Newfield Resources Limited

ABN 98 153 219 848

ANNUAL REPORT

For the year ended 30 June 2015

CORPORATE DIRECTORY

DIRECTORS

Executive Director	Mr Anthony Ho
Executive Director	Mr Joshua Letcher
Executive Director	Mr Michael Lynn
Non-Executive Director	Mr Suryandy Jahja

COMPANY SECRETARY

Mr Kim Hogg

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CONTENTS

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

1.1 Alluvial Exploration Activities

The end of the reporting period saw Newfield Resources Limited ("Newfield" or the "Group") active in all five of its exploration licences (Figure 1), covering 1002 km^2 of tenement holdings within the Bo, Bonthe, Moyamba and Pujehun Districts in the Southern Province of Sierra Leone, with the most recent exploration licences (EL 19/2014 and EL 20/2014) being issued in November, 2014.

As with the bulk of the exploration activities conducted to date, the principle focus in this year has been directed towards defining the extent of the known and potentially diamondiferous alluvial gravel occurrences within the Group's project tenements. A Small-scale Mining Licence (SSML) was also awarded to the Group during this period and which saw the commencement of trial-mining of the Golu Lower Terrace gravel package and the recovery of a diamond parcel for size-frequency test-work and pricing purposes.

In addition to this, the Group has refined numerous interpreted kimberlite targets and it is expected to conduct a follow-up airborne magnetometry survey of c.46 high-interest targets in the first half-year of 2016. The quality of the data is expected to be of a high-enough resolution to provide drill-ready targets.

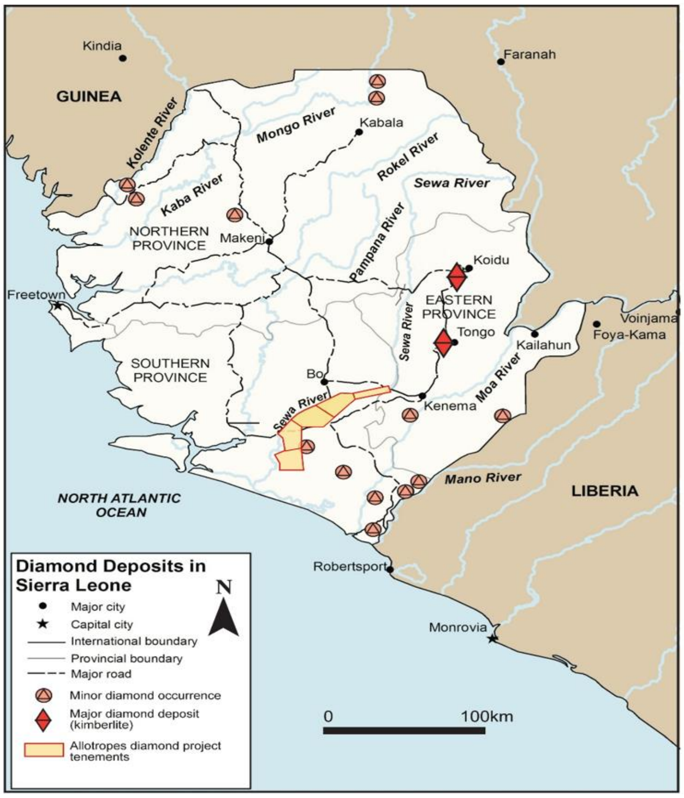


Figure 1. Status of tenement holdings, Sierra Leone.

Exploration Licence - EL 15/2012: Baoma Alluvial Project

Exploration included trenching and pitting on the Sandia-Tugbebu and Waima-Matugbe River Targets on the Sewa River south-bank and north-east bank areas and to the Gbinima and Sejeye Creek targets near Nyandehun village (Figure 2). Some exploration focus in the latter half of the year comprised the planning and preparation of a trial-mining phase to coincide with the granting of a SSML at the Golu Alluvial Project.

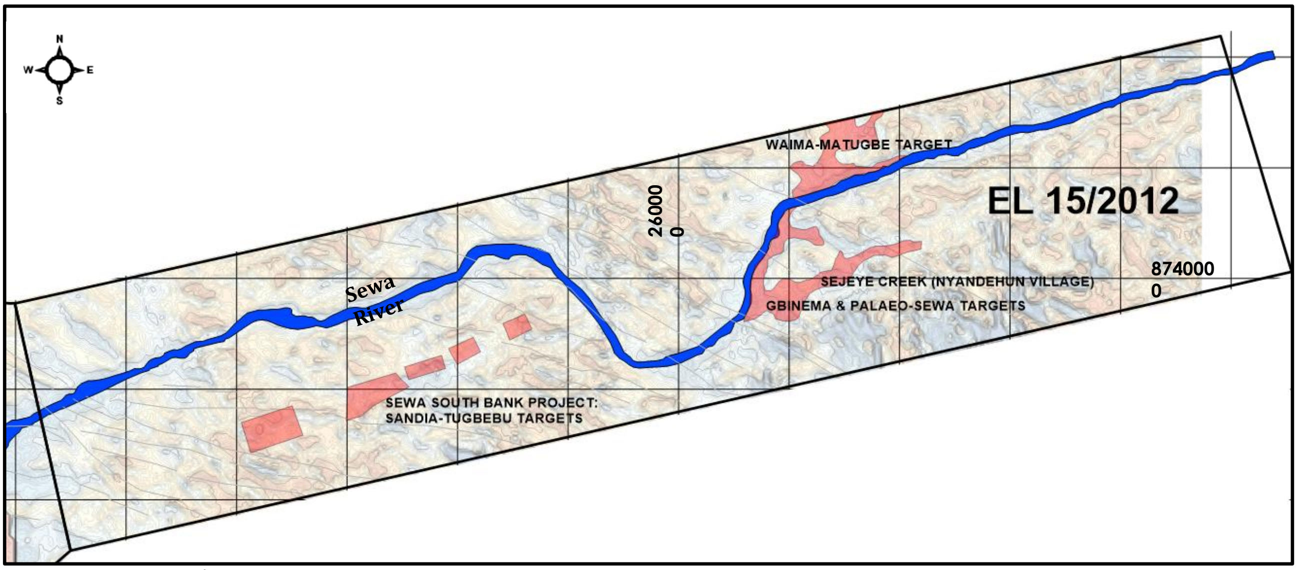


Figure 2. EL 15/2012 Alluvial exploration activities (background-Digital Terrain Model; red polygons-alluvial target areas).

Exploration Licence EL 20/2014: Jomu-Maina-Tongie Alluvial Project:

During this reporting period, a large-scale pitting and planned mechanised trenching exercise was initiated within the Jomu-Maina-Tongie Project (Figure 3). A total of c.690 test pits have been completed from a planned 913 pits, the remainder not completed due to inaccessibility. The planning of bulk-sample sites has commenced on the back of the interpreted results of this campaign, which has utilised gravel (facies) types, distribution and a first-pass assessment of the heavy mineral content (+2mm; -2mm fractions of the gravels, as well as the immediate footwall bedrock), in order to optimally site the planned bulk-sample sites.

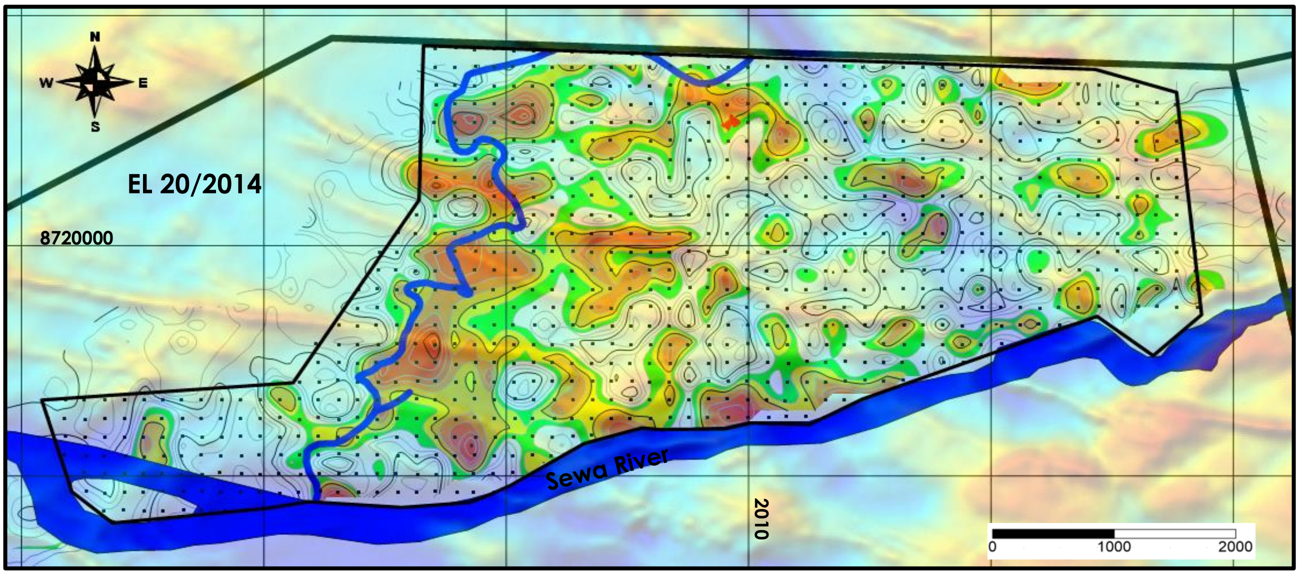


Figure 3. Location of planned and completed gravel test-pits on the Jomu-Maina-Tongie Alluvial Project (black dots inside black polygon). A heavy mineral concentrate (HMC) isopach plot (-2mm fraction from gravel source) is shown. Higher heavy mineral concentrations are indicated by warmer colours. A high incidence of 'heavies' appears to be associated within and adjacent to, the Bebeye River system, (thin blue line) a tributary of the Sewa River. Background comprises a TMI image.

Exploration Licence - EL 19/2014: Hima-Mano Alluvial Program

A total of 376 mini pits (1m x 1m) have been completed on the Hima-Mano 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) (cited in Hall, 1972).

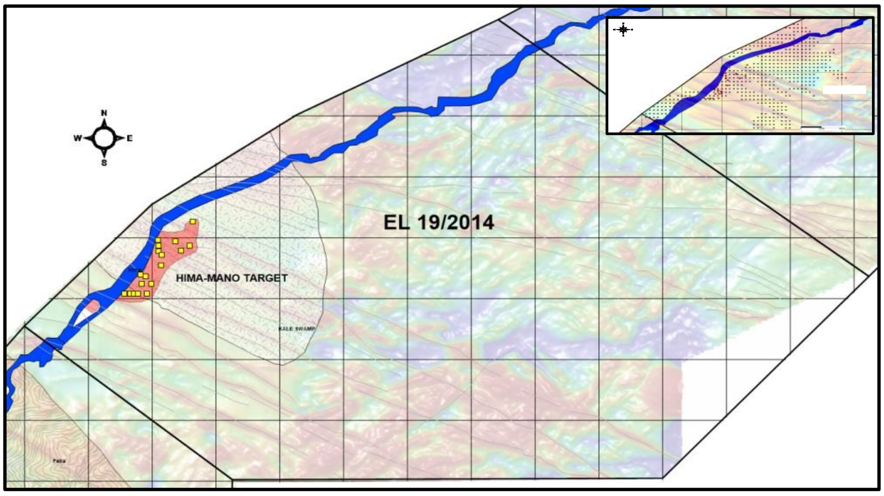


Figure 4. Alluvial exploration activities in EL 19/2014 (red polygon - yellow squares indicates pits). (Back-ground image Total Magnetic Intensity and hatched polygons showing regional geology, [Rokel River Group]). Inset, showing distribution of exploration mini-pits (1m x 1m).

Exploration Licence - EL 12/2014: Tissana-Yambama &Lake Fula and Pongola-Mokombo Alluvial Programs

Tissana-Yambama Alluvial Project: A preparatory ground-truthing exercise over other potential alluvial diamond occurrences has identified a wider ranging potential diamondiferous gravel distribution covering occurrences both adjacent to the Sewa River and inland from it, including the Yambama swamp (Figure 5). A total of 272 exploration test-pits have been completed in the period on the Tisana-Yambama Alluvial Project.

