

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006 AND DETAILS OF A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF ADMISSION TO TRADING OF STELLAR SHARES ON THE AIM MARKET OF THE LONDON STOCK EXCHANGE.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are taking advice in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your Stellar Shares, please send this document (but not any personalised accompanying documents) and any reply-paid envelope at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred part only of your holding of Stellar Shares, please retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise been transferred Stellar Shares in certificated form, notwithstanding receipt of this document and any accompanying documents from the transferor, you should contact Stellar's registrar, Computershare Investor Services (Ireland) Limited, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, or on the telephone numbers set out on page 2 of this document to obtain personalised Forms of Proxy.

The distribution of this document in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

RECOMMENDED SHARE OFFER FOR

Stellar Diamonds Plc

By

Newfield Resources Ltd

(to be effected by means of a scheme of arrangement under Part 26 of the Companies Act 2006)

This document sets out details of the recommended all-share offer relating to the proposed acquisition of Stellar Diamonds plc by Newfield Resources Limited ("**Combination**"), to be effected, by way of a scheme of arrangement between Stellar and the Stellar Shareholders ("**Scheme**").

In order to become effective, the Scheme must be approved at a meeting of the Stellar Shareholders ("**Court Meeting**"). To facilitate implementation of the Scheme, Stellar is also seeking approval of the Stellar Shareholders to pass a number of resolutions at a general meeting of Stellar ("**General Meeting**" or "**GM**").

If the Scheme becomes effective, it will be binding on all Stellar Shareholders, including those who do not attend and/or vote to approve the Scheme or who attend and/or vote against it at the Court Meeting, and it will result in the cancellation of the trading of all shares in Stellar on AIM.

This document, together with the accompanying Forms of Proxy, should be read as a whole. Your attention is drawn to the letter from the Chairman of Stellar in Part I of this document, which contains the unanimous recommendation of the Stellar Directors that you vote in favour of the Scheme at the Court Meeting and the special resolution to be proposed at the General Meeting. A letter from Cairn Financial Advisers LLP explaining the Scheme appears in Part II of this document and constitutes an explanatory statement in compliance with section 897 of the Companies Act. Any action taken in relation to the Combination should be taken only on the basis of all of the information contained in this document and any other document by which the Combination and Scheme are made.

Notices of the Court Meeting and the General Meeting of Stellar Diamonds plc, each of which will be held at the offices of Gowling WLG at 4 More London Riverside, London, SE1 2AU United Kingdom on 19 April 2018, are set out on pages 96 to 101 of this document. The Court Meeting will start at 10.00 a.m. on that date and the General Meeting at 10.15 a.m. or as soon thereafter as the Court Meeting is concluded or adjourned.

Stellar Shareholders are asked to complete and return the enclosed blue and white Forms of Proxy in accordance with the instructions printed on them as soon as possible, but in any event so as to be received by Stellar's registrars, Computershare Investor Services (Ireland) Limited, not later than in respect of the blue Form of Proxy, 10.00 a.m. on 17 April 2018 or, in respect of the white Form of Proxy 10.15 a.m. on 17 April 2018. Stellar Shareholders who hold Stellar Shares in CREST may also appoint a proxy through the CREST electronic proxy appointment service by following the instructions set out on pages 10 and 11 of this document. If the blue Form of Proxy for the Court Meeting is not returned by the relevant time, it may be handed to the Chairman of the Court Meeting or a representative of Computershare Investor Services (Ireland) Limited at the Court Meeting on behalf of the Chairman of the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, if the white Form of Proxy is not returned by the relevant time, it will be invalid.

If you have any questions about this document, the Court Meeting or the General Meeting, or how to complete the Forms of Proxy, please contact Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 or on 01 447 5566 (if calling within Ireland) or on +353 1 247 5693 (if calling from outside Ireland). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Computershare Investor Services (Ireland) Limited is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services (Ireland) Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Cairn Financial Advisers LLP is authorised and regulated by the Financial Conduct Authority. Cairn Financial Advisers LLP is acting exclusively for Stellar and no one else in connection with the Combination and will not be responsible to anyone other than Stellar for providing the protections afforded to clients of Cairn Financial Advisers LLP nor for providing advice in connection with the Combination or any matter referred to in this document.

This document is dated 26 March 2018.

IMPORTANT NOTICE

Overseas Shareholders

The release, publication or distribution of this document in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of and observe, any applicable requirements.

Neither this document nor any of the accompanying documents are intended to and do not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document has been prepared for the purposes of complying with English law, the Takeover Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside of England.

Unless otherwise determined by NWF or required by the Takeover Code and permitted by applicable law and regulation, the Combination will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Combination by any means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Combination are not being and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving this document and all documents relating to the Combination (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws of that jurisdiction.

The availability of the Combination to Stellar Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Combination disclaim any responsibility or liability for the violation of such restrictions by any person.

The Combination will be subject to the applicable requirements of the Takeover Code, the Panel and the AIM Rules for Companies.

Note to residents in Australia

The offer of New NWF Shares for issue or sale or resale in Australia is prohibited unless a disclosure document has been lodged with the Australian Securities and Investments Commission, or an exemption applies. New NWF Shares will be issued in reliance on exemptions in ASIC Legislative Instrument 2015/358 as the Combination will be made under a foreign compromise or arrangement that is made in accordance with laws in force in the United Kingdom, being an eligible foreign country.

This document is not a disclosure document for the purposes of Chapter 6D of the Australian Corporations Act 2001 (Cth) and does not purport to include the information required of a disclosure document under Chapter 6D of the Australian Corporations Act 2001 (Cth). It has not been lodged with or approved by any Australian regulatory authority, such as ASIC or ASX. You are advised to exercise caution in relation to the proposal set out in this document. You should obtain independent professional advice if you have any queries or concerns about any of the contents or subject matter of this document.

Information regarding US securities laws and information available in the United States

The New NWF Shares have not been, and will not be, registered under the US Securities Act 1933 (as amended) ("**Securities Act**") and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act. Accordingly, the New NWF Shares may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States, absent registration under the Securities Act or an exemption therefrom.

The New NWF Shares to be issued by NWF to Stellar Shareholders under the Scheme will be issued in reliance upon an exemption from the registration requirements of the Securities Act provided by Section

3(a)(10) thereof. Section 3(a)(10) imposes certain restrictions on resales of securities issued to affiliates of the issuer.

Neither the SEC nor any other US federal or state securities commission or regulatory authority has approved or disapproved the Combination or passed comment upon the merits or fairness of the Combination or the adequacy or completeness of the information contained in this document or any other documentation relating to the Combination. Any representation to the contrary is a criminal offence in the United States.

Stellar Shareholders in the United States should note that the Combination is being implemented by means of a scheme of arrangement provided for under, and governed by, English company law. The Scheme is not subject to the proxy solicitation rules under US securities laws; instead, it is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement that differ from the disclosure and other requirements that would be applicable to transactions involving US public companies that are subject to the proxy solicitation rules under US securities laws. The financial information relating to Stellar included, referred to or incorporated by reference in this document has been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial statements of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. The settlement procedure with respect to the Combination will be consistent with UK and Australian practice.

Stellar is incorporated under the laws of England and Wales and NWF is incorporated under the laws of Australia. Some of the officers, directors and affiliates of Stellar and NWF are residents of countries other than the United States. It may not be possible to bring an action against Stellar or NWF or those officers, directors and affiliates in a non-US court for violations of US securities laws. It may be difficult to compel Stellar, NWF and their respective officers, directors and affiliates to subject themselves to the jurisdiction and judgment of a US court.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the Securities Exchange Act of 1934, NWF or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase Stellar Shares outside of the United States, other than pursuant to the Combination, until the date on which the Combination becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK and will be available from the Regulatory Information Service of the London Stock Exchange available at [http:// www.londonstockexchange.com](http://www.londonstockexchange.com).

