ul style="list-style-type: none"> <li>• No Mineral Resources or Mineral Ore Reserves are included in this report</li> </ul>

Criteria	JORC Code explanation	Allotropes Diamonds Commentary
	<p>sieve size.</p> <ul style="list-style-type: none"> <li>The sample grade above the specified lower cut-off sieve size.</li> </ul>	
<b>Value estimation</b>	<ul style="list-style-type: none"> <li>Valuations should not be reported for samples of diamonds processed using total liberation method, which is commonly used for processing exploration samples.</li> <li>To the extent that such information is not deemed commercially sensitive, Public Reports should include: <ul style="list-style-type: none"> <li>diamonds quantities by appropriate screen size per facies or depth.</li> <li>details of parcel valued.</li> <li>number of stones, carats, lower size cut-off per facies or depth.</li> </ul> </li> <li>The average \$/carat and \$/tonne value at the selected bottom cut-off should be reported in US Dollars. The value per carat is of critical importance in demonstrating project value.</li> <li>The basis for the price (eg dealer buying price, dealer selling price, etc).</li> <li>An assessment of diamond breakage.</li> </ul>	<ul style="list-style-type: none"> <li>No carat value estimates for the diamonds, or diamond footprinting determinations (e.g. diamond types, quality, size frequency distribution [SFD]) have been included in this report. The diamond inventory is still being built to achieve this outcome.</li> <li>Historic reports that refer to the commercial disposal of diamonds from the Sewa River, outlining \$/carat, average stone size and quality are available in the public domain.</li> </ul>
<b>Security and integrity</b>	<ul style="list-style-type: none"> <li>Accredited process audit.</li> <li>Whether samples were sealed after excavation.</li> <li>Valuer location, escort, delivery, cleaning losses, reconciliation with recorded sample carats and number of stones.</li> <li>Core samples washed prior to treatment for micro diamonds.</li> <li>Audit samples treated at alternative facility.</li> <li>Results of tailings checks.</li> <li>Recovery of tracer monitors used in sampling and treatment.</li> <li>Geophysical (logged) density and particle density.</li> <li>Cross validation of sample weights, wet and dry, with hole volume and density, moisture factor.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable as no formal reserve estimation has been undertaken</li> </ul>
<b>Classification</b>	<ul style="list-style-type: none"> <li>In addition to general requirements to assess volume and density there is a need to relate stone frequency (stones per cubic metre or tonne) to stone size (carats per stone) to derive grade (carats per tonne). The elements of uncertainty in these estimates should be considered, and classification developed accordingly.</li> </ul>	<ul style="list-style-type: none"> <li>To date, there has been no attempt to determine a size frequency distribution as the diamond inventory is still being built to achieve this outcome.</li> <li>In terms of resource classification criteria, Inferred levels of confidence would be applicable for the fluvial Lower Terrace facies at the level of sampling conducted to date.</li> </ul>

**Schedule of Tenements as at 30 June 2015**

<b>Project</b>	<b>Tenement Number</b>	<b>Tenement Name</b>	<b>Registered Holder(s)</b>	<b>Newfield's Interest</b>
<b><u>Western Australia</u></b>				
<b>Newfield</b>	M77/0422	Newfield	Newfield Resources Limited	100%
	M77/0846	Woongaring Hills	Newfield Resources Limited	100%
	P77/3679	Newfield	Newfield Resources Limited	100%
<b>Newfield Extended</b>	E77/1394 <sup>1</sup>	Newfield Extended	Wheatbelt Holdings Pty Ltd	-
<b>Crest Yard</b>	P16/2722	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2723	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2724	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2725	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2726	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2727	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2728	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2729	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2730	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2731	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2733	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2734	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2735	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
	P16/2736	Doyle Dam	Newfield Resources Limited Crest Metals Pty Ltd	70%
<b><u>Sierra Leone</u></b>				
<b>Baoma</b>	EL15/2012	Baoma	Allotropes Diamond Company Ltd	100%
<b>Lake Popei</b>	EL11/2014	Lake Popei	Allotropes Diamond Company Ltd	100%
<b>Sumboya</b>	EL12/2014	Sumboya	Allotropes Diamond Company Ltd	100%
<b>Hima</b>	EL19/2014	Hima	Allotropes Diamond Company Ltd	100%
<b>Jomu</b>	EL20/2014	Jomu	Allotropes Diamond Company Ltd	100%
<b>Golu</b>	APL-I-740 <sup>2</sup>	Golu	Allotropes Mining Company Ltd	100%