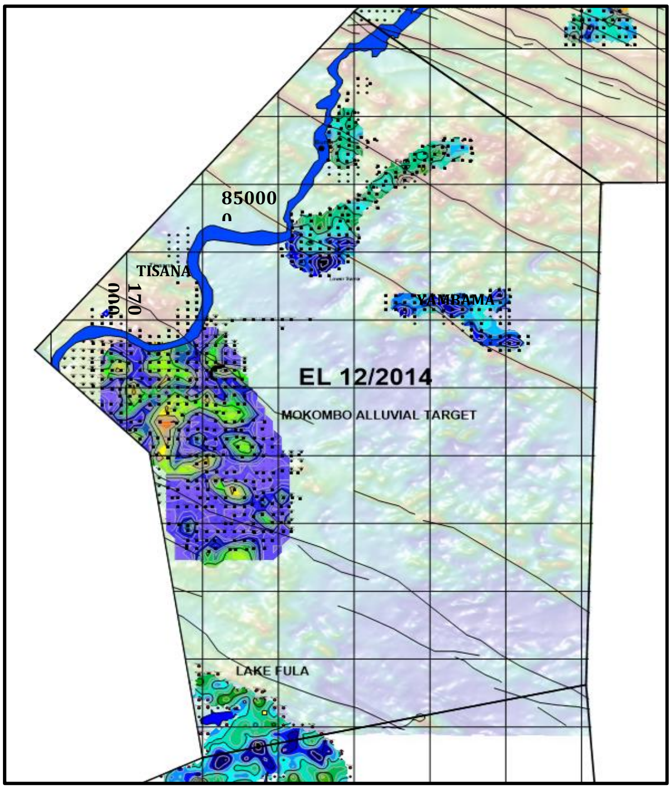


Figure 5. Gravel thickness isopach and posting plot showing distribution of gravel test-pits for the Yambama, Makombo (Sumbuya) and Lake Fula Targets. The warmer colours indicate thicker gravel development. The distribution of 657 alluvial exploration test-pits is shown (black squares). Background is a Total Magnetic Intensity (TMI) image from a regional Airborne Magnetic Survey. (Note: each grid square is 2km x 2km).

Lake Fula (or Tula) Alluvial Project: 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. 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.

Mokombo Alluvial Bulk-sampling Program: A total of fifteen (15) bulk-sample pits have been excavated to date in the Mokombo Target area of EL12/2014 (Figures 6 & 7), with a total extracted volume of 2278m^2 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.

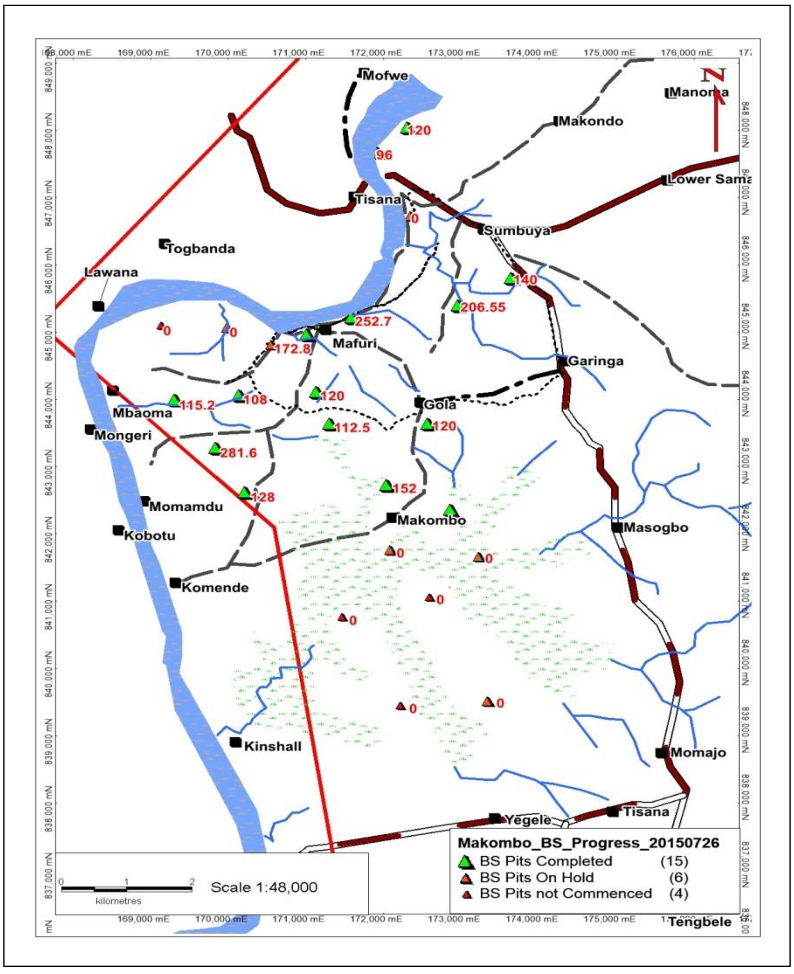


Figure 6. Showing bulk-sampling progress at the Mokombo and Pongolo Project localities. The exploration camp is located at the township of Sumbuya.

Figure 7. Mokombo Bulk-sampling Program. Figure 7 (a) at left, (b/s MABS023) showing oxidised fluvial terrace environment, and Figure 7 (b) at right, (b/s MABS019), showing reducing, low-terrace, swamp environment.

Exploration Licence - EL 11/2014: Yawei Flat, Lake Fula and Lake Gambia Alluvial Projects.

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 8 & Figure 8, inset). 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.

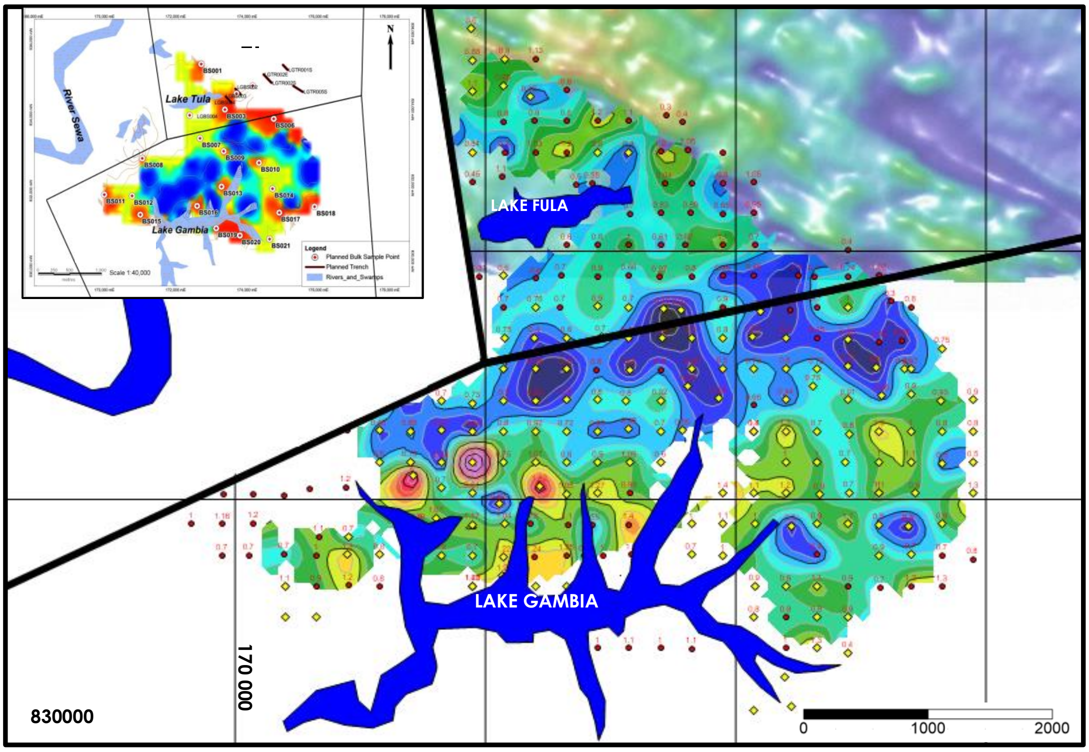


Figure 8. Gravel Isopach plot of the Lake Fula-Lake Gambia Alluvial Project. The warm colours indicate thicker gravel development. Background image is TMI and southern limit of the legacy Airborne Magnetic Survey data. Inset, shows planned bulk-sample pits and trenches overlying heavy mineral content (HMC) isopach.

Kimberlite Exploration Activities

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

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. A consulting geophysicist with significant experience in diamond exploration was also engaged by the Group to reprocess and interpret this historic airborne geophysical data-set. On the basis of the target definition exercise, the Group has defined a total 183 kimberlite targets within the Allotropes Project, of which 46 are considered to be high-priority targets.

As the legacy data is considered to be at a reconnaissance level of detail only, preliminary quotes have been received for a second, follow up airborne magnetic survey, which will be aimed at completing high-resolution coverage over select target groupings. In this way, the Group expects the airborne survey to produce additional drill-ready high-resolution aeromagnetic kimberlite targets, as well as refine existing targets.

It is anticipated that a systematic contractor-drilling program will be initiated over high-priority kimberlite targets during the first half-year of 2016.

Photograph 1. The Group's Dando drill rig during its field commissioning phase. The rig's arrival on site, inset.

Exploration Licence - EL 11/2014: Lake Popei Kimberlite Project

No additional activity is reported for this period as bagged samples have been progressively transported to site to await batch treatment with other exploration bulk-samples. A further 40 tons is awaiting transport to the DMS plant at Golu in the Bo District, some 60 km distant – this is planned for the dry season 2015, when roads are more passable. An approximate total of 215m of trenching has been excavated to date.

Dense Media Separation Plant Commissioning Complete

During the reporting period Newfield successfully completed the on-site commissioning of its Dense Media Separation (DMS) plant.

The DMS plant is sited at the Golu area (Photograph 2), within the Group's Allotropes Diamond Project in Sierra Leone. The plant consists of four separate containerised sections, each which has now been successfully commissioned and formally signed-off by the plant manufacturer. A series of ex-factory commissioning tests of the DMS and X-Ray units confirm that the recovery rates on the DMS cyclone and X-Ray efficiency tests are consistent with design specifications.

The successful commissioning of the DMS plant is the culmination of a nine month campaign to position the Group for an effective resource definition program and subsequent diamond production. The DMS circuit has a design capacity of 10 tonnes per hour with head feed rate varying from 20 – 40 tonne per hour dependent on gravel facies type.

The commissioning of the DMS plant represents a major step forward in the Group's capacity to embark on its forward work programme.

Photograph 2: Allotrope's Diamond Project, Sierra Leone – Exploration bulk sample stockpiles in foreground and DMS plant in background

Golu Mining Licence

On 30 June 2015 the Group 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.

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 Group'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.

*In accordance with Listing Rule 5.23.2, the Group 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.

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 (Photograph 3), the Group 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. 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.

Photograph 3. 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.

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 Group 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 Group 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.

A photograph of the diamonds recovered to date from the trial mining at the Golu SSML are presented in Photograph 4.

Photograph 4. Photograph of the diamond inventory from processing of the gravels from the Golu Mining Licence.

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

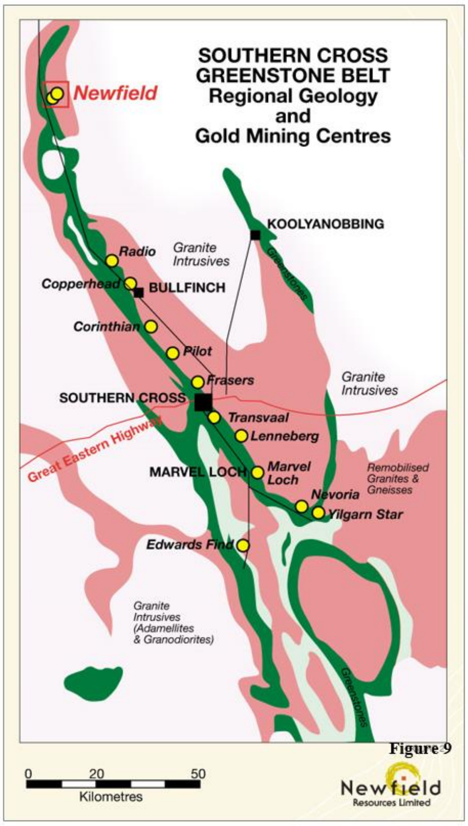
During the reporting period, the Group continued the planning program for a first pass air core drilling program to test the recently defined gold-in-auger drilling anomalies in the western target area on the Newfield Extended Project.