Statements

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them and service of this document will not give rise to any implication that there has been no change in the facts set forth in this document since such date. Nothing in this document will be deemed to be a forecast, projection or estimate of the future financial performance of Stellar, the Stellar Group, NWF or the NWF Group except where otherwise stated.

Forward-looking statements

This document contains statements about NWF and Stellar that are or may be forward looking statements. All statements other than statements of historical facts included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “shall”, “may”, “anticipates”, “estimates”, “projects” or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of NWF’s or Stellar’s operations and potential synergies resulting from the Combination; and (iii) the effects of government regulation on NWF’s or Stellar’s business.

Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks,

readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Other than in accordance with their legal or regulatory obligations (including, to the extent applicable, under the AIM Rules or the ASX Listing Rules), NWF and Stellar each disclaim any obligation to update any forward-looking or other statements contained in this document whether as a result of new information, future events or otherwise.

No profit forecasts or estimates

No statement in this document is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Stellar for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Stellar.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3. Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <http://www.thetakeoverpanel.org.uk/>, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44(0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Electronic communications

Please be aware that addresses, electronic addresses and certain information provided by Stellar Shareholders, persons with information rights and other relevant persons for the receipt of communications from Stellar may be provided to NWF during the Offer Period if requested under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Rounding

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Publication on website and availability of hard copies

A copy of this document will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Stellar's website at www.stellar-diamonds.com and NWF's website at www.newfieldresources.com.au by no later than 12 noon (London time) on 27 March 2018. For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this document.

Stellar Shareholders may request a hard copy of this document by contacting Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, or on 01 447 5566 (if calling within Ireland) or on +353 1 247 5693 (if calling from outside Ireland). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Computershare Investor Services (Ireland) Limited is open between 9.00 a.m. to 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. You may also request that all future documents, announcements and information to be sent to you in relation to the Combination should be in hard copy form.

CREDIT RATINGS AND OUTLOOKS

There are no current ratings or outlooks accorded to Stellar by ratings agencies.

There are no current ratings or outlooks accorded to NWF by ratings agencies.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable sets out expected dates for the implementation of the Scheme. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Stellar Shareholders by announcement through a Regulatory Information Service.

Event	Time and/or date
Closing Date of NWF Rights Issue	6 April 2018
NWF GM	11 April 2018
Issue date of NWF Conditional Placement Shares	11 April 2018

Latest time for lodging Forms of Proxy for the:

Court Meeting (blue form) ¹	10.00 a.m. on 17 April 2018
General Meeting (white form) ²	10.15 a.m. on 17 April 2018
Voting Record Time for the Court Meeting and the General Meeting ³	6.00 p.m. on 17 April 2018
Court Meeting	10.00 a.m. on 19 April 2018
General Meeting ⁴	10.15 a.m. on 19 April 2018

The following dates are indicative only and are subject to change⁵

Scheme Court Hearing (to sanction the Scheme)	25 April 2018
Last day of dealings in, and for registrations of transfers and disablement in CREST of, Stellar Shares	26 April 2018
Dealings in Stellar Shares suspended	5.00 p.m. on 26 April 2018
Scheme Record Time	6.00 p.m. on 26 April 2018

Scheme Effective Date	26 April 2018
Cancellation of admission of and dealings in Stellar Shares	27 April 2018
Issue of New NWF Shares to Scheme Shareholders	3 May 2018
Expected time of admission of New NWF Shares to trading on the ASX ⁶	4 May 2018
Despatch of holding statements	9 May 2018 ⁷
Long Stop Date ⁸	31 May 2018

1. It is requested that blue Forms of Proxy for the Court Meeting be returned not later than 10.00 a.m. on 17 April 2018 (or, if the Court Meeting is adjourned, 48 hours (excluding non-working days) before the time of such adjourned meeting). Blue Forms of Proxy not so returned may be handed to the Chairman of the Court Meeting or a representative of the registrar, Computershare Investor Services (Ireland) Limited at the Court Meeting on behalf of the Chairman of the Court Meeting before the start of the Court Meeting.
2. White Forms of Proxy for the General Meeting must be returned not later than 10.15 a.m. on 17 April 2018 (or, if the General Meeting is adjourned, 48 hours (excluding non-working days) before the time of such adjourned meeting).
3. If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be the close of business on the day which is two days (excluding non-working days) prior to the date of the adjourned meeting.
4. Or as soon thereafter as the Court Meeting is concluded or adjourned.
5. These dates are indicative only and will depend, amongst other things, on the date upon which (i) the Conditions are satisfied or (if capable of waiver) waived (ii) the Court sanctions the Scheme and (iii) the Court Order is delivered to the Registrar of Companies.

Stellar reserves the right to delay the Scheme Court Hearing beyond 25 April 2018 if any of the Conditions are not satisfied.

- 6 Commencement of trading occurs at 10.00 a.m. Australian Eastern Standard Time the next business day following the issue date, provided that ASX is informed by 12.00 p.m. Australian Eastern Standard Time that the issue has occurred. Admission of New NWF Shares to official quotation requires the allotment and issue of those New NWF Shares and the satisfaction of customary conditions of ASX of a procedural or administrative nature. This date is therefore indicative and dependent upon satisfaction of those conditions.
- 7 It is intended that the New NWF Shares will be issued to the issuer sponsored sub-register maintained by NWF's share registry, Advanced Share Registry Services. Accordingly, holding statements will be despatched to persons holding the New NWF Shares.
- 8 This is the latest date by which the Scheme may become Effective unless Stellar and NWF agree, with the consent of the Panel and (if required) the Court, a later date.

All references in this document to times are to London, England time unless otherwise stated.

ACTION TO BE TAKEN TO VOTE ON THE COMBINATION

This section should be read in conjunction with the rest of this document and, in particular, the section headed "ACTION TO BE TAKEN" set out in paragraph 17 of Part I of this document and the notices of the Court Meeting and the General Meeting at the end of this document.

Whether or not you plan to attend the Meetings, you should:

1. complete, sign and return the blue Form of Proxy for use at the Court Meeting, in accordance with the instructions printed thereon and return them to Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 by no later than 10.00 a.m. on 17 April 2018; or alternatively, if you hold your Stellar Shares in CREST, appoint a proxy through the CREST electronic proxy appointment service, so as to be received by no later than 10.00 a.m. on 17 April 2018; and
2. complete, sign and return the white Form of Proxy for use at the General Meeting, in accordance with the instructions printed thereon and return them to Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 by no later than 10.15 a.m. on 17 April 2018; or alternatively, if you hold your Stellar Shares in CREST, appoint a proxy through the CREST electronic proxy appointment service, so as to be received by no later than 10.15 a.m. on 17 April 2018.

IT IS IMPORTANT THAT, FOR THE COURT MEETING, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR AND REASONABLE REPRESENTATION OF SCHEME SHAREHOLDER OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY OR APPOINT A PROXY THROUGH THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE (AS APPROPRIATE) AS SOON AS POSSIBLE.

If the blue Form of Proxy for the Court Meeting is not returned by the above time, it may be handed to the Chairman of the Court Meeting or a representative of Computershare Investor Services (Ireland) Limited at the Court Meeting on behalf of the Chairman of the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, if the white Form of Proxy is not returned so as to be received by the time mentioned above and in accordance with the instructions on the white Form of Proxy it will be invalid.