**Notes in relation to the Schedule of Tenements:**

1. Newfield Resources Limited has entered into a farm-in agreement with the vendors to earn up to 80% interest in these tenements.
2. The mining licence number is yet to be issued by National Mineral Agency of Sierra Leone.



# Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

**Newfield Resources Limited**

ABN

**98 153 219 848**

Quarter ended ("current quarter")

**30 June 2015**

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(2,351)	(6,705)
	(b) development	(443)	(726)
	(c) production	-	-
	(d) administration and corporate overheads	(191)	(860)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	13	36
1.5	Interest and other costs of finance paid	(3)	(5)
1.6	Income taxes paid	-	(1)
1.7	Other	-	-
<b>Net Operating Cash Flows</b>		<b>(2,975)</b>	<b>(8,261)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(167)	(2,008)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
<b>Net investing cash flows</b>		<b>(167)</b>	<b>(2,008)</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(3,142)</b>	<b>(10,269)</b>

+ See chapter 19 for defined terms.

**Appendix 5B****Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	<b>(3,142)</b>	<b>(10,269)</b>
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	2,932	9,805
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	74
1.17	Repayment of borrowings	(21)	(60)
1.18	Dividends paid	-	-
1.19	Other	-	-
	<b>Net financing cash flows</b>	<b>2,911</b>	<b>9,819</b>
	<b>Net increase (decrease) in cash held</b>	<b>(231)</b>	<b>(450)</b>
1.20	Cash at beginning of quarter/year to date	2,426	2,413
1.21	Exchange rate adjustments to item 1.20	231	463
1.22	<b>Cash at end of quarter</b>	<b>2,426</b>	<b>2,426</b>

**Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(153)
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	<b>Directors' remuneration</b>	<b>(138)</b>
	<b>Professional services</b>	<b>(15)</b>

**Non-cash financing and investing activities**

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A
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- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A
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+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(800)
4.2 Development	-
4.3 Production	(1,400)
4.4 Administration	(200)
<b>Total</b>	<b>(2,400)</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,426	926
5.2 Deposits at call	-	1,500
5.3 Bank overdraft	-	-
5.4 Other	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>2,426</b>	<b>2,426</b>

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	-	-	-	-
6.2 Interests in mining tenements and petroleum tenements acquired or increased	APL-I-740 Bo, Sierra Leone	100%	-	100%

+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> (description)	-	-		
7.2 Changes during quarter: (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3 <b>+Ordinary securities</b>	184,083,335	184,083,335		
7.4 Changes during quarter: (a) Increases through issues (b) Decreases through returns of capital, buy-backs	11,727,272 -	11,727,272 -	\$0.25	\$0.25
7.5 <b>+Convertible debt securities</b> (description)	-	-		
7.6 Changes during quarter: (a) Increases through issues (b) Decreases through securities matured, converted	-	-		
7.7 <b>Options</b> (description and conversion factor)	29,000,000 10,000,000	- -	<b>Exercise price</b> \$0.30 \$0.30	<b>Expiry date</b> 15 June 2016 15 June 2017
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	11,727,272	-	\$0.25	15 June 2015
7.10 Expired during quarter	-	-		
7.11 <b>Debentures</b> (totals only)	-	-		
7.12 <b>Unsecured notes</b> (totals only)	-	-		

+ See chapter 19 for defined terms.

## **Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

(Company Secretary)

Date: **31 July 2015**

Print name:

**Kim Hogg**

## **Notes**

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities:** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.