The Newfield Extended Project comprises a granted exploration licence (E77/1394), covering approximately 60 square kilometres, situated 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.

An 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.

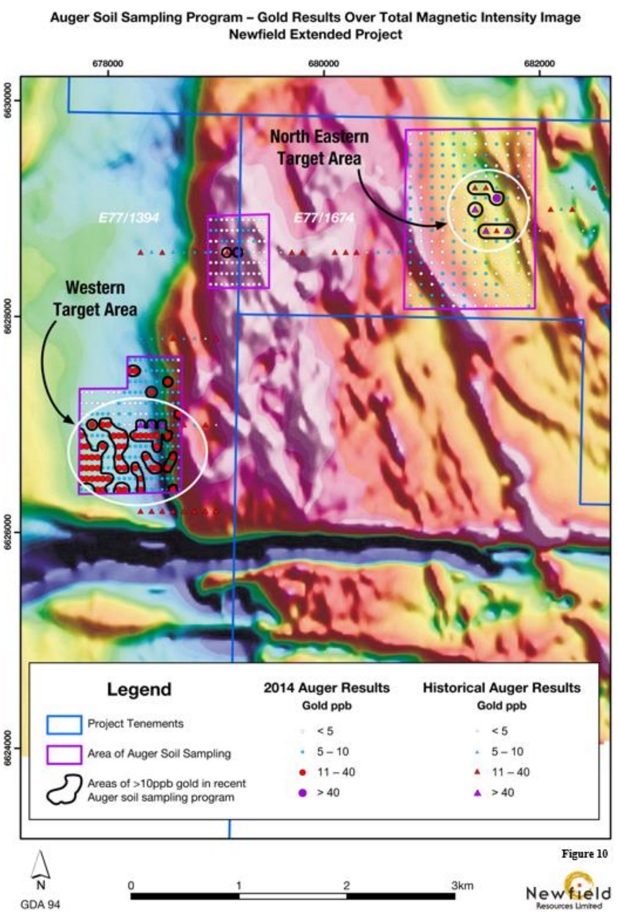


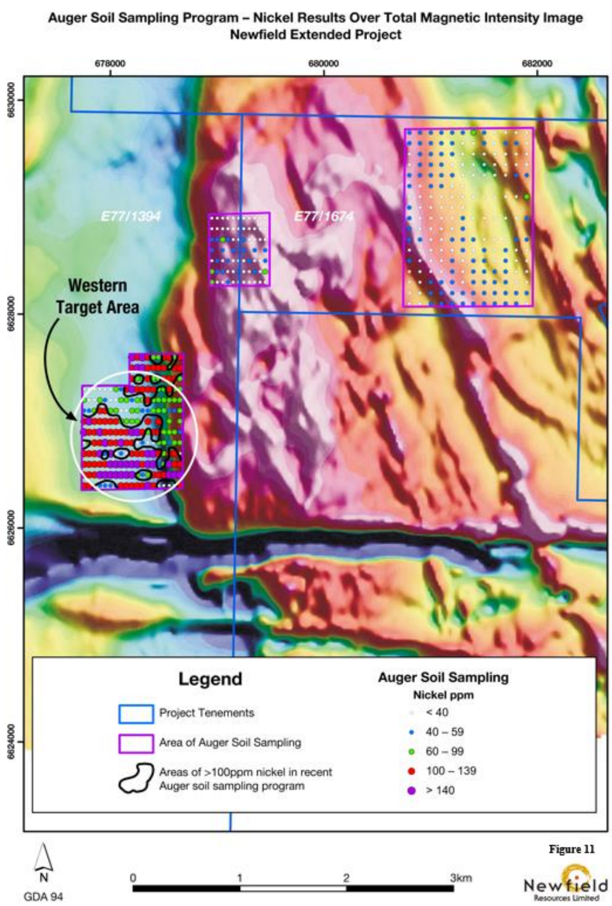
The western gold anomalies are also largely coincident with an area of anomalous nickel geochemistry (greater than 100ppm nickel) in the auger soil sampling (Figure 11). The anomalous nickel geochemistry supports the Group's recent interpretation that the granite – greenstone boundary may be located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

*In accordance with Listing Rule 5.23.2, the Group 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.





3. CREST YARD GOLD PROJECT (NEWFIELD 70%, OPTION TO PURCHASE 30%)

The Crest Yard Gold Project, covers 2,455 ha, centred between the historical gold mining centres of Kintore and Dunnsville, and located approximately 60km northwest of Kalgoorlie, Western Australia.

Exploration undertaken by Newfield 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 Group 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 year.

*In accordance with Listing Rule 5.23.2, the Group 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.

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 (*M.Sc.* Geol., *Cum Laude*), who is a Fellow of the Australasian Institute of Mining and Metallurgy and a member of the Australian Geological Society and who is an employee of Newfield Resources Limited.

Mr Hall has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hall consents to the inclusion in this ASX release of this information in the form and context in which it appears.

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.

Mr Alexander is a director and substantial shareholder of Archaean Exploration Services Pty Ltd. Archaean 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.

The Directors present their report together with the consolidated financial statements of the Group comprising of Newfield Resources Limited (the ***Company*** *or* ***Newfield****) and its subsidiaries (the* ***Group*** *or* ***Consolidated Entity****) for the year ended 30 June 2015 and the Auditor's report thereon.*

DIRECTORS AND KEY PERSONNEL

Directors

The Directors of the Company at any time during or since the end of the financial year are:

Mr Anthony Ho
Executive Director – appointed 14 September 2011

Mr Ho is a commerce graduate of the University of Western Australia. He qualified as a Chartered Accountant in 1983 with Deloitte and is presently the principal of a public practice, Anthony Ho and Associates, specialising in providing corporate and financial services to ASX-listed companies.

Prior to establishing his practice in 1991, he spent 7 years in a senior corporate role with a major investment and resource group in Western Australia. He is currently a director of a number of companies listed on the ASX.

Mr Ho will retire by rotation and will be seeking re-election by shareholders at the 2015 Annual General Meeting.

Mr Joshua Letcher
Executive Director – appointed 31 March 2014

Mr Letcher was a founder of Allotropes Diamonds Pty Ltd (**Allotropes**) and was responsible for the development of Allotropes' interests in Sierra Leone. He has extensive experience in project management, plant construction and commissioning, exploration management and marketing and currently oversees the Group's activities in Sierra Leone.

Mr Michael Lynn
Executive Director – appointed 24 August 2015;

Mr Lynn is a diamond geologist with over 30 years' experience in the African Continent (including DRC, Tanzania, Guinea, and South Africa), as well as India, Canada and Brazil.

After his undergraduate degree in geology in the UK, Mr Lynn gained a Masters in Geology (with distinction) from Rhodes University in South Africa. He is the author and co-author of numerous technical publications related to diamond exploration. His career included 11 years of senior exploration and management roles with the De Beers Group and 12 years with Anglo American Corporation.

Mr Lynn is a Fellow of the Geological Society of South Africa and a member of the Society of Economic Geologists in South Africa. He is also a member of the Committee for the South African code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC).

Mr Lynn will be seeking re-election by shareholders in the 2015 annual general meeting.

Mr Suryandy Jahja
Non-Executive Director – appointed 6 August 2015

Mr Jahja is currently the Managing Director of PT Kresna Graha Investama Tbk ("Kresna"), a leading stockbroking and investment company based in Jakarta, Indonesia. In this role, he acts as head of Kresna's investment banking division. He co-founded Kresna in 1999 and was responsible for the establishment of the Kresna Asset Management Unit. Mr Jahja is a graduate of the University of NSW with first class honours in Computer Engineering and also holds a post graduate degree in Management and Information Technology.

Mr Jahja will be seeking re-election by shareholders in the 2015 annual general meeting.

Mr Bryan Alexander
Executive Director – appointed 1 May 2014, resigned 24 August 2015

Mr Alexander is a geologist who has been involved in the exploration and mining industry for more than 20 years. He has been responsible for the management of exploration bases and the implementation of substantial exploration and resource definition programmes for several exploration and mining companies. Mr Alexander is a member of the Australasian Institute of Mining and Metallurgy.

Mr Murray Kornweibel
Non-Executive Director – appointed 6 December 2011, resigned 19 August 2015

Mr Kornweibel has had extensive experience in the mining and securities industries. He has been an executive and non-executive director of a number of ASX-listed companies involved in mineral exploration and mining. Mr Kornweibel's involvement in the mining industry covers a number of commodities including gold, nickel and uranium. In addition he has been active in the securities industry and is a Senior Fellow of the Financial Services Institute of Australia. He holds a Bachelor of Science and an MBA from the University of Western Australia.

Ms Sanny Nanang
Non-Executive Director – appointed 30 March 2012, resigned 6 August 2015

Ms Nanang is a graduate in marketing from the Southern Illinois University. Between 1996 and 1999 she was a stockbroker with PT Sigma Batara, one of the early investment banks in Indonesia. She has held various senior positions in investment roles in Indonesia. Ms Nanang has extensive capital market and treasury experience. She is currently an active equity market investor. Ms Nanang is fluent in English, Bahasa Indonesia and Mandarin.

Mr Giap Ch'ng Ooi
Non-Executive Director – appointed 5 October 2011, resigned 28 April 2015

Mr Ooi graduated from the Australian National University in 1985 with a Bachelor of Laws, having already completed a Bachelor of Economics in 1983. He was admitted on the Roll of Barristers and Solicitors of the Supreme Court of the Australian Capital Territory in 1985 and is currently an advocate and solicitor of the High Court of Malaysia.

Mr Ooi is currently a partner in a law firm in Kuala Lumpur. He has significant experience in the field of legal work for over 20 years, mainly in the area of commercial and company litigation, property conveyance, banking and corporate services for financial institutions and listed companies.

Company Secretary

Mr Kim Hogg – Appointed 14 September 2011

Mr Hogg completed his Bachelor of Commerce in 1984 at the University of Western Australia and has worked in a number of diverse industries in various senior management and accounting roles. He has been a principal of an accounting practice for more than 20 years with a specialist involvement in the preparation of prospectuses, coordinating the listing and due diligence processes and acting as company secretary for listed entities.

Mr Hogg is currently the secretary of a number of ASX-listed companies and provides corporate and accounting advice and services to those clients.

DIRECTORSHIPS IN OTHER LISTED ENTITIES

Directorships of other listed entities held by Directors of the Company during the last 3 years immediately before the end of the financial year are as follows:

Director	Company	Period of directorship From	To
Mr Anthony Ho	Alchemy Resources Limited	2011	Present
	Australian Agricultural Projects Limited	2003	Present
	Glory Resources Limited (now de-listed)	28 February 2014	Present
	Mustera Property Group Ltd	3 April 2014	Present
	Siburan Resources Limited	2009	25 November 2014
Mr Joshua Letcher	Not Applicable	-	-
Mr Michael Lynn	Not Applicable	-	-
Mr Suryandy Jahja	PT Kresna Graha Investama Tbk	1999	Present
Mr Bryan Alexander	Not Applicable	-	-
Mr Murray Kornweibel	Not Applicable	-	-
Ms Sanny Nanang	Not Applicable	-	-
Mr Giap Ch'ng Ooi	Not Applicable	-	-

DIRECTORS' INTERESTS

The relevant interests of each director in the securities of the Company at the date of this report are as follows:

Director	Shares	Options
A Ho	-	-
J Letcher	11,415,477	11,265,386
M Lynn (appointed 24 August 2015)	-	-
S Jahja (appointed 6 August 2015)	250,000	-

DIRECTORS' MEETINGS

The number of Directors' meetings and the number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Board Meetings Held while Director	Attended
A Ho	8	8
J Letcher	8	8
M Lynn (appointed 24 August 2015)	-	-
S Jahja (appointed 6 August 2015)	-	-
B Alexander (resigned 24 August 2015)	8	8
M Kornweibel (resigned 19 August 2015)	8	8
S Nanang (resigned 6 August 2015)	8	8
G C Ooi (resigned 28 April 2015)	8	8

PRINCIPAL ACTIVITY

The principal activity of the Group during the financial year was mineral exploration.

OPERATING AND FINANCIAL REVIEW

Operating review

A review of the operating activities undertaken by the Group during the year is contained in the section entitled Review of Activities in this Financial Report.

Financial review

The Group incurred a loss of $1,522,992 after income tax for the financial year (2014: loss of $1,209,904).