The completion and return of a Form of Proxy either for the Court Meeting or for the General Meeting will not prevent you from attending and voting at either meeting (or any adjournment thereof) in person if you wish to do so. If you wish to amend or revoke your Forms of Proxy after you have returned them to Computershare Investor Services (Ireland) Limited, you should contact the Registrar at the address and telephone number given below.

If you have any questions relating to this document or the completion and return of the Forms of Proxy, please telephone the helpline on 01 247 5693 (or, from outside Ireland, +353 (0)1 247 5693 between 9.00 a.m. and 5.00 p.m. (Dublin time) on any Business Day.

Overseas Shareholders should refer to paragraph 11 of Part II (Explanatory Statement) of this document. Details relating to settlement are included in paragraph 15 of Part II (Explanatory Statement) of this document.

CREST VOTING

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions as described in the CREST

Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Stellar's registrar, Computershare Investor Services (Ireland) Limited (participant ID 3RA50), not later than 10.00 a.m. on 17 April 2018 in the case of the Court Meeting and not later than 10.15 a.m. on 17 April 2018 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding non-working days) prior to the time and date set for the adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Computershare Investor Services (Ireland) Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as will be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Stellar may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Regulations.

RECOMMENDATION

The Directors of Stellar are unanimously recommending that you vote in favour of the Scheme at the Court Meeting and in favour of the Resolution at the General Meeting using the Forms of Proxy enclosed with this document.

ENQUIRIES

If you have any questions in relation to action to be taken, please contact Stellar's registrars, Computershare Investor Services (Ireland) Limited, on 01 247 5693 (if calling within Ireland) or on +353 1 247 5693 (if calling from outside Ireland) between 9:00 am and 5:00 pm Monday to Friday. For legal reasons, the Registrars will not be able to provide advice on the merits of the Combination or give financial or tax advice.

PART I

LETTER FROM THE CHAIRMAN OF STELLAR

To Stellar Shareholders, persons with information rights and, for information only, to participants in the Stellar Share Schemes

Dear Stellar Shareholder,

RECOMMENDED OFFER FOR STELLAR DIAMONDS PLC BY NEWFIELD RESOURCES LTD

1. Introduction

On 12 March 2018, the boards of NWF and Stellar announced that they had reached agreement on the terms of a recommended Combination of Stellar with NWF, pursuant to which NWF will acquire the entire issued and to be issued share capital of Stellar in exchange for New NWF Shares. It is intended that the Combination is implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

This letter sets out the background to the proposals and explains why the Stellar Directors, who have been so advised by Cairn Financial Advisers LLP as to the financial terms of the Combination, consider the Combination to be fair and reasonable and why they unanimously recommend that Stellar Shareholders should vote in favour of the resolutions to be proposed at the Court Meeting and the General Meeting, as the Stellar Directors have irrevocably undertaken to do in respect of their own beneficial holdings of Stellar Shares. Cairn Financial Advisers LLP is providing independent financial advice to the Stellar Directors for the purpose of Rule 3 of the Code.

In order to approve the terms of the Scheme by which the Combination is to be implemented, the Scheme must be approved at the Court Meeting by a majority in number of those Scheme Shareholders who are present and vote, either in person or by proxy, and who represent 75 per cent. or more in value of all Scheme Shares held by such Scheme Shareholders. Implementation of the Scheme will also require the passing of the Special Resolution by Stellar Shareholders (which requires votes in favour representing at least 75 per cent. of the votes cast) to be proposed at the General Meeting. Details of the actions you should take are set out in paragraph 17 of this letter. The unanimous recommendation of the Stellar Directors is set out in paragraph 18 of this letter.

2. Summary of the terms of the Combination

Under the terms of the Combination, each Stellar Shareholder will be entitled to receive:

for each Stellar Share: 0.7622 of a New NWF Share (“Scheme Ratio”)

Based on the NWF Closing Price of A\$0.24 per NWF Share on 23 March 2018 (being the last practicable date before the date of this document) at an exchange rate of A\$1.83 to £1.00, the terms of the Combination represent:

- a value of approximately 10.0 pence per Stellar Share;
- a value of the entire issued share capital of Stellar of approximately £6.2 million;
- a premium of approximately:
 - 53.8 per cent. to the Stellar Closing Price of 6.5 pence per Stellar Share on the Latest Practicable Date;
 - 53.4 per cent. to the prior 30 Trading Day VWAP of 6.5174 pence per Stellar Share as at Latest Practicable Date; and
 - 334.6 per cent. to the Stellar Closing Price of 2.3 pence per Stellar Share on the 31 January 2018, being the Trading Day prior to announcement of the Possible Offer.

Based on the theoretical ex-rights price of an NWF Share of A\$0.223 per share (“**Theoretical Ex-rights Price**”) calculated in connection with the completion of the NWF Financings (see below), at the Possible Offer Exchange Rate, the terms of the Combination represent:

- a value of approximately 9.77 pence per Stellar Share (“**Theoretical Ex-rights Price Offer Value**”);
- a value of the entire issued share capital of Stellar of approximately £6.06 million;
- a premium of approximately:
 - 50.3 per cent. to the Stellar Closing Price of 6.5 pence per Stellar Share on the Latest Practicable Date;
 - 49.9 per cent. to the prior 30 Trading Day VWAP of 6.5174 pence per Stellar Share as at Latest Practicable Date; and
 - 324.8 per cent. to the Stellar Closing Price of 2.3 pence per Stellar Share on the 31 January 2018, being the Trading Day prior to announcement of the Possible Offer.

Appropriate NWF Share offers are being made to Stellar Option and Warrant Holders. Under the terms of the Option and Warrant Offers, Stellar Option and Warrant Holders will be offered NWF Shares equivalent in value, at the Theoretical Ex-rights Price and the Possible Offer Exchange Rate, to the net value of their Options or Warrants, being the difference between the Theoretical Ex-rights Price Offer Value and the exercise cost of the relevant Options or Warrants multiplied by the number of Stellar Options or Warrants held.

The Stellar Option and Warrant Holders (apart from those, excluding Rowan Carr, who are not Stellar Directors) have all irrevocably undertaken to accept the Option and Warrant Offers and agreed not to exercise their Options and/or Warrants prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate NWF Share offer is being made to Deutsche Balaton as the holder of the DB Share Rights based on the Scheme Ratio. Deutsche Balaton has irrevocably undertaken to accept the DB Share Rights Offer and agreed not to exercise its DB Share Rights prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate offer is also being made to CLN Holders to repay in full the Stellar CLNs following the Scheme becoming Effective. The CLN Holders have irrevocably undertaken to accept the appropriate offer for their CLNs and agreed not to convert their CLNs prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

Subject to the Scheme becoming Effective and assuming acceptance in full of the Option and Warrant Offers and the DB Share Rights Offer and completion of the NWF Rights Issue (as described below) and the NWF Conditional Placement (together, the “**NWF Financings**”) and assuming no NWF Options are exercised and no other Stellar Shares or NWF Shares are issued:

- Scheme Shareholders would receive in aggregate approximately 47.26 million New NWF Shares, representing, in aggregate, approximately 8.14 per cent. of the enlarged issued share capital of the Combined Group pursuant to the Scheme;
- Stellar Option and Warrant Holders (including Deutsche Balaton) would receive in aggregate approximately 37.03 million New NWF Shares, representing approximately 6.37 per cent. of the enlarged issued share capital of the Combined Group pursuant to the acceptance of the Option and Warrant Offers; and
- Deutsche Balaton would receive a further 10.81 million New NWF Shares, representing approximately a further 1.86 per cent. of the enlarged issued share capital of the Combined Group pursuant to the acceptance of the DB Share Rights Offer.

