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## ASX Announcement

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# Farm out of Newfield Gold Project

Newfield Resources Limited (**Newfield**) advises that it has entered into an agreement to farm-out its interest in the Newfield Gold Project, which comprises tenements M77/422 and M77/846 (**Newfield Gold Project**). This project has become a non-core activity of Newfield as it focusses its attention on the development of the Tongo Diamond Project in Sierra Leone, West Africa.

Under the terms of the agreement with Syndicated Minerals Limited (**Syndicated**) (ASX:SMD), Syndicated has the right to earn up to 85% of the Newfield Gold Project.

The terms and conditions of the agreement are summarized below:

- a) A cash consideration of \$25,000 payable immediately;
- b) A further cash consideration of \$25,000 payable on satisfaction of all conditions precedent;
- c) The issue of 30 million Syndicated Shares and 10 million Syndicated Options (**Consideration Securities**) to Newfield Resources to purchase the farm-in right. The shares will be issued at a deemed price of 1.0 cents per share. The Options will have an exercise price of 3.0 cents each and will expire 3 years after the date of issue. These Consideration Securities are escrow restricted for a period of 12 months from the date of allotment;
- d) Syndicated may earn an initial 70% of the Newfield Gold Project by spending a minimum of \$300,000 within the first 12 months plus a further \$600,000 within the following year;
- e) Syndicated may then earn up to 85% by defining a JORC 2012 Mineral Resource estimate and delivering a Pre-Feasibility Study; and
- f) If Syndicated defines a JORC Mineral Resource estimate containing 150,000oz of gold, a further milestone payment of \$250,000 (**Contingent Consideration**) is payable to Newfield. Newfield has the right to elect to receive the Contingent Consideration in cash or shares in Syndicated, such shares to be issued at a deemed issue price equal to the volume weighted average closing price of the Syndicated shares on ASX over the 10 trading days immediately prior to the date of the election.

Conditions precedent to the agreement are industry standard for transactions of this nature.

Under the terms of this farm-out arrangement, Newfield continues to maintain an interest in the potential of the Newfield Gold Project through the Consideration Securities and the ultimate residual interest of 15% in the project.

### For further details please contact:

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