During the financial year, the Company successfully raised $10 million before costs through placement of shares and exercise of options. As at 30 June 2015 the Group had net assets of $17,283,842 (2014: $6,816,334) including cash and cash equivalents of $2,425,929 (2014: $2,413,086).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Fully paid ordinary shares issued during the year are as follows:

(a) the issue of 8,333,334 shares at $0.30 per share to raise $2,500,000 before costs; and

(b) the issue of 30,000,000 shares at $0.25 per share though exercise of options which raised $7,500,000 before costs.

Total shares on issue at 30 June 2015 are 184,083,335 (2014: 145,750,001).

The Group's first mining licence for its Allotropes Diamond project in Sierra Leone was granted on 30 June 2015. Mining activities have commenced immediately within the mining licence. The granting of the Golu mining licence marks an important milestone for Newfield as the Group converts its alluvial diamond exploration achievements into near term diamond production opportunities.

LIKELY DEVELOPMENTS

The Group will continue to pursue its principal activity of mineral exploration in particular in its diamond project in Sierra Leone. More information on the Group's near-term developments is included in the Review of Activities in this Financial Report.

DIVIDENDS

No dividend has been declared or paid by the Company to the date of this report.

ENVIRONMENTAL REGULATION

The Group's exploration and mining activities in Australia are governed by a range of environmental legislation and regulations including the *National Greenhouse and Energy Report Act 2007* and *Mining Act 1978*. As the Group is still in the development phase of its interests in exploration projects, it is not yet subject to the public reporting requirements of environmental legislation and regulations.

The Group's exploration and mining activities in Sierra Leone are governed by Sierra Leone environmental legislation and regulations, including *Mines and Minerals Act, 2009*.

Environmental performance is reported from each site to management on a regular basis. Compliance with the requirements of environmental regulations was substantially achieved across all operations with no instance of non-compliance noted.

To the best of the Directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of the applicable environmental legislation and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

EVENTS SUBSEQUENT TO REPORTING DATE

Other than the matters described in Note 35 to these financial statements, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

REMUNERATION REPORT - AUDITED

The remuneration report, which has been audited, outlines the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

For the purposes of this report, key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Key management personnel

The following were key management personnel of the Group at any time during the financial year and unless otherwise indicated were key management personnel for the entire year:

Name	Position held
Mr Anthony Ho	Executive Director
Mr Joshua Letcher	Executive Director
Mr Michael Lynn	Executive Director (appointed 24 August 2015)
Mr Bryan Alexander	Executive Director (resigned 24 August 2015)
Mr Suryandy Jahja	Non-executive Director (appointed 6 August 2015)
Mr Murray Kornweibel	Non-executive Director (resigned 19 August 2015)
Ms Sanny Nanang	Non-executive Director (resigned 6 August 2015)
Mr Giap Ch'ng Ooi	Non-executive Director (resigned 28 April 2015)

Principles of remuneration

The remuneration structures explained below are competitively set to attract, motivate and retain suitably qualified and experienced candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the achievement of strategic objectives;
- the Group's performance including:
    - the growth in share price; and
    - the amount of incentives within each key management person's compensation.

Given the evaluation and developmental nature of the Group's principal activity, the overall level of compensation does not have regard to the earnings of the Group.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive directors' remuneration is clearly distinguished from that of executives. Remuneration is determined by the Board as a whole as the Company has not yet established a remuneration committee.

Non-executive director remuneration

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by shareholders in general meeting. Total remuneration for all non-executive directors, last voted upon by shareholders at a meeting held in December 2011, is not to exceed $350,000 per annum. Directors' fees cover all main board activities and membership of committees if applicable.

Non-executive directors do not receive any retirement benefits, other than statutory superannuation, nor do they receive any performance-related compensation.

REMUNERATION REPORT - AUDITED (continued)

Executive remuneration

Remuneration for executives is set out in employment agreements. Details of the employment agreement with Executive Directors are provided below.

Executive directors may receive performance related compensation but do not receive any retirement benefits, other than statutory superannuation.

Fixed remuneration

Fixed remuneration consists of base compensation (which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicles) as well as employer contributions to superannuation funds.

Fixed remuneration is reviewed annually by the Board through a process that considers individual and overall performance of the Group.

Long-term incentive

Long-term incentives (**LTI**) may be provided to key management personnel in the form of options over ordinary shares of the Company. LTI are considered to promote continuity of employment and provide additional incentive to recipients to increase shareholder wealth. Options may only be issued to directors subject to approval by shareholders in general meeting.

There were no options issued as LTI during the year.

The Company has introduced a policy that prohibits employees and Directors of the Company from entering into transactions that operate or are intended to operate to limit the economic risk or are designed or intended to hedge exposure to unvested Company securities. This includes entering into arrangements to hedge their exposure to LTI granted as part of their remuneration package. This policy may be enforced by requesting employees and Directors to confirm compliance.

Group performance and link to remuneration

The Company was incorporated on 14 September 2011 and admitted to the Official List of ASX on 8 June 2012. It is an exploration company whose operational activities have only recently commenced. Consequently, the Group's financial results are not considered to be a principal performance indicator. However, the overall level of key management personnel remuneration will take into account the achievement of strategic objectives, service criteria and growth in share price.

There were no performance related remuneration transactions during the financial year.

The earnings of the Group since incorporation on 14 September 2011 to 30 June 2015 are summarised below:

	2015	**2014**	**2013**	**2012**
Net loss for the year	1,522,992	1,209,904	$215,990	$188,548[1]
Dividends paid	Nil	Nil	Nil	Nil
Change in share price	$0.61	($0.01)	$0.03	$0.26
Share price at beginning of the period	$0.28	$0.29	$0.26	$0.00001[2]
Share price at end of the period	$0.89	$0.28	$0.29	$0.26
Loss per share	0.95 cents	1.11 cents	0.22 cents	0.37 cents

1. These figures cover the period from incorporation on 14 September 2011 to 30 June 2012.
2. The Company was incorporated on 14 September 2011 with an issued capital of 1 share of $0.00001.

Use of remuneration consultants

The Group did not engage the services of a remuneration consultant during the year.

Voting and comments made at the Company's 2014 Annual General Meeting ('AGM')

At the 2014 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2014. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

REMUNERATION REPORT - AUDITED (continued)

Employment agreements

Remuneration and other terms of employment for the executives are formalised in service agreements. The service agreements specify the components of remuneration, benefits and notice periods. Other major provisions of the agreements relating to remuneration are set out below.

Termination benefits are within the limits set by the Corporations Act 2001 such that they do not require shareholder approval.

Name	Term of agreement	Notice period*	Base salary including superannuation	Termination payments**
B Alexander (resigned 24 August 2015) *Executive Director*	No fixed term	3 months	AUD$191,625	3 months
A Ho *Executive Director*	No fixed term	3 months	AUD$109,500	3 months
J Letcher*** *Executive Director*	No fixed term	3 months	AUD$164,250	3 months
J Letcher**** *Executive Director*	12 months fixed term	3 months	USD$140,000	-
M Lynn (appointed 24 August 2015) *Executive Director*	12 months fixed term	1 month	USD$150,000	-

* The notice period applies equally to either party.
** Base salary payable if the Company terminates employees with notice, and without cause (e.g. for reasons other than unsatisfactory performance).
*** Employment agreement with Newfield Resources Limited based in Australia which was terminated on 17 February 2015.
**** Employment agreement with Allotropes Diamond Company Ltd based in Sierra Leone commenced on 18 February 2015.

Remuneration of key management personnel for the year ended 30 June 2015

		SHORT-TERM		POST-EMPLOYMENT	SHARE-BASED PAYMENTS		
		Salary & fees $	Annual Leave $	Superannuation benefits $	Options $	Total $	Proportion of remuneration performance related %
Directors							
Non-executive							
Mr M Kornweibel	2015	21,918	-	2,082	-	24,000	-
	2014	21,968	-	2,032	-	24,000	-
Ms S Nanang	2015	24,000	-	-	-	24,000	-
	2014	24,000	-	-	-	24,000	-
Mr G Ooi[1]	2015	20,000	-	-	-	20,000	-
	2014	24,000	-	-	-	24,000	-
Executive							
Mr B Alexander[2]	2015	160,417	5,766	15,240	-	181,423	-
	2014	25,000	2,197	2,313	-	29,510	-
Mr A Ho	2015	100,000	(10,089)	9,500	-	99,411	-
	2014	79,000	11,511	7,307	-	97,818	-
Mr J Letcher[3]	2015	190,282	3,121	9,033	-	202,436	-
	2014	37,500	3,919	3,469	-	44,888	-
Total, all KMPs	**2015**	**516,617**	**(1,202)**	**35,855**	**-**	**551,270**	-
	2014	**211,468**	**17,627**	**15,121**	-	**244,216**	-

1. *Resigned on 28 April 2015*
2. *Appointed 1 May 2014*
3. *Appointed 31 March 2014*

REMUNERATION REPORT - AUDITED (continued)

Share-based remuneration

There were no share-based remuneration transactions during the financial year.

Loans to key management personnel

There were no loans provided to key management personnel of the Group or their close family members or entities related to them during the financial year.

Other transactions with key management personnel

A Director, Mr A Ho, is a partner in the firm of Anthony Ho & Associates. Anthony Ho & Associates has provided secretarial and accounting services to the Company and its subsidiaries during the financial year on normal commercial terms and conditions. Total amount recognised during the financial year relating to these transactions were $123,000.

Key management personnel equity holdings

Fully paid ordinary shares

The movement during the reporting period in the number of ordinary shares in Newfield Resources Limited held, directly, indirectly or beneficially by each key management person, including their related parties, is as follows:

	Held at 1 July 2014	Granted as remuneration	Other changes*	Held at Date of resignation	Held at 30 June 2015
Mr B Alexander	1,249,500	-	-	N/A	1,249,500
Mr A Ho	-	-	-	N/A	-
Mr J Letcher	11,282,386	-	133,091	N/A	11,415,477
Mr M Kornweibel	300,000	-	-	N/A	300,000
Ms S Nanang	-	-	-	N/A	-
Mr G C Ooi	4,000,000	-	2,750,000	6,750,000	N/A

*Other changes represent shares that were purchased or sold during the year.

Options over ordinary shares

The movement during the reporting period in the number of options exercisable at $0.30 each on or before 15 June 2016 held, directly, indirectly or beneficially by each key management person, including their related parties, is as follows:

	Held at 1 July 2014	Granted as remuneration	Other changes*	Held at Date of resignation	Held at 30 June 2015
Mr B Alexander	-	-	-	N/A	-
Mr A Ho	-	-	-	N/A	-
Mr J Letcher	11,265,386	-	-	N/A	11,265,386
Mr M Kornweibel	-	-	-	N/A	-
Ms S Nanang	-	-	-	N/A	-
Mr G C Ooi	-	-	-	-	N/A

This concludes the remuneration report, which has been audited.

OPTIONS

Options granted

There were no options granted during or since the end of the financial year.

At the date of this report, unissued ordinary shares of the Company under option are:

Class	Grant Date	Expiry Date	Exercise Price	Number of Options
Unlisted Options	31 March 2014	15 June 2016	$0.30	29,000,000
Unlisted Options	31 March 2014	15 June 2017	$0.30	10,000,000

These options do not entitle the holder to participate in any share issue of the Company or any other entity.

Options exercised

The following ordinary shares of Newfield Resources Limited were issued during the year ended 30 June 2015 on the exercise of options. No further shares have been issued since that date. No amounts are outstanding on any of the shares.

Date Options Granted	Issue Price of Shares	Number of Shares Issued
28 February 2012	$0.25	30,000,000
		30,000,000

INDEMNIFICATION AND INSURANCE OF OFFICERS

Indemnification

The Company has agreed to indemnify the current Directors and company secretary of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as officers of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

Insurance

The Company paid a premium during the year in respect of a director and officer liability insurance policy, insuring the Directors of the Company, the company secretary, and all executive officers of the Company against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses' insurance contracts, as such disclosure is prohibited under the terms of the contract.

INDEMNIFICATION AND INSURANCE OF AUDITORS

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against liability incurred by the auditor.

During the financial year, the Company did not pay a premium in respect of a contract to insure the auditor of the Company or any related entity.

NON-AUDIT SERVICES

During the year the Group's auditor, BDO Audit (WA) Pty Ltd, has performed certain other services in addition to the audit and review of the financial statements.