The total number of New NWF Shares issued to Scheme Shareholders and the holders of rights over Stellar Shares (including holders of Stellar Options, Stellar Warrants and DB Share Rights) would, in aggregate, amount to 95.10 million New NWF Shares, representing in aggregate, approximately 16.37 per cent. of the enlarged issued share capital of the Combined Group pursuant to the Scheme.

The Combination is conditional on, amongst other things, the approval of the Scheme by the Scheme Shareholders. The Conditions to the Combination are set out in full in Part IV of this document.

3. Highlights of the Combination

- Stellar is a diamond development and exploration company focused on West Africa. Stellar's projects are located within the major diamond producing areas of Sierra Leone and Liberia. Stellar is interested in the high-grade and high-value Tongo-Tonguma Project through the Tongo exploration licence owned by Stellar and the Tribute Mining Agreements with Octea Mining Limited which holds the Tonguma Licence.
- NWF Resources Limited is an Australian exploration company listed on the ASX market with a focus on a number of diamond exploration licences in Sierra Leone and several gold projects in Western Australia.
- NWF lodged on 12 March 2018 a prospectus for an underwritten rights issue to raise approximately A\$30 million and announced a general meeting seeking, amongst other things, NWF Share Authority for the issue of the NWF Shares pursuant to the NWF Conditional Placement. Completion of the NWF Rights Issue is conditional on, *inter alia*, completion of the Scheme. If the Scheme becomes Effective, the proceeds of the NWF Rights Issue would mainly be used to advance the high-grade and high-value Tongo-Tonguma Project in Sierra Leone into commercial production and to repay the Stellar CLNs.
- Following receipt by Stellar of a US\$3 million loan from NWF, all conditions precedent in respect of the Tribute Mining Agreements with Octea Mining Limited, which set out the economic terms for development of the Tongo-Tonguma Project, have been satisfied or waived and the transaction has been completed as announced on 1 March 2018.
- Subject to the Scheme becoming Effective, completion of the NWF Rights Issue and NWF Conditional Placement, the enlarged NWF Group will have approximately A\$40.56 million in cash before transaction costs.
- The boards of NWF and Stellar believe that a combination of the two groups would create an enlarged and well-funded diamond development group with a number of highly prospective licences in Sierra Leone and Liberia and an experienced management team with combined 100+ years of diamond sector experience.
- The boards of NWF and Stellar believe that the Combination and the NWF Financings provide the potential to generate significant long-term value to the shareholders of both companies through bringing the high grade Tongo-Tonguma Project into commercial production. In addition, NWF's exploration to date in Sierra Leone has generated positive results that indicate undiscovered kimberlites in its licence areas and bulk sampling from some alluvial deposits have resulted in diamond sales attracting over US\$450 per carat. Furthermore, Stellar's historical exploration in its Liberian licences also suggests the presence of undiscovered kimberlites in areas of known diamond diggings.
- On completion of the Combination, Karl Smithson, Chief Executive Officer of Stellar, will be invited to join the NWF Board as an executive director. It is intended that Stellar's Chief Operating Officer, Rowan Carr, and other senior staff, including the Tongo project manager and plant/metallurgical manager, will be retained by NWF after completion of the Scheme.
- NWF is admitted to the official list of ASX and NWF Shares are quoted on ASX. On completion of the Combination, the New NWF Shares, NWF Conditional Placement Shares and the NWF Rights Issue Shares will also be admitted to official quotation trading on the ASX.
- It is the intention that the New NWF Shares will be held in an issuer sponsored account. Stellar Shareholders who wish to trade their New NWF Shares should refer to paragraph 15 of Part II of this document for further details of how the New NWF Shares may be traded by Stellar Shareholders upon the Scheme becoming Effective.

4. Background to and reasons for the Combination

NWF is an Australian exploration company listed on the ASX market with an advanced diamond project in Sierra Leone comprising four exploration licences covering approximately 780.9km² and several gold projects in Western Australia. The NWF Board believes that the Tongo-Tonguma kimberlite project, which lies to the north-east of NWF's Allotropes diamond project, complements NWF's existing operations in Sierra Leone as well as offering the potential for substantial near and long-term cash flows.

The basis for the Combination is to merge the business interests of NWF and Stellar in Sierra Leone and to use the proceeds of the NWF Rights Issue to advance the Tongo-Tonguma Project into production. The NWF Board believes that a combination of the two groups following the NWF Financings will create an enlarged and well-funded diamond development group focussed on Sierra Leone.

Further information on NWF and Stellar is set out in Parts VII and VIII of this document.

5. Background to and reasons for the Stellar Board recommendation

Stellar has been working for a number of years towards its strategy of developing a significant hard rock diamond mine in West Africa. It has sought funding for its Tongo Project since 2015 and for the Tongo-Tonguma Project since the Tribute Mining Agreements were signed in April 2017. The Combination, if it became Effective, would result in Stellar having access to the proceeds of the underwritten NWF Rights Issue which NWF has confirmed are intended to be used mainly to provide Stellar with sufficient funds to complete the FEED study and Mine Plan drilling and then commence development of the Tongo-Tonguma Mine. The FEED study has recently commenced and is expected to take approximately 4 months to complete. It is intended to define the final capital expenditure definitive estimate and the operating cost budgets for the Tongo-Tonguma Project and result in a refined financial model and projections being produced alongside an execution plan. Through the Combination, Stellar Shareholders would benefit from exposure to the Combined Group's potential future cash flows which may be generated from the Tongo-Tonguma Project. The Stellar Board's recommendation of the Combination is therefore based primarily on the assumption that the NWF Rights Issue completes. The NWF Rights Issue, which was announced by NWF on 12 March 2018, is underwritten and in providing its recommendation the Stellar Directors have considered the terms of the Underwriting Agreement and the process and timing for completion of the NWF Rights Issue alongside the anticipated Scheme timetable.

Stellar Shareholders should note that the Stellar Board may withdraw their recommendation if the NWF Rights Issue does not complete for any reason, including where the NWF Rights Issue Underwriter exercises its right to terminate under one of the limited termination provisions contained in the Underwriting Agreement. The Stellar Board may also withdraw their recommendation if the NWF Rights Issue does not raise sufficient funds to develop the Tongo-Tonguma towards a meaningful level of production. If the Stellar Board withdraws its recommendation, the Chairman of the Court Meeting intends to adjourn the Court Meeting indefinitely such that the Scheme will not become Effective.

On 5 March 2018, Stellar published its unaudited interim results for the six months ended 31 December 2017 stating that Stellar had cash resources of US\$52,824 at 31 December 2017 and total current assets of US\$84,128 and total liabilities (all of which were classed as current liabilities) of US\$4.45 million (which, for the avoidance of doubt, includes the Stellar CLNs). The Stellar Group incurred a loss before taxation of US\$938,123 in the six months ended 31 December 2017. The cash position of the Stellar Group remains constrained as the majority of the Loan is being applied towards the FEED, payment of mining licences, certain creditors and costs in relation to the Combination.

If the Combination is not completed, Stellar would need to raise additional capital in the near term to provide working capital and meet its liabilities. The Stellar Directors believe that, since the Tribute Mining Agreements with Octea were closed on 28 February 2018, the Company will have the ability to access sufficient levels of finance to fund the capital expenditure requirements at Tongo-Tonguma, and to meet essential administrative expenses for the foreseeable future. However, the Stellar Directors believe that capital markets in the UK have proven extremely difficult to raise funds for junior mining companies in recent years and there is no guarantee that Stellar will be able to find either the short-term funding or longer-term debt and equity funding necessary to continue operating and to bring the Tongo-Tonguma Project into production. It is possible that any future equity raises by Stellar would be at a lower price compared to the effective value per share of existing Stellar Shares pursuant to the Combination and could result in significantly higher level of dilution for Stellar Shareholders.

