

ASX Announcement

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Tongo Mine Development Update

Newfield Resources Limited (**Newfield**) is pleased to announce an operational update in relation to its Tongo Diamond Mine Development in Sierra Leone (**Tongo Mine Development** or **Tongo**).

Highlights

- Underground drill rigs, loaders and haul trucks arrived and commissioned on site
- Blasting of underground decline to commence shortly
- Surface infrastructure construction continues at the portal, plant site and main camp
- 100tph plant earthworks commenced, plant fabrication ongoing in South Africa

Newfield Executive Director, Karl Smithson, commented:

“Newfield is rapidly advancing the Tongo Diamond Mine development. With the arrival of the mining and support equipment we are now ready to commence the drilling and blasting of the underground decline. At the same time the surface infrastructure construction is ongoing and the 100tph plant fabrication is progressing well. We remain on track to produce our first diamonds in 4Q 2020 and look forward to providing further updates as we progress.”



Figure 1. Geotechnical support drilling commenced immediately after the underground drill rigs arrival and commissioning. Here we see the first geotechnical support hole being drilled in preparation for the first underground development blast.

Underground Mining Equipment Arrives on Site

The underground mining machinery, which comprises 2x Jumbo Drill Rigs, 2x 15 tonne Haul Trucks and 2x LHD Loaders, has arrived on site, albeit slightly later than planned due to shipping delays out of China. The machines have been customs cleared, have undergone commissioning and are now ready to commence drilling, blasting and hauling of the underground decline at the portal. Support equipment for the decline development has also been shipped out of South Africa and received on site.

Infrastructure Construction

Construction has focussed on the completion of two accommodation blocks (38 rooms), worker's canteen, change houses, lamp rooms, administration and mining offices, generator and compressed air bays, mining water supply, explosives magazine and security buildings. Currently the workforce comprises over 360 employees, of which 38 are skilled expatriates.



Figure 2

Box Cut, Portal and Decline

Stripping back of the upper levels of box cut has been completed and the area for the portal entrance prepared for drilling and blasting. The decline will have initial dimensions of 6m (wide) by 4m (high) for the first 200m and is located approximately mid-way between the high grade Kundu and Lando kimberlite dykes. After 200m the decline will be split into two smaller declines of 4m x 4m each which will respectively be developed towards the Kundu kimberlite to the north and the Lando kimberlite to the south in accordance with the detailed mine design.

100tph Processing Plant

The earthworks and civils for the 100tph processing plant are ongoing. Fabrication of many of the plant components is ongoing in South Africa and shipping of the first items will commence in 2Q.

Bids for the design and manufacture of the Recovery Plant are currently being adjudicated. The three De Beers designed X-Ray machines for the final recovery process were factory tested in South Africa during December and have subsequently been shipped and received on site.



Figure 3

Ongoing Exploration and Resource Expansion

Tongo: Panguma Kimberlite

The Panguma Kimberlite lies approximately 4 km south-west of the Kundu/Lando underground portal. First phase drilling of the upper levels of the Panguma kimberlite was completed in late 2019 and selected samples consigned and processed for microdiamond analysis. These results were reported in the previous quarterly report issued by Newfield. Using the results of the microdiamond data and historical bulk sampling, modelling of diamond grades and revenues for the Panguma kimberlite is being conducted by independent experts. Once these results are available this will allow MPH Consulting (Toronto) to complete a maiden Mineral Resource Estimate for the Panguma kimberlite.

Authorised by:

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Forward Looking Statements:

This announcement may contain certain forward-looking statements and projections regarding estimated resources and planned strategies and corporate objectives.

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