The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

NON-AUDIT SERVICES (continued)

Details of the amount paid to the auditor of the parent entity, BDO Audit (WA) Pty Ltd, and its network firms for audit and non-audit services provided during the year are set out below:

	2015 $	2014 $
Services other than audit and review of financial statements:		
Tax compliance services	8,160	18,926
Due diligence services	-	1,000
Total remuneration for non-audit services	8,160	19,926

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration is set out on page 55 and forms part of the Directors' Report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

This Directors' Report is made out in accordance with a resolution of the Directors:

Anthony Ho
Executive Director
Dated at Perth this 30th day of September 2015.

Consolidated Statement of Profit or loss and other Comprehensive Income

for the year ended 30 June 2015

	Note	2015 $	2014 $
Other income	8	65,326	83,001
Exploration and evaluation expenses		(332,361)	(477,927)
Corporate and administrative expenses	8	(806,119)	(780,167)
Exploration and evaluation assets written off	15	(7,268)	-
Plant and equipment written off		(71,114)	-
Provision for non-recovery of loans	11	(291,030)	-
Finance costs		(80,426)	(1,185)
Loss before income tax		**(1,522,992)**	**(1,176,278)**
Income tax benefit / (expense)	9	-	(33,626)
Net loss after income tax for the year		**(1,522,992)**	**(1,209,904)**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss			
Foreign operations – foreign currency translation differences		2,185,474	(15,888)
Other comprehensive income/(loss) for the year, net of tax		2,185,474	(15,888)
Total comprehensive income/(loss) for the year		**662,482**	**(1,225,792)**
Loss attributable to:			
Owners of the Company		(1,522,992)	(1,209,904)
Non-controlling interest		-	-
		(1,522,992)	**(1,209,904)**
Total comprehensive income/(loss) attributable to:			
Owners of the Company		662,482	(1,225,792)
Non-controlling interest		-	-
		662,482	**(1,225,792)**
Basic loss per share (cents)	28	(0.95)	(1.11)

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

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2015

	Note	2015 $	2014 $
CURRENT ASSETS			
Cash and cash equivalents	10	2,425,929	2,413,086
Trade and other receivables	11	53,097	15,673
Inventory	12	211,318	-
Other current assets	13	340,929	664,418
Total Current Assets		3,031,273	3,093,177
NON-CURRENT ASSETS			
Trade and other receivables	11	14,034	14,034
Property, plant & equipment	14	3,429,336	692,894
Exploration and evaluation assets	15	10,817,809	3,270,469
Mine development	16	758,897	-
Total Non-Current Assets		15,020,076	3,977,397
TOTAL ASSETS		18,051,349	7,070,574
CURRENT LIABILITIES			
Trade and other payables	17	628,734	157,504
Income tax	18	32,772	32,772
Employee benefits	20	67,930	39,814
Loans and borrowings	19	38,071	24,150
Total Current Liabilities		767,507	254,240
TOTAL LIABILITIES		767,507	254,240
NET ASSETS		**17,283,842**	**6,816,334**
EQUITY			
Contributed equity	21	18,211,624	8,406,664
Reserves	22	2,209,586	24,112
Accumulated losses	23	(3,137,434)	(1,614,442)
Non-controlling interest	24	66	-
TOTAL EQUITY		**17,283,842**	**6,816,334**

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

Newfield Resources Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2015

	Contributed Equity $	Other Reserves $	Accumulated Losses $	Total $	Non-controlling interests $	Total Equity $
Balance at 30 June 2013	4,236,954	-	(404,538)	3,832,416	-	3,832,416
Loss for the year	-	-	(1,209,904)	(1,209,904)	-	(1,209,904)
Other comprehensive income/(loss)	-	(15,888)	-	(15,888)	-	(15,888)
Total comprehensive loss for the year	-	(15,888)	(1,209,904)	(1,225,792)	-	(1,225,792)
Transactions with equity holders in their capacity as equity holders:						
Issue of ordinary shares, net of transaction costs	4,169,710	-	-	4,169,710	-	4,169,710
Issue of options to Underwriters	-	40,000	-	40,000	-	40,000
Balance at 30 June 2014	**8,406,664**	**24,112**	**(1,614,442)**	**6,816,334**	**-**	**6,816,334**
Balance at 30 June 2014	**8,406,664**	**24,112**	**(1,614,442)**	**6,816,334**	**-**	**6,816,334**
Loss for the year	-	-	(1,522,992)	(1,522,992)	-	(1,522,992)
Other comprehensive income	-	2,185,474	-	2,185,474	-	2,185,474
Total comprehensive income for the year	-	2,185,474	(1,522,992)	662,482	-	662,482
Transactions with equity holders in their capacity as equity holders:						
Issue of ordinary shares, net of transaction costs	9,804,960	-	-	9,804,960	-	9,804,960
Non-controlling interest in subsidiary	-	-	-	-	66	66
Balance at 30 June 2015	**18,211,624**	**2,209,586**	**(3,137,434)**	**17,283,776**	**66**	**17,283,842**

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

Consolidated Statement of Cash Flows

for the year ended 30 June 2015

	Note	2015 $	2014 $
Cash flows from operating activities			
Payments to suppliers and employees		(869,654)	(772,237)
Interest received		35,876	96,610
Interest paid		(5,237)	(1,185)
Income tax paid		(854)	-
Net cash (outflow) from operating activities	32	(839,869)	(676,812)
Cash flows from investing activities			
Payments for held-to-maturity investments		-	(412,001)
Proceeds from maturity of investments		-	1,912,001
Payments for property, plant and equipment		(2,075,691)	(840,033)
Payments for exploration and evaluation assets		(6,569,533)	(1,110,461)
Payments for mine development		(676,771)	-
Cash held by subsidiaries at acquisition date		-	294,492
Loans to related parties		-	(1,296,307)
Net cash (outflow) from investing activities		(9,321,995)	(1,452,309)
Cash flows from financing activities			
Proceeds from the issue of share capital	21	10,000,000	4,000,000
Payments of share issue costs		(195,040)	(203,255)
Proceeds from the issue of share capital to non-controlling interests		66	-
Proceeds from borrowings		73,846	40,251
Repayment of borrowings		(59,927)	(16,101)
Net cash inflow from financing activities		9,818,945	3,820,895
Net increase/(decrease) in cash and cash equivalents		(342,919)	1,691,774
Cash and cash equivalents at 1 July		2,413,086	713,952
Effects of exchange rate changes on cash and cash equivalents		355,762	7,360
Cash and cash equivalents at 30 June	10	**2,425,929**	**2,413,086**
Non-cash financing and investing activities	32		

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

1. REPORTING ENTITY

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

These consolidated financial statements comprise the Company and its subsidiaries (collectively the "**Group**" and individually "**Group companies**"). They were authorised for issue by the Board of Directors on 30 September 2015.

The nature of the operations and principal activities of the Group are described in the Directors' Report.

2. BASIS OF PREPARATION

Statement of compliance

These general purpose financial statements have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Newfield is a for profit entity for the purpose of preparing the financial statements.

The financial statements of the Group also comply with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis of measurement

These consolidated financial statements are prepared on the accruals basis and the historical cost basis.

Going concern

The financial report has been prepared on a going concern basis which assumes realising its assets and extinguishing its liabilities in the normal course of business.

The Group had cash and cash equivalent of $2,425,929 and net working capital of $2,263,766 as at 30 June 2015. Since then, the Group's exploration and mining development operations in Sierra Leone has continued to drawdown its cash balance. The Directors consider there are reasonable grounds to believe that the Company will be able to continue as a going concern after consideration of the following factors:

- Subsequent to the reporting date, the Group has made its first diamond sales with revenue of $162,718. The Group has plans to ramp up its alluvial diamond production through additional capital investment and improved processing efficiency which will lead to increased revenue and cash inflows and future profitable operations.
- The Group has the ability to adjust its expenditure outlays subject to results of its exploration activities and the Group's funding position.
- The Directors are confident that the Group will be able to raise further working capital as required by debt or equity. As at the date of the report, the Group is undertaking further capital raising.

The Directors believe that the above indicators demonstrate that the Group will be able to pay their debts as and when they fall due and to continue as a going concern. Accordingly, the Directors also believe that it is appropriate to adopt the going concern basis in the preparation of the 2015 financial report.

In the event that the Group does not achieve the above actions, there exists material uncertainty that may cast significant doubt as to whether the Group will be able to continue as going concern and realise its assets and extinguish its liabilities in the normal course of business.

3. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency for the Group's subsidiary operating in Sierra Leone is Sierra Leonean Leone (SLL). The consolidated financial statements are presented in Australian dollars (AUD), which is the Group's functional and presentational currency. All values are rounded to the nearest dollar unless otherwise stated.

4. USE OF JUDGEMENTS AND ESTIMATES

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the consolidated financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the consolidated financial statements are outlined below:

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Deferred taxation

Deferred tax assets in respect of tax losses have not been brought to account as it is not considered probable that future taxable profits will be available against which they could be utilised.

Fair value of exploration asset

The company has obtained a fair value of the exploration asset as at the date of purchase to support the asset acquisition. This is based on a multiple of exploration expenditure which requires an estimate of inputs and is subjective in nature. Information could come to light after the acquisition which may indicate that the original value is materially different to the amount recorded in the statement of financial position, however, as the directors have taken the independent experts value for the asset as being reasonable in light of the information to hand as at that date.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently by the Group throughout the periods presented in these consolidated financial statements.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The group controls an entity when it is exposed to, or has rights to, variable returns from involvements with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

(a) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group companies at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

(b) Foreign operations

The assets and liabilities of foreign operations, including fair value adjustments arising on acquisition, are translated into AUD at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into AUD at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

Segment reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the level of segment information presented to the Board of Directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the Board of Directors.

Acquisition of assets

Acquisition of an asset or a group of assets (including any liabilities assumed) that does not constitute a business are accounted for as asset acquisition under which the Group measure the assets and liabilities acquired, and the corresponding increase in equity, directly, at the fair value of the assets and liabilities acquired, unless that fair value cannot be estimated reliably.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held to maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held to maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which are classified as current assets.

Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently at amortised cost less any impairment losses recognised. Collectability of trade receivables is reviewed on an ongoing basis. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due.

Inventory

Inventories are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes and an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Exploration and evaluation expenditure

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Depreciation of property, plant and equipment used for the purpose of exploration, evaluation and development activities are also capitalised as part of the exploration, evaluation and development costs and subsequently amortised over the life of the area.

Small amount of diamonds may be recovered from the Group's exploration activities. Income from sales of diamonds produced prior to the group commencing production (pre-production revenue) will be offset against the carrying value of exploration and evaluation assets and not recognised in the Statement of Profit or Loss and Other Comprehensive Income.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Mining assets

Capitalised mining development costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mining development also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mining development is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Property, plant and equipment

Items of property, plant and equipment are measured at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

- Furniture & fittings 5-10 years
- Motor vehicles 3-5 years
- Plant and equipment 2-12 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Trade and other payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Group. Trade accounts payable are normally settled within 60 days. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Other long-term employee benefit obligation

The liabilities for long service leave and annual leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Statement of Financial Position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share based payments

The Group measures the cost of equity-settled transactions with employees and consultants by reference to the fair value of goods or service received. Where the fair value of goods or service received cannot be reliably measured, the cost is measured by reference to the fair value of the equity instruments at the date at which they were issued.

Revenue recognition

Revenue represents interest received and reimbursements of exploration expenditures and is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured. Interest income is recognised as it accrues.

Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences:

(a) except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised:

(a) except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

(b) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in the Statement of Profit or Loss and Other Comprehensive Income.

The Group has unused tax losses. However, no deferred tax balances have been recognised, as it is considered that asset recognition criteria have not been met at this time.

Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- When the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a net basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Earnings per share

Basic earnings per share is calculated by dividing the net earnings attributable to members of the Company for the reporting period by the weighted average number of ordinary shares of the Company.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of new or revised accounting standards and interpretations

The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

The consolidated entity has applied AASB 2012-3 from 1 July 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

The consolidated entity has applied AASB 2013-3 from 1 July 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

The consolidated entity has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity; AASB 140 'Investment Property': clarifies that the acquisition of an investment property may constitute a business combination.

