

12 March 2018

Dear Option Holder

NOTICE TO OPTION HOLDERS OF NON-RENOUNCEABLE PRO RATA ENTITLEMENT OFFER

We write to you as the registered holder of options in Newfield Resources Limited (**Company**) (ASX: NWF) as at today's date.

As advised in the Company's ASX announcement dated 12 March 2018, the Company is undertaking a non-renounceable pro rata entitlement offer to eligible shareholders at an issue price of \$0.15 per new share (**New Shares**) on the basis of 74 New Shares for every 100 shares held at the record date of 16 March 2018 (**Record Date**) (**Offer**).

Pursuant to the Offer, the Company will issue approximately 200,231,668 New Shares to raise approximately \$30 million before costs. The Offer is underwritten by Townshend Capital Pty Ltd.

On 12 March 2018, the Company announced that the Boards of the Company and Stellar Diamonds plc (**Stellar**) had reached agreement on the terms of a recommended combination of the Company and Stellar via an all-scrip transaction to be effected by a Court-sanctioned scheme of arrangement of Stellar under Part 26 of the UK Companies Act 2006 (**Stellar Scheme**). Pursuant to this combination, the Company would acquire 100% of the issued and to be issued share capital of Stellar. The Offer is conditional upon the completion of the Stellar Scheme. If the Stellar Scheme is not effected then the Offer will be withdrawn and all application monies received will be returned to applicants in accordance with the provisions in the Corporations Act.

The Offer will be available to all shareholders of the Company registered on the Record Date whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

A prospectus in relation to the Offer was lodged with ASIC on 12 March 2018 and announced on the ASX market announcements platform on 12 March 2018 and is intended to be sent to Eligible Shareholders on 21 March 2018.

Under the terms of the options you currently hold, there is no entitlement to participate in the Offer (in respect of your options) unless you exercise your options, and are entered onto the register as a shareholder of the Company by the Record Date.

If you do not wish to participate in the Offer (in respect of your options), no action is required. Before deciding whether to exercise all or any of your options, you should consider the Prospectus carefully and if in any doubt, consult with your professional advisor.

If you require clarification on any of the above matters, please contact the undersigned on +61 8 6389 2688.

Yours faithfully

Kim Hogg
COMPANY SECRETARY

For personal use only