By participating in the Combination, Stellar Shareholders may exchange their Stellar Shares for NWF Shares at a significant premium to recent relative market values. Stellar Shareholders combined with the Warrant and Option Holders and the holder of the DB Share Rights, will, in aggregate hold approximately 16.37 per cent. of the enlarged share capital of NWF following the Scheme becoming Effective, with NWF having sufficient funding to progress development of the Tongo-Tonguma Project towards diamond production.

The Stellar Board considers that the intentions of NWF set out below are consistent with its own plans for the Stellar Group, including its plans for the locations of Stellar's mining assets, and in particular considers that the effects of the implementation of the Combination on all of its interests, including its employment, are beneficial to the Stellar Group. The Stellar Board also considers that the NWF plans for the Stellar Group will be beneficial to the employees of the Stellar Group.

6. Management and employees, NWF Intentions

Following completion of the Combination and assuming completion of the NWF Rights Issue, NWF's intentions are to apply the majority of the proceeds of the NWF Rights Issue to develop the Tongo-Tonguma Project, involving capital expenditure in mine development, plant refurbishment and purchases and mining infrastructure. Where appropriate, it will also conduct exploration on the Tongo-Tonguma licence areas. There is therefore no intention to change the future business or the research and development functions of Stellar, which has a stated strategy of developing the Tongo-Tonguma Project in Sierra Leone into commercial development subject to obtaining the required funding.

The executive management of Stellar, Karl Smithson (Chief Executive Officer) and Rowan Carr (Chief Operating Officer) are intended to be retained by NWF after completion of the Scheme. Their existing Stellar contracts and obligations will be observed. Karl Smithson will also be nominated as an executive director of NWF. Each of the non-executive Directors of Stellar, being Peter Daresbury, Steven Poulton and Hansjorg Plaggemars has confirmed that he intends to resign from the Stellar Board (and any Stellar subsidiary board positions) conditional upon and with effect from, the Scheme becoming Effective. Each of the non-executive Directors will receive any accrued director fees, payment for notice periods and expenses due under their respective letters of appointment, in each case in compensation for loss of office and in full and final settlement of all and any claims they may have against the Stellar Group in respect of their holding office. It is expected that Peter Daresbury will enter into a consultancy agreement with NWF for a period of up to 6 months after the Effective Date.

Stellar employs two other expatriates, Graham Radburnd (Tongo Project manager) and Edwin Castillo (Plant/metallurgical manager) and these will be both be retained on the Tongo-Tonguma Project. Stellar's Sierra Leonean staff will be retained and managed according to the local labour law.

Subject to completion of the Combination and the NWF Rights Issue, additional expatriate and local employees will be recruited for the Tongo-Tonguma Project development, mostly once the FEED programme has been completed as this will dictate the revised mine plan and hence manpower requirement. Key positions will be mining manager, security manager, administration manager, human resources manager, HSEC manager and an experienced Chief Financial Officer for the Combined Group.

NWF's intentions in relation to deployment of the fixed assets of Stellar are aligned with its intentions to develop the Tongo-Tonguma Project set out above. All of Stellar's fixed assets are based in Sierra Leone and therefore there is no redeployment of these after completion of the Combination, other than the Stellar assets held at the former Kono project in Sierra Leone which will be re-located to the Tongo Project. Similarly, NWF will continue with Stellar's current policy in respect of the Kumgbo Project in Liberia.

As NWF will become the sole shareholder of Stellar, it is expected that Stellar will cancel the admission of the Stellar Shares to trading on AIM upon the Scheme becoming Effective. As a wholly owned subsidiary of Newfield, Stellar's reporting line will be to the Western Australian office of Newfield. In the short term, it is expected that NWF will maintain Stellar's registered office in London. However since Stellar will have no assets or staff in London following the Combination, NWF may consider it reasonable to re-organise the NWF Group and the Stellar Group to streamline reporting lines which could lead to Stellar Diamonds Plc being de-registered.

In summary, save as stated above, the NWF Directors do not expect there will be any changes materially impacting the number of employees within the Stellar Group or their conditions of employment (including

their entitlement to pensions contributions), the balance of skills and functions of the employees and management, the locations of Stellar's existing and future places of business (including its headquarters and headquarter's functions) or Stellar's fixed assets.

Effects on intentions regarding NWF's existing business and ASX listing

NWF intends to continue its exploration activities on both its Western Australian gold projects and its diamond projects (Allotropes Diamond) in Sierra Leone.

Following the Combination, NWF assets and liabilities will be increased by the assets and liabilities of Stellar (being US\$8.70 million and US\$4.45 million, as disclosed in Stellar's interim accounts to 31 December 2017). The \$3 million loan from NWF to Stellar, which is not included in the interim figures above will now become an inter-company loan within the Combined Group. The NWF Board believes that Stellar's Tongo-Tonguma kimberlite project offers the potential for substantial near and long terms cash flows, however in the short term, NWF's earnings will be impacted by the cost of bringing the project into production.

Save as set out above in respect of recruiting a mining manager, security manager, administration manager, human resources manager, HSEC manager and an experienced Chief Financial Officer for the Combined Group, the Combination is not expected to have any impact on the employees, management, balance of skills within NWF, places of business and the headquarters and headquarter's functions of NWF. There will be no effect on the emoluments of the NWF Directors as a result of the Combination.

NWF will remain listed on the ASX and, subject to completion of the Scheme, application will be made for trading of the New NWF Shares on the ASX alongside application to trading of the NWF Rights Issue Shares and NWF Shares arising from the NWF Conditional Placement.

7. Stellar Option and Warrant Holders, Deutsche Balaton and CLN Holders

Appropriate NWF Share offers are being made to Stellar Option and Warrant Holders. Under the terms of the Option and Warrant Offers, Stellar Option and Warrant Holders will be offered NWF Shares equivalent in value, at the Theoretical Ex-rights Price and the Possible Offer Exchange Rate, to the net value of their Options or Warrants, being the difference between the Theoretical Ex-rights Price Offer Value and the exercise cost of the relevant Options or Warrants multiplied by the number of Stellar Options or Warrants held. Cairn Financial Advisers LLP, independent adviser to Stellar for the purpose of Rule 3 of the Code, considers that the appropriate NWF Share offer being made to those members of Stellar's management who hold Stellar Options is fair and reasonable.

The Stellar Option and Warrant Holders (apart from those, excluding Rowan Carr, who are not Stellar Directors) have all agreed not to exercise their Options and/or Warrants prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate NWF Share offer is being made to Deutsche Balaton as the holder of the DB Share Rights based on the Scheme Ratio. Deutsche Balaton has agreed not to exercise its DB Share Rights prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate offer is also being made to CLN Holders to repay in full the Stellar CLNs following the Scheme becoming Effective. The CLN Holders have agreed not to convert their CLNs prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

8. Irrevocable undertakings to vote in favour of the Combination

NWF has, in total, received irrevocable undertakings to vote in favour of the Scheme in respect of 26,425,893 Stellar Shares representing, in aggregate, approximately 42.62 per cent. of the issued ordinary share capital of Stellar as at the Latest Practicable Date.

Other than Stellar Option Holders who are not Stellar Directors, excluding Rowan Carr, the Stellar Option and Warrant Holders, Deutsche Balaton (in relation to the DB Shares Rights Offer) and each of the

CLN Holders, have agreed to accept the relevant appropriate offer to be made to them under Rule 15 of the Takeover Code based on draft offers provided to them as summarised in the Announcement.