New accounting standards and interpretations that are not yet mandatory

The following standards, amendments to standards and interpretations have been identified as those which may impact the Group in the period of initial application. They have not been applied in preparing this financial report:

(i) *AASB 9 Financial Instruments and its consequential amendments*

This standard and its consequential amendments are applicable to annual reporting periods beginning on or after 1 January 2018 and completes phases I and III of the IASB's project to replace IAS 39 (AASB 139) 'Financial Instruments: Recognition and Measurement'. This standard introduces new classification and measurement models for financial assets, using a single approach to determine whether a financial asset is measured at amortised cost or fair value. The accounting for financial liabilities continues to be classified and measured in accordance with AASB 139, with one exception, being that the portion of a change of fair value relating to the entity's own credit risk is to be presented in other comprehensive income unless it would create an accounting mismatch. Chapter 6 'Hedge Accounting' supersedes the general hedge accounting requirements in AASB 139 and provides a new simpler approach to hedge accounting that is intended to more closely align with risk management activities undertaken by entities when hedging financial and non-financial risks. The consolidated entity will adopt this standard and the amendments from 1 July 2018 but the impact of its adoption is yet to be assessed by the consolidated entity.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(ii) AASB 15 – Revenue from contracts with customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018 and an entity will recognise revenue to depict the transfer of promised good or services to customers in an amount that reflects the consideration to which the entity expects to be entitled. This means that revenue will be recognised when control of goods or services is transferred, rather than on transfer of risks and rewards. The Group is yet to fully assess the impact of this standard.

(iii) AASB 2015-1 Amendments to Australian Accounting Standards – Annual improvements to Australian accounting standards 2012-2014 Cycle

This standard is applicable to annual reporting periods beginning on or after 1 January 2016. The consolidated entity will adopt this standard from 1 July 2016 but the impact of its adoption is yet to be assessed by the consolidated entity.

(iv) AASB 2015-2 Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101

This standard is applicable to annual reporting periods beginning on or after 1 January 2016. The amendments affect presentation and disclosures only. Therefore on first time adoption of these amendments on 1 July 2016, comparatives may need to be restated in line with presentation and note ordering.

6. FINANCIAL RISK MANAGEMENT

Overview

Risk management is carried out under policies set by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas.

Financial risk management objectives

The Board monitors and manages the financial risk relating to the operations of the Group. The Group's activities include exposure to market risk, credit risk and liquidity risk. The overall risk management strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on the financial performance. Risk management is carried out under the direction of the Board.

The Group holds the following financial instruments as at 30 June:

	2015 $	2014 $
Financial assets		
Cash at bank and short-term bank deposits	2,425,929	2,345,946
Trade and other receivables	67,131	21,572
	2,493,060	2,367,518
Financial liabilities		
Trade and other payables	534,350	114,753
Loans and borrowings	38,071	24,151
	572,421	138,904

Market risk

Market risk is the risk that changes in market prices, such as foreign currency exchange rates, interest rates and commodity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return. There were no changes in the Group's market risk management policies from previous years.

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

6. FINANCIAL RISK MANAGEMENT (continued)

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars, was as follows:

	Assets		Liabilities	
	2015	2014	2015	2014
	$	$	$	$
US dollars	47,642	350,153	75,888	16,084
Sierra Leonean leone	56,870	3,908	80,450	-
	104,512	354,061	156,338	16,084

The Group had net monetary liabilities denominated in foreign currencies of $51,826 (liabilities $156,338 less assets $104,512) as at 30 June 2015 (2014: net monetary assets of $337,977). Based on this exposure, had the Australian dollar weakened by 10%/strengthened by 5% against these foreign currencies with all other variables held constant, the Group's loss before tax for the year would have been $5,183 higher/$2,591 lower (2014: $33,798 lower/$16,899 higher) and equity would have been $5,183 lower/$2,591 higher (2014: $33,798 higher/$16,899 lower). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each year and the spot rate at each reporting date. The actual foreign exchange gain for the year ended 30 June 2015 was $31,200 (2014: loss of $13,504).

Cash flow and interest rate risk

The Group receives interest on its cash management deposits based on daily balances and at reporting date was exposed to a variable interest rate of 1.50% per annum. The Group's operating accounts do not attract interest.

At the reporting date the interest rate profile of the Group's interest bearing financial instruments was:

	2015	2014
	$	$
Variable rate instruments		
Cash at bank	2,301,869	1,315,400
Fixed rate instruments		
Term deposits	-	1,000,000
Loans and borrowings	(38,071)	(24,150)
	2,263,798	**2,291,250**

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates would increase or decrease the Group's loss by $23,019 (2014: $13,154), based on the cash at bank at reporting date and calculated on an annual basis. The Board assessed a 100 basis point movement as being reasonably possible based on short term historical movements. This analysis assumes that all other variables remain constant.

Market price risk

The Group is involved in the exploration and development of mining tenements for minerals, including gold, diamonds and base metals. Should the Group successfully progress to a producer, revenues associated with mineral sales, and the ability to raise funds through equity and debt, will have some dependence upon commodity prices.

Credit risk

There is a limited amount of credit risk relating to the cash and cash equivalents that the Group holds in deposits.

The Group does not presently have customers and consequently does not have credit exposure to trade receivables. The Group may in the future be exposed to interest rate risk should it borrow funds for acquisition and development.

6. FINANCIAL RISK MANAGEMENT (continued)

Exposure to credit risk

The Group's maximum exposure to credit risk at the reporting date was:

	2015 $	2014 $
Cash at bank and short-term bank deposits	2,395,472	2,345,946
Other receivables	67,131	21,572
	2,462,603	2,367,518

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

Credit quality of financial assets	Counterparties with external credit rating[1] AA-(S&P)	Other third parties without external credit rating No default	Total
At 30 June 2015			
Cash at bank and short-term bank deposits[2]	2,345,770	49,702	2,395,472
Other receivables from once-off transactions with third parties[3]	24,760	42,371	67,131
	2,370,530	**92,073**	**2,462,603**
At 30 June 2014			
Cash at bank and short-term bank deposits[2]	1,997,251	348,695	2,345,946
Other receivables from once-off transactions with third parties[3]	1,750	19,822	21,572
	1,999,001	**368,517**	**2,367,518**

1. The equivalent S&P rating of the financial assets represents that rating of the counterparty with whom the financial asset is held rather than the rating of the financial asset itself.
2. One of the Group's subsidiaries operates in Sierra Leone and held cash at Sierra Leone financial institutions. No external credit rating was available for these Sierra Leone financial institutions as at the reporting date.
3. Other receivables represent sundry debtors, interest accrued and deposit paid.

Allowance for impairment loss

A provision for impairment loss is recognised when there is objective evidence that an individual receivable is impaired. The group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor
- probability that the debtor will enter bankruptcy or financial reorganisation, and
- default or delinquency in payments (more than 30 days overdue).

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses. Subsequent recoveries of amounts previously written off are credited against other expenses.

Impaired receivable relates to a loan provided to an employee of the Group for urgent medical treatments. The Group expects that the loan may not be fully recovered and has recognised impairment losses of $291,030 (2014: nil).

The other classes within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

6. FINANCIAL RISK MANAGEMENT (continued)

The following are the contractual maturities of financial liabilities on an undiscounted basis, including estimated interest payments: Cash flows for liabilities without fixed amount or timing are based on conditions existing at year end.

	Carrying amount	Contractual cash flows	1 year	2-5 years	>5 years
2015					
Trade and other payables	534,350	(534,350)	(534,350)	-	-
Loans and borrowings	38,071	(39,456)	(39,456)	-	-
	572,421	(573,806)	(573,806)	-	-
2014					
Trade and other payables	114,753	(114,753)	(114,753)	-	-
Loans and borrowings	24,151	(25,897)	(25,897)	-	-
	138,904	(140,650)	(140,650)	-	-

7. AUDITOR'S REMUNERATION

	2015 $	2014 $
The following fees were paid or payable to the auditor, non-BDO firms and related practices:		
Audit and review services		
Auditors of the Company - BDO Audit (WA) Pty Ltd	43,973	40,406
Network firms of BDO Audit (WA) Pty Ltd	19,229	-
Other auditors – non-BDO firms (Bertin & Bertin)	14,279	16,084
Audit and review of financial statements	77,481	56,490
Other Services		
Auditors' related practice – BDO Corporate Tax (WA) Pty Ltd		
- in relation to other assurance, taxation and due diligence services	8,160	19,926
	8,160	**19,926**

8. OTHER INCOME AND EXPENSES

	2015 $	2014 $
Other income		
Interest income	34,126	83,001
Foreign exchange gain	31,200	-
	65,326	83,001
Corporate and administrative expenses include the following specific expenses:		
(a) Depreciation		
Furniture & Fittings	4,517	1,406
(b) Employee benefits expenses		
Wages and salaries	272,736	487,369
Superannuation expense	9,704	35,198
Other employee benefits	(12,021)	36,325
	270,419	558,892
(c) Corporate advisory	137,500	14,173
(d) Occupancy expenses	63,684	16,115
(e) Due diligence costs	-	132,382

9. INCOME TAX

	2015 $	2014 $
(a) Income tax expense	-	33,626
(b) Numerical reconciliation between tax expense and pre-tax net loss		
Loss before income tax expense	(1,522,992)	(1,176,278)
Income tax benefit calculated at rates noted in (d) below	(456,898)	(352,884)
Effect of non-deductible items	2,809	2,140
Timing difference not recognised	454,089	350,744
Withholding tax	-	32,772
Under/over provision	-	854
Income tax expense	-	33,626

(c) Deferred tax assets and liabilities not brought to account

The potential tax benefit @ 30% for the following items for which no deferred tax asset has been recognised is as follows:

	2015 $	2014 $
Carry forward tax losses	1,576,009	1,132,179
Capital raising costs	110,885	96,205
Provisions and accruals	94,856	22,791
Other	-	39,878
	1,781,750	1,291,053

The tax benefits of the above deferred tax assets will only be obtained if:

(a) the Group derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;

(b) the Group continues to comply with the conditions for deductibility imposed by law; and

(c) no changes in income tax legislation adversely affect the Group in utilising the benefits.

The temporary difference @ 30% relating to the following item for which no deferred tax liability has been recognised is as follows:

	2015 $	2014 $
Prepayments	-	16,396
Other	(9,326)	525
Exploration and evaluation costs	(604,290)	548,318
	(613,616)	565,239

The above deferred tax liability has not been recognised because it would be offset by the deferred tax asset which has also not been recognised.

(d) Tax Rates

The potential tax benefit in respect of tax losses not brought into account has been calculated at 30% (2014:30%).

	2015 $	2014 $
10. CASH AND CASH EQUIVALENTS		
Cash at bank and in hand	**2,425,929**	**2,413,086**

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 6.

11. TRADE AND OTHER RECEIVABLES

	2015 $	2014 $
Current		
GST receivable	-	8,134
Sundry debtors	37,543	1,881
Interest receivable	-	1,750
Loans to employees*	306,584	3,908
Provision for impairment of loan to employees	(291,030)	-
	53,097	15,673
Non-current		
Security Deposit – office Lease	14,034	14,034

*Loans to employees included a short-term loan of up to $550,000 provided by the Company to an employee to cover essential medical expenditure for this employee (**Loan**). The Loan was interest free and unsecured with a maturity date of 31 October 2015. As at 30 June 2015, the Loan was drawn down by $291,030 of which full provision for impairment has been provided for. Total impairment expenses recognised in the Statement of Profit or Loss and Other Comprehensive Income during the year was $291,030 (2014: nil).

The Group's exposure to credit risk related to trade and other receivables is disclosed in Note 6.

No receivables were past due but not impaired.

12. INVENTORY

	2015 $	2014 $
Current		
Spare parts for processing plant	**211,318**	**-**

Inventory recognised as expenses during the financial year was nil (2014: nil).

There was no impairment loss booked to inventory for the financial year (2014: nil).

