

14 March 2018

Dear Shareholder

NOTICE TO INELIGIBLE SHAREHOLDERS OF NON-RENOUNCEABLE PRO RATA ENTITLEMENT OFFER

We write to you as the registered holder of shares 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) and 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 If the Stellar Scheme is not effected then the Offer will be withdrawn and all application monies received will be returned to applicants in accordance with the provisions in the Corporations Act.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).

The Offer is not being extended to shareholders of the Company whose registered address is outside the above jurisdictions or do not meet the offer restrictions in the Prospectus (Ineligible Shareholders).

The Company has determined that it would be unreasonable on this occasion to extend the Offer to you as an Ineligible Shareholder having regard to the offer restrictions of your jurisdiction based on a consideration of:

- (a) the number of shareholders in your jurisdiction;
- (b) the number and value of shares the shareholders in your jurisdiction would be offered; and
- (c) the cost of complying with the legal requirements and the requirements of the regulatory authorities in your jurisdiction.

This letter is to inform you that you are not an Eligible Shareholder for the purposes of the Offer and consequently you will not be able to subscribe for shares under the Offer. This letter is not an offer to issue shares to you, nor an invitation to apply for shares. You are not required to do anything in respect of this letter.

For your information only, details of the Offer are contained in the Prospectus lodged with ASIC on 12 March 2018 and announced on the ASX market announcements platform on 12 March 2018. The Prospectus can be accessed from the ASX website, www.asx.com.au.

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

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