Certain of the parties who have provided Irrevocable Undertakings (including the Stellar Directors, Rowan Carr (Stellar's Chief Operating Officer), Deutsche Balaton and Creditforce) have entered into voluntary Lock-in agreements with NWF in respect of New NWF Shares to be issued to these parties subject to the Scheme becoming Effective. Pursuant to the terms of these agreements, the parties have agreed, *inter alia*, not to dispose of the New NWF Shares held for a period of six months subject to customary exemptions. Subject to the Scheme becoming Effective, and the Option and Warrant Offers and the DB Share Rights Offer being accepted, it is expected that the Locked-in Parties would hold, in aggregate 61,545,885 New NWF Shares, representing, in aggregate, approximately 10.6 per cent. of the issued ordinary shares of NWF following completion of the Combination and the NWF Financings

Further details of these irrevocable undertakings are set out in paragraph 4 of Part VIII of this document.

9. Information on the Stellar Group

Stellar is a public limited company incorporated in England and Wales. The Stellar Shares are admitted to trading on the AIM market of the London Stock Exchange (code: STEL). Stellar has a market capitalisation of approximately £4.03 million based upon the Stellar Closing Price of 6.5 pence for a Stellar Share on the AIM market on the Latest Practicable Date.

Stellar is a diamond development and exploration company focused on West Africa. Following the sale of Stellar's Guinea projects in December 2017, Stellar's projects are located within the major diamond producing areas of Sierra Leone and Liberia. Stellar's Tongo Project emerged as the Group's flagship asset following advanced evaluation and trial mining and a positive preliminary economic assessment in 2015 which demonstrated the potential viability of the Tongo Project. Stellar also has a 90 per cent. interest in the Kungbo project in Liberia, which is being held on a care and maintenance basis whilst Stellar considers its options including the possibility of seeking a joint venture partner. Assets held at the former Kono project in Sierra Leone will be re-located to the Tongo Project.

The Tongo Project covers an area of 9.98 km² and was formerly held under an exploration licence EL48/2012. Stellar applied for a large scale mining licence and this has been approved subject to the payment of the mining licence fee. Stellar has also secured an environmental licence over the Tongo Project.

In August 2016, Stellar announced its intention to combine Stellar's Tongo kimberlite diamond Project with Octea's adjacent kimberlite diamond project, Tonguma, and to bring both assets into production under the same production infrastructure resulting in the PEA and CPR being produced on the Tongo-Tonguma Project in 2016. The Stellar Directors believe the greater scale of the Tongo-Tonguma mine in comparison to Tongo as a stand-alone project combined with only an estimated 30 per cent. incremental estimated cost in capex for mining both projects compared to just Tongo, made the proposed Tongo-Tonguma mine a more attractive investment proposition that would enable Stellar to attract funding more readily for the mine capital costs.

It was initially intended that Stellar would acquire Tonguma. However, in April 2017, Stellar entered into the conditional Tribute Mining Agreements, pursuant to which Stellar would simultaneously mine both its wholly owned Tongo Project and, as sub-contractor of Octea, the adjacent Tonguma Project, with Stellar being the operator of the combined mine. Completion of the Tribute Mining Agreement has now taken place as announced on 1 March 2018.

Further details of the Tongo Project and the Tonguma Project (including inferred resource statements, exploration history, estimated capex costs and mine plan (subject to adjustments arising from the FEED)) are available on Stellar's website at www.stellar-diamonds.com. Details of the Tribute Mining Agreements (including economic terms) are set out in the following Stellar announcements, which are also available to view on Stellar's website at www.stellar-diamonds.com:

<i>Document</i>	<i>Location</i>
Tribute Mining Agreements	<p>Stellar announcement entitled “Tongo-Tonguma Update” announced on 20 February 2017</p> <p>Stellar announcement entitled “Tribute Mining Agreement Signed over Tongo-Tonguma” announced on 28 April 2017</p> <p>Stellar announcement entitled “Completion of Tribute Mining Agreement over Tongo-Tonguma, Sierra Leone” announced on 1 March 2018</p>

Tonguma Project overview

The Tonguma Project has a 25 year mining licence covering a much larger area (compared to the Tongo Project) of 124 square kilometres. Further details of the Tonguma project, including inferred resources and exploration targets, are set out in the CPR referenced above.

Tongo-Tonguma Project

Both the Tongo and Tonguma licences have been extensively explored through a combined exploration spend of US\$43 million, including some 66,000m of drilling, and initial underground production sites have been identified. Resource work carried out by Stellar, Ocea and their independent consultants confirmed substantial high grade resources in three kimberlite dyke deposits across the Tongo-Tonguma Projects to inferred confidence levels as reported in the PEA completed by PPM/SRK (details of which were announced by Stellar on 5 October 2016). The PEA suggests compelling economic potential for developing the mine from three separate underground declines at the combined Tongo-Tonguma Project as further detailed in the CPR.

The CPR reported that only three kimberlites dykes of a total of 11 on the Tongo-Tonguma licence area (four at Tongo and seven at Tonguma) had been categorised as resource. A further four dykes have been drilled out at Tonguma resulting in an exploration target being stated in the CPR. Although it cannot be guaranteed that further exploration will result in exploration targets becoming a mineral resource or result in increased recovery of diamonds, the Stellar Directors consider that the exploration target for Tonguma, as reported in the CPR, demonstrates significant upside to the overall resource base of the Tongo-Tonguma Project.

Tongo-Tonguma Project mine plan

Details of the estimated capex requirements for the Tongo-Tonguma Project (excluding any of Tonguma's “exploration target” carats which may be brought into a future resource estimation) are included in the PEA and CPR.

PPM have been appointed by Stellar to prepare the FEED study which will refine all elements of Stellar's Mine Plan as determined in the PEA to higher levels of confidence in order to reduce the project delivery risk and refine project costs. With over 66,000m of drilling in aggregate completed at the Tongo-Tonguma Project to date, approximately 9,000m of additional core drilling will be undertaken at 50m intervals to better define the near-surface geology of the Tongo-Tonguma kimberlites in resource with particular reference to siting of the decline portals, the declines and the development drives for the first two levels of mining to a depth of 75m below surface. Furthermore, the drilling is expected to provide the necessary geotechnical and hydrogeological information for the initial years of mining.

The FEED will also define the final capital expenditure definitive estimate and the operating cost budgets. In addition, the Project execution plan will also be developed. A refined financial model including capex costs will also be developed for the Tongo-Tonguma Mine.

Pursuant to the Tribute Mining Agreements, the existing 50tph processing plant at Ocea's Koidu mine has been acquired by Stellar at nominal value and will be relocated to Tonguma and be further upgraded by Stellar to serve as the processing plant for the Tongo-Tonguma mine. The availability of this plant locally rather than having to buy and import from overseas, should save Stellar considerable time and money and facilitate the early production potential of the mine. Once further resource definition work has been completed, Stellar will review the plant capacity and the installed metallurgical unit processes in order to optimise the plant for the life of mine.

Stellar trading update

On 19 December 2017, Stellar published its audited annual financial report for the year ended 30 June 2017 (“**Stellar 2017 Annual Report**”). In this report Stellar announced that it had cash resources of US\$0.17 million at 30 June 2017 and total current assets (including cash but excluding assets relating to the disposal of the Group’s Guinea project which was sold in 2017) of US\$0.21 million and total liabilities (all of which were classed as current liabilities) of US\$4.31 million (which, for the avoidance of doubt, includes the Stellar CLNs). The Stellar Group incurred a loss before taxation of US\$2.25 million in the year ended 30 June 2017 in relation to continuing operations and a total loss of US\$9.18 million including a loss on discontinued operations of US\$6.93 million in relation to a write down of the Stellar Group’s Guinea projects. The sale of the Stellar Group’s Guinea projects was completed in December 2017. The Stellar Group’s focus is the funding of the Tongo-Tonguma project and accordingly during the year ended 30 June 2017 and in the current period subsequent to 30 June 2017, the Stellar Group had not generated cash flows from its operations.