13. OTHER CURRENT ASSETS

	2015 $	2014 $
Deposits paid for purchase of plant & equipment	164,897	566,141
Prepaid Insurance	69,716	51,438
Prepaid rent	25,855	3,217
Staff salary advance	3,755	730
Other advance payment to suppliers and contractor	76,706	-
Prepaid exploration costs	-	42,892
	340,929	**664,418**

14. PROPERTY, PLANT & EQUIPMENT

	2015 $	2014 $
Furniture & fittings – at cost	108,250	24,900
Less: Accumulated depreciation	(30,833)	(2,073)
	77,417	22,827
Motor vehicles – at cost	294,041	103,579
Less: Accumulated depreciation	(55,436)	(16,002)
	238,605	87,577
Plant & equipment – at cost	3,280,302	649,365
Less: Accumulated depreciation	(202,316)	(66,875)
	3,077,986	582,490
Capital spares	17,813	-
Capital WIP	17,515	-
	3,429,336	**692,894**

Reconciliations of carrying amount	**Furniture & Fittings $**	**Motor vehicles $**	**Plant & equipment $**	**Capital spares & WIP $**	**Total $**
Balance at 1 July 2013	1,704	-	-	-	1,704
Additions	22,539	93,989	607,235	-	723,763
Depreciation	(1,094)	(6,172)	(23,027)	-	(30,293)
Foreign exchange differences	(323)	(240)	(1,717)	-	(2,280)
Balance at 30 June 2014	22,826	87,577	582,491	-	692,894
Balance at 1 July 2014	22,826	87,577	582,491	-	692,894
Additions	82,082	276,370	2,480,551	35,328	2,874,331
Written off	-	(75,580)	(12,572)	-	(88,152)
Depreciation	(28,696)	(72,699)	(125,043)	-	(226,438)
Foreign exchange differences	1,205	22,937	152,559	-	176,701
Balance at 30 June 2015	77,417	238,605	3,077,986	35,328	3,429,336

15. EXPLORATION AND EVALUATION ASSETS

	2015 $	2014 $
Exploration and evaluation costs carried forward in respect of areas of interest	**10,817,809**	**3,270,469**
Reconciliation		
Carrying amount at beginning of the year	3,270,469	1,678,147
Exploration and evaluation	7,107,657	611,557
Acquisition of Newfield Tenements	-	13,048
Acquisition of Crest Yard Tenements	-	3,811
Acquisition of Baoma tenement (refer to Note 26)	-	983,468
Exploration expenditure written off	(7,268)	-
Foreign currency revaluation of Baoma tenement	224,280	(19,562)
Foreign exchange differences in opening balances	222,671	-
Carrying amount at end of the year	**10,817,809**	**3,270,469**

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

	2015 $	2014 $

16. MINE DEVELOPMENT

Mining development - at cost	**758,897**	**-**
Reconciliations		
Carrying amount at beginning of the year	-	-
Additions	758,897	-
Carrying amount at end of the year	758,897	-

17. TRADE AND OTHER PAYABLES

Trade creditors	247,831	62,511
Other creditors and accruals	380,903	94,993
	628,734	**157,504**

The Group's exposure to credit and liquidity risks related to trade and other payables are disclosed in Note 6. The carrying amount of trade and other payables approximates its fair value.

18. INCOME TAX PAYABLES

Income tax payable	**32,772**	**32,772**

19. LOANS & BORROWINGS

Insurance premium funding	**38,071**	**24,150**

The Group has an insurance premium funding arrangement with Hunter Premium Funding Limited (**Hunter**), under which the principal and interests will be repaid by ten equal monthly instalments. A flat interest rate of 6.86% (2014:7.23%) was charged by Hunter. The Group's exposure to credit and liquidity risks related to loans and borrowings are disclosed in Note 6. The carrying amount of loans and borrowings approximates its fair value.

20. EMPLOYEE BENEFITS

Provision for annual leave entitlements	25,156	39,814
Provision for employment termination benefits	42,774	-
	67,930	**39,814**

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

	2015 $	2014 $
21. CONTRIBUTED EQUITY		
184,083,335 fully paid ordinary shares (2014: 145,750,001 fully paid ordinary shares)	**18,211,624**	**8,406,664**

(a) Ordinary shares

The following movements in ordinary share capital occurred during the financial year:

	2015 Number	2014 Number	2015 $	2014 $
Balance at the beginning of the year	145,750,001	96,750,001	8,406,664	4,236,954
Issue of shares at $0.20 each for cash	-	20,000,000	-	4,000,000
Issue of shares for acquisition of Allotropes Diamonds Pty Ltd	-	29,000,000	-	412,965
Issue of shares at $0.30 each for cash	8,333,334	-	2,500,000	-
Exercise of options at $0.25 each	30,000,000	-	7,500,000	-
Share issue costs	-	-	(195,040)	(243,255)
Balance at the end of the year	184,083,335	145,750,001	18,211,624	8,406,664

Ordinary shares entitle the holder to participate in dividends and the proceeds from winding up of the Company in proportion to the number and amounts paid on the shares held.

On a show of hands every holder of ordinary securities present at a shareholder meeting in person or by proxy is, entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

(b) Capital risk management

When managing capital, the Board's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

The Board is constantly adjusting the capital structure to take advantage of favourable costs of capital or high return on assets. As the market is constantly changing, management may issue new shares, sell assets to reduce debt or consider payment of dividends to shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position although there is no formal policy regarding gearing levels.

The Group has no formal financing and gearing policy or criteria during the year having regard to the early status of its development and low level of activity.

There were no changes in the Group's approach to capital management during the year.

The Group is not subject to any externally imposed capital requirements.

	2015 $	2014 $
22. OTHER RESERVES		
Share Based Payments Reserve		
Balance at beginning of year	40,000	-
Options granted to Underwriter	-	40,000
Balance at end of year	40,000	40,000
Foreign Currency Translation Reserve		
Balance at beginning of year	(15,888)	-
Currency translation differences on translation of foreign operations	2,185,474	(15,888)
Balance at end of year	2,169,586	(15,888)
Total	**2,209,586**	**24,112**

22. OTHER RESERVES (continued)

Share based payments reserve

The reserve is used to recognise the values attributed to options over ordinary shares granted to consultants in consideration for the provision of services. Refer to Note 33 for details of share based payments during the year.

Foreign currency translation reserve

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

	2015 $	2014 $
23. ACCUMULATED LOSSES		
Accumulated losses at the beginning of the year	(1,614,442)	(404,538)
Net loss for the year	(1,522,992)	(1,209,904)
Accumulated losses at the end of the year	**(3,137,434)**	**(1,614,442)**

24. NON-CONTROLLING INTEREST

Issued capital	**66**	**-**

During the financial year the Group incorporated a new subsidiary, Allotropes Mining Company Limited (a company incorporated under the laws of Sierra Leone) ("AMCL"). As at 30 June 2015, the Group holds 75% of the voting rights in AMCL (30 June 2014: Nil). The Group also holds 100% of the preference shares on issue which entitles the Group to 100% of the profit or loss of AMCL.

25. FAIR VALUE MEASUREMENT

AASB 7 *Financial Instruments Disclosures* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

None of the Group's financial assets or liabilities are measured at fair value.

26. ASSET ACQUISITION

During the previous financial year, the Company signed a binding Share and Option Exchange Agreement ("**SOEA**") with vendors of Allotropes Diamonds Pty Ltd ("**ADPL**") to acquire ADPL's assets in Sierra Leone in consideration for 29 million fully paid ordinary shares and 29 million options. On 31 March 2014, upon the completion of the acquisition, the Company, via subsidiaries, obtained a 100% interest in the Baoma Diamond Project in Sierra Leone.

The transaction is not a business combination as the Company's acquired assets did not meet the definition of a business as defined in the Australian Accounting Standards. The substance and intent was for the Company to acquire the exploration and evaluation assets in Sierra Leone for the purpose of building the Company's resource base in line with the Company's strategy. Therefore, this transaction has been accounted for under AASB2 *Share Based Payments*.

26. ASSET ACQUISITION (continued)

The fair value of the assets acquired at the date of acquisition and share based payments are outlined as follows:

	31 March 2014 $
Consideration:	
Ordinary shares and options issued to vendors	412,965
Total consideration	412,965
Value of assets acquired	
Cash and cash equivalents	294,492
Other receivables	69,320
Plant & equipment	396,434
Exploration and evaluation expenditures (**)	983,467
Trade and other payables	(22,397)
Loans and borrowings	(1,308,351)
Fair value of asset acquired	412,965

* The Company had incurred acquisition related costs of $132,382 since November 2013, which has not been included in the consideration.

** The fair value of exploration and evaluation expenditures was calculated based on an independent valuation report.

27. COMMITMENTS AND CONTINGENCIES

Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	2015 $	2014 $
Property, plant and equipment	-	517,183

Operating lease commitments

The Group leases various offices and accommodation houses under non-cancellable operating leases expiring within one to two years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2015 $	2014 $
Within one year	33,820	56,775
After one year but not more than five years	-	33,820
	33,820	90,595

Service commitments

The Group has entered into various agreements with service providers to provide secretarial and accounting services in connection with the operations of the Group.

Future payables arising from these service agreements as at 30 June are as follow:

	2015 $	2014 $
Within one year	144,000	78,867
After one year but not more than five years	116,333	-
	260,333	**78,867**

27. COMMITMENTS AND CONTINGENCIES (continued)

Exploration and project commitments

The Group has certain obligations to perform minimum exploration work on mining tenements held. These obligations may vary over time, depending on the Group's exploration program and priorities. These obligations are also subject to variations by negotiation, joint venturing or relinquishing some of the relevant tenements.

As at reporting date, total exploration expenditure commitments in relation to tenements held by the Group which have not been provided for in the financial statements are as follows:

	2015 $	2014 $
Within one year	1,647,750	620,989
After one year but not more than five years	5,516,357	3,346,018
More than five years	190,000	210,000
	7,354,107	**4,177,007**

Contingencies

Pursuant to a tenement acquisition agreement entered into with Crest Metals Pty Ltd (**Crest**), the Company has agreed to pay Crest a 2% net smelter royalty in respect of all minerals produced from the tenements acquired. The Company has 70% interest in the tenements acquired from Crest.

Pursuant to a tenement acquisition agreement entered into with Anthony John Woodhill. Anthony William Kiernan, Archaean Exploration Services Pty Ltd, Woodline Pty Ltd, Plato Prospecting Pty Ltd, Carterton Holdings Pty Ltd and Newfield Central Pty Ltd (together, the **Newfield Vendors**), the Company has agreed to pay the Newfield Vendors a 2% net smelter royalty in respect of all minerals produced from the tenements acquired. In addition, a royalty of $10 per ounce of gold and 2% net smelter royalty on non-gold commodities produced on M77/422 and M77/846 is payable to Carterton Holdings Pty Ltd pursuant to a previous agreement in respect of those tenements.

The Group does not have any other contingent liabilities at balance and reporting dates.

28. EARNINGS/(LOSS) PER SHARE

Basic and diluted earnings/(loss) per share

The calculation of basic loss per share at 30 June 2015 was based on the following:

	2015 $	2014 $
Loss attributable to ordinary shareholders of Newfield Resources Limited		
Net loss for the year	(1,522,992)	(1,209,904)
Weighted average number of ordinary shares	**Number**	**Number**
Balance at beginning of year	145,750,001	96,750,001
Effect of shares issued during the financial year	14,777,918	12,350,685
	160,527,919	**109,100,686**

Diluted earnings/(loss) per share must be calculated where potential ordinary shares on issue are dilutive. As the potential ordinary shares on issue would decrease the loss per share, they are not considered dilutive, and not shown. The number of potential ordinary shares is set out in Note 33.

29. SEGMENT REPORTING

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

	Mineral Exploration Australia $	Mineral Exploration Sierra Leone $	Corporate $	Group $
2015				
Segment income	-	31,088	34,238	65,326
Segment result	(7,268)	(444,528)	(1,071,196)	(1,522,992)
Segment assets	2,014,301	13,558,025	2,479,023	18,051,349
Segment liabilities	(1,157)	(316,217)	(450,133)	(767,507)
2014				
Segment income	-	-	83,001	83,001
Segment result	(327,228)	(161,461)	(721,215)	(1,209,904)
Segment assets	1,827,727	3,149,931	2,092,916	7,070,574
Segment liabilities	(12,512)	(56,072)	(185,656)	(254,240)

Geographical information

	Income		Geographical non-current assets	
	2015 $	2014 $	2015 $	2014 $
Australia	34,238	82,965	2,049,094	1,859,990
Sierra Leone	31,088	36	12,970,982	2,117,407
	65,326	83,001	15,020,076	3,977,397

30. RELATED PARTY TRANSACTIONS

(a) Parent entity

The Group is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest 2015	Ownership interest 2014
Newfield Resources Limited	Ultimate Australian parent entity	Australia	100%	100%

(b) Subsidiaries

Interests in subsidiaries are set out in Note 31.

30. RELATED PARTY TRANSACTIONS (continued)

(c) Key management personnel compensation

	2015 $	2014 $
Short-term employee benefits	515,415	229,095
Post-employment benefits	35,855	15,121
Total compensation	**551,270**	**244,216**

Detailed remuneration disclosures are provided in the Remuneration Report on pages 18 to 21.

(d) Other transactions with key management personnel

Some of the key management personnel hold positions in other entities that result in then having control or significant influence over the financial or operating policies of those entities.

Some of those entities transacted with the Group during the year. The terms and conditions of those transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis. The aggregate amounts recognised during the year relating to those transactions were as follows:

Director	Transaction	Transactions value year ended 30 June 2015 $	Transactions value year ended 30 June 2014 $	Balance outstanding as at 30 June 2015 $	Balance outstanding as at 30 June 2014 $
Mr A Ho	Secretarial and accounting fees	123,000	110,327	5,500	19,383
	Due diligence related consulting fees	-	28,094	-	-
Mr B Alexander	Purchase of office equipment	-	2,500	-	-

Outstanding balances are unsecured and are repayable in cash.

31. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in Note 5:

Name of entity	Place of business/country of incorporation	Ownership interest held by the Group 2015	Ownership interest held by the Group 2014	Principal activities
Allotropes Diamonds Pty Ltd	Australia	100%	100%	Mineral Exploration
Allotropes Diamond Company Ltd	Sierra Leone	100%	100%	Mineral Exploration

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary with non-controlling interests in accordance with the accounting policy described in Note 5:

Name of entity	Place of business/country of incorporation	Ownership interest held by the Group 2015	Ownership interest held by the Group 2014	Principal activities
Allotropes Mining Company Ltd*	Sierra Leone	100%	-	Diamond mining

* The non-controlling interest holds 25% of the voting rights of Allotropes Mining Company Ltd. Refer Note 24 for details of the non-controlling interest.

	2015 $	2014 $
32. RECONCILIATION OF CASH FLOWS USED IN OPERATING ACTIVITIES		
(a) Cash flows from operating activities		
Loss for the year	(1,522,992)	(1,209,904)
Adjustments of non-cash/non-operating items:		
Depreciation	26,079	1,406
Foreign exchange differences	-	13,479
Exploration expenditure written off	7,268	-
Plant and equipment written off	71,114	-
Non-operating items	351,852	439,590
Operating loss before changes in working capital and provisions	(1,066,679)	(755,429)
Change in trade and other receivables	(311,008)	(9,287)
Change in other assets	(18,277)	(53,948)
Change in trade and other payables	279,723	108,738
Change in provisions	276,372	33,114
Net cash used in operating activities	(839,869)	(676,812)

(b) Non-cash investing and financing activities

On 29 November 2013, the Company entered into a Share and Option Exchange Agreement ("SOEA") to acquire 100% of the issued capital in Allotropes Diamonds Pty Ltd. 29 million fully paid ordinary shares and 29 million options were issued as consideration to the vendors at a deemed value of $415,852.

On 18 February 2014, the Company entered into an underwriting agreement for the placement of 20 million shares to raise $4 million before costs. The Company paid an underwriting fee of $40,000 to the underwriter which was satisfied by the issue of 10 million options, in accordance with the agreement.

These transactions were not reflected in the Consolidated Statement of Cash Flows.

33. SHARE BASED PAYMENTS

There were no share-based payment transactions during the financial year.

Set out below are summaries of options granted by the Company during the previous financial years:

Grant date	Exercise price	Expiry date	Balance at start of the year Number	Granted during the year Number	Exercised during the year Number	Balance at end of the year Number	Vested and exercisable at end of the year Number
2015							
28 February 2012	$0.25	15 June 2015	30,000,000	-	(30,000,000)	-	-
31 March 2014	$0.30	15 June 2016	29,000,000	-	-	29,000,000	29,000,000
31 March 2014	$0.30	15 June 2017	10,000,000	-	-	10,000,000	10,000,000
			69,000,000	-	(30,000,000)	39,000,000	39,000,000
Weighted Average exercise price			$0.28	-	$0.25	$0.30	$0.30
2014							
28 February 2012	$0.25	15 June 2015	30,000,000	-	-	30,000,000	30,000,000
31 March 2014	$0.30	15 June 2016	-	29,000,000	-	29,000,000	29,000,000
31 March 2014	$0.30	15 June 2017	-	10,000,000	-	10,000,000	10,000,000
			30,000,000	39,000,000	-	69,000,000	69,000,000
Weighted Average exercise price			$0.25	$0.30	-	$0.28	$0.28

The options outstanding at 30 June 2015 have a weighted average remaining contractual life of 14.6 months (2014: 20 months).

Total expenses arising from share-based payment transaction recognised during the year was nil (2014: $40,000).

34 PARENT ENTITY DISCLOSURES

As at and throughout the financial year ended 30 June 2015 the parent entity of the Group was Newfield Resources Limited.

(a) Summary financial information

	2015 $	2014 $
Finance position		
Current assets	2,771,954	2,388,377
Total assets	14,250,176	6,252,658
Current liabilities	451,290	197,315
Total liabilities	451,290	197,315
Shareholder's equity		
Issued capital	18,211,624	8,406,664
Share based payments reserves	40,000	40,000
Accumulated losses	(4,452,738)	(2,391,321)
Total equity	13,798,886	6,055,343
Loss for the year	(2,061,417)	(1,986,783)
Total comprehensive loss	(2,061,417)	(1,986,783)

(b) Guarantees entered into by the parent entity

The parent entity did not provide any guarantees during the financial year (2014: nil).

(c) Contingent liabilities of the parent entity

Other than the contingencies disclosed in Note 27, the parent entity did not have any other contingent liabilities at year end (2014: nil).

(d) Contractual commitments for capital expenditure

The parent entity did not have any commitment in relation to capital expenditure contracted but not recognised as liabilities as at reporting date (2014: nil).

35. EVENTS SUBSEQUENT TO REPORTING DATE

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

DIRECTORS' DECLARATION

In the opinion of the Directors of Newfield Resources Limited:

(a) the financial statements and notes set out on pages 24 to 51, are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance, for the financial year ended on that date; and

(ii) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(b) the financial report also complies with International Financial Reporting Standards as issued by the International Accounting Standards Board; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

Anthony Ho

Anthony Ho
Executive Director

30 September 2015
Perth

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INDEPENDENT AUDITOR'S REPORT

To the members of Newfield Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Newfield Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

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

Opinion

In our opinion:

(a) the financial report of Newfield Resources Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 2.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 in the financial report, which indicates that the ability of the group to continue as a going concern is dependent upon the future successful raising of necessary funding through debt or equity, future profitable operations and/or the modification of expenditure outlays. These conditions, along with other matters as set out in Note 2, indicate the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore, the group may be unable to realise its assets and discharge its liabilities in the normal course of business at amounts stated in the annual financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. The directors of the group are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Newfield Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO
Glyn O'Brien

Glyn O'Brien

Director

Perth, 30 September 2015

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

As lead auditor of Newfield Resources Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

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

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

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2015

Details of shares and options as at 24 September 2015:

Top holders

The 20 largest registered holders of each class of quoted equity security as at 24 September 2015 were:

Fully paid ordinary shares - quoted

	Name	No. of Shares	%
1.	Citicorp Nominees Pty Limited	52,319,038	28.42
2.	Prime Investment Limited	23,265,558	12.64
3.	Joshua Alan Letcher	11,265,386	6.12
4.	Anrinza Future Pty Ltd	10,418,185	5.66
5.	Wonder Holding Pty Ltd	10,333,334	5.61
6.	Mr Jojo Krisnawan	6,708,334	3.64
7.	David Pursell	5,800,000	3.15
8.	Joseph Kowai	4,350,000	2.36
9.	Mutual Street Pty Ltd	3,704,545	2.01
10.	Serng Yee Liew	3,556,090	1.93
11.	Mr Octavianus Budiyanto	2,973,819	1.62
12.	Mr James Aripin	2,973,819	1.62
13.	Xing Min Lee	2,550,000	1.39
14.	Mr Roy Heydan Clarke	2,007,692	1.09
15.	Lina Tanuwidjaja Young	2,000,000	1.08
16.	Yean Sok Yeoh	1,860,000	1.01
17.	Robert Ang	1,657,000	0.90
18.	Margaret Hawke	1,561,538	0.85
19.	Ms Pipin Sastrawinata	1,486,909	0.81
20.	Ms Dewi Kartini Laya	1,486,909	0.81
		152,278,156	82.72

Registered holders holding 20% or more of each class of unquoted equity security as at 24 September 2015 were:

Options exercisable at $0.30 on or before 15 June 2016 – unquoted

Name	No. of Options	%
Mr Joshua Alan Letcher	11,265,386	38.85
Mr David Pursell	5,800,000	20.00

Options exercisable at $0.30 on or before 15 June 2017 – unquoted

Name	No. of Options	%
Wonder Holding Pty Ltd	3,500,000	35.00
Asia Pacific Horizon Capital	2,215,645	22.16

Distribution schedules

A distribution schedule of each class of equity security as at 24 September 2015:

Fully paid ordinary shares

Range			Holders	Units	%
1	-	1,000	45	9,749	0.005
1,001	-	5,000	21	61,839	0.034
5,001	-	10,000	73	666,802	0.362
10,001	-	100,000	49	2,139,227	1.162
100,001	-	Over	71	181,205,718	98.437
Total			259	184,083,335	100.00

Options exercisable at $0.30 on or before 15 June 2016

Range			Holders	Units	%
1	-	1,000	0	0	0
1,001	-	5,000	0	0	0
5,001	-	10,000	0	0	0
10,001	-	100,000	0	0	0
100,001	-	Over	11	29,000,000	100.00
Total			11	29,000,000	100.00

Options exercisable at $0.30 on or before 15 June 2017

Range			Holders	Units	%
1	-	1,000	0	0	0
1,001	-	5,000	0	0	0
5,001	-	10,000	0	0	0
10,001	-	100,000	2	184,636	1.85
100,001	-	Over	9	9,815,364	98.15
Total			11	10,000,000	100.00

Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Substantial shareholder	Number of Shares
Asia Pacific Horizon Capital	28,867,654
Prime Investment Limited	20,816,758
Mr Joshua Alan Letcher	11,282,386
Anrinza Future Pty Ltd	10,418,185
Wonder Holdings Pty Ltd	10,358,334

Restricted securities or securities subject to voluntary escrow

As at 24 September 2015, the Company had no restricted securities on issue.

As at 24 September 2015, the following securities were subject to voluntary escrow:

- 29,000,000 fully paid ordinary shares – escrowed until 31 March 2016; and
- 29,000,000 options exercisable at $0.30 each on or before 15 June 2016 – escrowed until 31 March 2016.

Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 598 shares as at 24 September 2015):

Holders	Units
36	1,586

Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands, every member present in person or by proxy shall have one vote, and upon a poll, each share shall have one vote.

Options do not carry any voting rights.

On-Market Buy Back

There is no current on-market buy-back.

Principles of Good Corporate Governance and Recommendations

The Board has adopted and approved the Company's Corporate Governance Statement, which can be found on the Company's website at www.newfieldresources.com.au.

Summary of tenements as 24 September 2015

Projects	Licence Number	Area (km^2)	Status	Newfield's Interest
Western Australia				
Newfield	M77/0422	0.85	Granted	100%
Newfield	M77/0846	0.39	Granted	100%
Newfield	P77/3679	0.50	Granted	100%
Crest Yard	P16/2722	2.00	Granted	70%
Crest Yard	P16/2723	2.00	Granted	70%
Crest Yard	P16/2724	1.96	Granted	70%
Crest Yard	P16/2725	2.00	Granted	70%
Crest Yard	P16/2726	1.66	Granted	70%
Crest Yard	P16/2727	2.00	Granted	70%
Crest Yard	P16/2728	0.82	Granted	70%
Crest Yard	P16/2729	1.89	Granted	70%
Crest Yard	P16/2730	1.60	Granted	70%
Crest Yard	P16/2731	1.90	Granted	70%
Crest Yard	P16/2733	2.00	Granted	70%
Crest Yard	P16/2734	1.96	Granted	70%
Crest Yard	P16/2735	1.73	Granted	70%
Crest Yard	P16/2736	1.03	Granted	70%
Sierra Leone				
Baoma	EL15/2012	101.50	Granted	100%
Lake Popei	EL11/2014	221.27	Granted	100%
Sumboya	EL12/2014	217.62	Granted	100%
Hima	EL19/2014	249.50	Granted	100%
Jomu	EL20/2014	212.25	Granted	100%
Golu	APL-I-740*	1.00	Granted	100%

* *The mining licence number is yet to be issued by National Mineral Agency of Sierra Leone.*