Deloitte, the Stellar Group’s auditors, did not qualify their audit opinion in respect of the Stellar accounts for the year ended 30 June 2017. However they drew attention to Note 1.2 to the financial statements concerning the Stellar Group’s ability to continue as a going concern, noting that:

“The Group incurred a net loss for the year of \$9,180,288 and, as of that date, the Group’s current liabilities exceeded its current assets by \$3,180,687. This condition indicates the existence of a material uncertainty in respect of the Group’s ability to continue as a going concern. The going concern assumption of the Group is dependent on the Group obtaining additional finance to meet its working capital needs for a period of not less than twelve months from the date of approval of the financial statements. The Directors have prepared the financial statements of the Group on the basis that the Group is a going concern. The financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern. Our opinion is not modified in respect of this matter.”

Since 30 June 2017:

- Stellar completed the sale of its Guinea projects for a total transaction price of US\$1.25 million;
- an environmental licence was issued by the Government of Sierra Leone in respect of the Tongo Project;
- the Stellar Group entered into the CLN US\$1.34 million (repaying a previous convertible loan note for US\$1.24 million) and raised a further US\$0.8 million through an equity placing and open offer;
- The Stellar Group received the Loan of US\$3.0 million from NWF;
- The Stellar Group received an unsecured loan of US\$109,500 from Rowan Carr;
- the FEED programme commenced on 20 February 2018 with a site visit by consultants PPM and SRK Consulting;
- Stellar announced completion of the Tribute Mining Agreements on 1 March 2018.

On 5 March 2018, Stellar published its unaudited interim results for the six months ended 31 December 2017, stating that Stellar had cash resources of US\$52,824 at 31 December 2017 and total current assets of US\$84,128 and total liabilities (all of which were classed as current liabilities) of US\$4.45 million (which, for the avoidance of doubt, includes the Stellar CLNs). The Stellar Group incurred a loss before taxation of US\$938,123 in the six months ended 31 December 2017.

Note 1.2 to the interim accounts noted that:

“The going concern of the Group is dependent on obtaining additional finance in order to meet its working capital needs for a period of not less than twelve months from the date of approval of the financial statements and to continue to fund development of exploration projects. This indicates the existence of material uncertainties which may cast significant doubt on the ability of the Company and the Group to continue as a going concern, and hence may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Company announced on the 1 February 2018 a possible all share offer by a scheme of arrangement for Stellar by Newfield Resources, which, if successful, would result in Stellar shares being exchanged for

Newfield shares. As part of this transaction Newfield is undertaking a series of placements and rights issue to raise a cumulative A\$40 million, most of which would be used to develop the Tongo-Tonguma project in Sierra Leone. Subject to the scheme of arrangement proceeding and completion of the fundraises by Newfield, existing Stellar shareholders and holders of rights over Stellar shares would hold a combined 16.37 per cent. of the enlarged Newfield Resources.

However, should the scheme of arrangement not be successful, the Directors believe that, since the tribute mining agreement with Ocea was closed on 28 February 2018, the Company will have the ability to access sufficient levels of finance to fund the capital expenditure requirements at Tongo-Tonguma, and to meet essential administrative expenses for the foreseeable future. However there is no guarantee that Stellar will be able to find either the short term funding or longer term debt and equity funding necessary to continue operating and to bring the Tongo-Tonguma Project into production. The financial statements do not include any adjustment to the carrying amount or classification of assets and liabilities that would occur if the Company was unable to continue as a going concern.”

Stellar Shareholders are referred to the full text of the Stellar reports and financial statements for the year ended 30 June 2017 and the six months ended 31 December 2017, copies of which can be found on Stellar’s website at www.stellar-diamonds.com/wp-content/uploads/2017/12/Stellar-June-2017-Financials.pdf and http://stellar-diamonds.com/wp-content/uploads/2018/03/Stellar_Diamonds_2017_Interims.pdf.

For further details in relation to the Tongo-Tonguma Project, Stellar Shareholders should also refer to the CPR report produced on the Tongo-Tonguma Project (amongst other assets in Guinea which have subsequently been sold) which is also available on Stellar’s website (www.stellar-diamonds.com/wp-content/uploads/2016/10/CPR_STELLAR_2016.pdf) and Stellar’s announcement entitled “Tribute Mining Agreement Signed over Tongo-Tonguma”, dated 28 April 2017, which describes the terms and conditions of the Tribute Mining Agreements and potential economics of the Tongo-Tonguma Project.

10. Information on the NWF Group

NWF is an Australian exploration company, listed on the ASX market, with a diamond exploration project in Sierra Leone, comprising four exploration licences covering approximately 726km², and several gold projects in Western Australia.

NWF was founded in September 2011 focused on two gold projects in Western Australia, the Newfield project and the Crest Yard project, and its shares were admitted to trading on ASX in July 2012. NWF has retained its interest in the Western Australian projects, but its focus turned to the Allotropes Diamond Project in the Southern Bo District in Sierra Leone, which it acquired in March 2014. NWF has raised over A\$46 million since it was founded in September 2011.

Western Australian Projects

The Newfield project comprises two granted mining leases. The project is centred approximately 60km NNW of Bullfinch, in the Yilgarn Mineral Field and covers the historical Newfield (also known as Carterton) Mining Centre, which is located at the northern end of the highly endowed Southern Cross greenstone belt. Historical, pre-1940, gold production for the Carterton group was 8,552 oz from 8,700t of ore at an average grade of 30.5 g/t Au, with production mainly coming from the Newfield Central workings.

More recent production at the Newfield Central Mine during the period from 2001 – 2005 resulted in 33,200 tonnes of ore extracted for a total of 24,200 ounces at a recovered grade of 22.68g/t Au.

A review of the existing datasets has identified several high priority gold targets, which include near surface targets within the strike extensions of the Newfield Central Fault Zone and the down-dip extensions of the Newfield Central Main Lode.

The Crest Yard gold project, covers 987 ha, centred between the historical gold mining centres of Kintore and Dunnsville, located approximately 60km northwest of Kalgoorlie, Western Australia. Exploration undertaken by the Company 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 phase two aircore drilling programme 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). NWF continues to review and interpret the results of the previously completed aircore drilling programs with a view to refining targets for deeper drill testing in the future.

Sierra Leone Project

In March 2014, NWF acquired the Allotropes Diamond Project in the Southern Bo District in Sierra Leone, which is about 100 kilometres south west of Stellar's Tongo licence. Subsequently, NWF expanded its tenement holding to over 1,000 km². Following systematic exploration for both primary and secondary diamond resources, it has recently reduced this to a total of 726 km² of tenement holdings within the Bo, Bonthe, Moyamba, Pujehun and Kenema Districts in the Southern Province of Sierra Leone.

Exploration involves terrestrial alluvial, river dredge, and primary kimberlite activities.

Terrestrial Alluvial Exploration

The objective of this work is to identify economic alluvial terrace deposits associated with the Sewa River and its tributaries. The methodology involves mapping to identify virgin terraces, ground penetrating radar surveys (GPR), and auger drilling to delineate bedrock depressions and gravel accumulations. Trial mining of the Golu terrace deposit in 2015 and 2016 produced nearly 3,000 ct of diamonds and provided a detailed geological model of these kinds of deposit. In the year to 30 June 2017, a Maiden JORC-compliant Diamond Resource statement was completed for the Gboyeiya Alluvial Project, which lies within EL 15/2012 on the Sewa River south-bank. The average diamond size is significantly larger (0.66 carats per stone) than that recovered from trial-mining at the Golu small-scale mining licence (0.33 carats per stone), and the average diamond value is conservatively estimated at US\$ 270 per carat.

Bulk sampling of higher level terraces identified along the Sewa River has shown that grades are low and these deposits are generally sub-economic, despite reduced overburden thicknesses. Consequently, all current exploration is focused on low terrace/river flat deposits.

Similarly, the overburden thickness has been shown to increase in a downstream direction, and only terrace deposits in the upper reaches of the Sewa River within the existing licences are being targeted.

Sewa River Dredging

Following trials in 2016 with rented equipment, NWF deployed new technology on the Sewa River during 2017 with the introduction of four (4) new owner-built and operated suction dredge units where encouraging screened-grades were reported from localised trap-sites. For example, the average recovered stone size at Gbinima (EL15/2012) was 0.96 cts/stn, and a total of nearly 700 ct have been recovered to date, at an average value of over US\$ 400/ct. The objective of this work is to identify deep 'pot-hole' depressions which were inaccessible to previous workers, and which have the potential to contain several thousands of carats.

Targeting of such depressions is difficult, but is aided by GPR data procured by a previous operator (Sierra Leone Diamond Company; SLDC) as well as current bathymetry and new GPR data produced by NWF.

The Company has two Dense Media Separation (DMS) processing plants and Flowsorttm X-ray recovery units currently deployed in the north (10 tonne per hour DMS) and south (5 tonne per hour DMS) of the Allotropes project area, to process samples collected from alluvial exploration and dredge sampling.

Kimberlite Exploration

NWF flew an airborne magnetic (AM) survey in early 2016, to complement a survey flown by SLDC in 2004, to identify magnetic anomalies associated with kimberlite intrusions. The background geology over most of the licence areas is Archaean shield (granitic and gneissic rocks, with amphibolitic zones and Jurassic-age dolerite intrusions) which is magnetically 'busy'. This makes selection of kimberlite anomalies (expected to occur as narrow dykes) very difficult. Despite this, one previously known kimberlite occurrence lies within the NWF licences (the Lake Popei dykes in EL11/2014) and this occurrence is visible in the aeromagnetic data. A total of over 200 anomalies were selected, and follow-up of these targets commenced in mid-2016. Prioritisation of the large number of targets is being achieved through kimberlitic indicator mineral (KIM) sampling, as well as reference to the distribution of recent and historical artisanal diamond mining. Artisanal

diamond mining has produced several tens of thousands of carats of diamonds in deposits remote from the modern Sewa River and exhibit no expected fluvial signature such as rounded pebbles. The implication of this is that the diamonds may be associated with local primary sources (i.e. kimberlites). These are the diamond focus areas for follow-up work to identify new kimberlite occurrences. This work will be completed within the current licences during 2018.

Financial Summary

NWF incurred a loss of A\$1,399,735 after income tax for the financial year to 30 June 2017, (2016: loss of A\$4,188,563). As at 30 June 2017 the Group had net assets of A\$26,429,792 (2016: A\$25,543,512) including cash and cash equivalents of A\$1,068,249 (2016: A\$8,636,589).

Since admission to ASX in June 2012, NWF has raised A\$42.7m at prices between A\$0.25 and A\$0.80.

Stellar Shareholders are referred to the full text of the NWF 2017 annual results announcement, copies of which can be viewed on NWF's website at www.newfieldresources.com.au along with copies of the 2015 and 2016 annual reports.

NWF trading update

Alongside the exploration activities mentioned above, in November 2017 NWF completed its fourth sale of rough diamonds in Antwerp. A total of 534 carats were recovered from suction-dredging operations conducted in the Sewa River. An average US\$/carat (\$/ct) sale price of \$462 (previous \$340/ct) was realised from an average stone size of 0.86 carats per stone (cts/stn) (previous 0.49 cts/stn).

Stellar Shareholders are referred to the full text of the NWF Quarterly Report to 31 December 2017, copies of which can be viewed on NWF's website at www.newfieldresources.com.au.

11. Delisting of Stellar Shares and re-registration

The attention of Stellar Shareholders is drawn to paragraph 12 of the Explanatory Statement set out in Part II of this document. Application will be made to AIM for the cancellation of the admission of the Stellar Shares to trading on AIM, shortly after the Scheme becoming Effective. When the Scheme becomes Effective, the share certificates in respect of Stellar Shares will cease to be valid and entitlements to Stellar Shares held in CREST will be cancelled.

The Special Resolution also includes a resolution for the re-registration of Stellar as a private company conditional on the cancellation of the admission of the Stellar Shares to trading on AIM.

Upon completion of the Combination, NWF Shares will continue to be listed on the ASX. The Combined Group will retain the name NWF Resources Limited.

12. New NWF Shares and Lock-in arrangements

Once the Scheme has become Effective, the New NWF Shares will be allotted to Scheme Shareholders.

NWF Shares are quoted on the ASX under the symbol "NWF". An application will be made for the New NWF Shares (and the NWF Rights Issue Shares and NWF Conditional Placement Shares) to be quoted on the ASX. The New NWF Shares will be subject to the provisions of Australian securities laws, and the Australian Corporations Act (amongst other Australian legislation).

The New NWF Shares to be issued under pursuant to the Combination are of nil par value will be issued free from all liens, charges, encumbrances and other third party rights and/or interests of any nature whatsoever credited as fully paid and will rank *pari passu* with all other NWF Shares, including the right to receive in full all dividends and other distributions, if any, declared, made or paid after the date hereof. Further details of the rights of NWF Shares are set out in paragraph 7 of Part VIII of this document.

Being Australian securities, the NWF Shares are not capable of being registered, transferred or settled directly through CREST, the UK electronic settlement system.

It is the intention that the New NWF Shares will be held in an issuer sponsored account. Stellar Shareholders who wish to trade their New NWF Shares will need to arrange with a broker to have those shares transferred to a CHESS account. If Stellar Shareholders cannot identify a broker in the UK who can trade NWF Shares, then NWF and its share registry will assist Stellar Shareholders who wish to trade their New NWF Shares by referring them to stockbrokers in Australia. Stellar Shareholders who would like NWF's assistance in this matter should contact the Company Secretary, Kim Hogg, at kim.hogg@anthonyho.com.au. However, Stellar Shareholders should note that NWF will only be effecting an introduction and that the Stellar Shareholder will need to make their own arrangement with such stockbrokers in relation to broking facilities and the costs of transactions.

Stellar Shareholders should also note that the ASX defines a 'marketable parcel of shares' as being a parcel of shares with a value of at least A\$500. Parcels of shares with a value of less than A\$500 are deemed to be uneconomic to trade due to the impact of transaction fees ("**Less than Marketable Parcel**"). Under ASX rules, companies on the ASX can provide a facility to their shareholders whereby holdings of less than A\$500 are aggregated and sold in the market with the cash returned to participating shareholders (the "**Facility**").

In the 3 months following completion of the Combination, Newfield intends to provide this Facility to holders of a Less than Marketable Parcel of NWF Shares. This Facility will enable holders of Less than Marketable Parcels to sell their shares without incurring any costs that could otherwise make a sale of their shares uneconomic. Holders of Less than Marketable Parcels will be provided with at least six weeks' notice of the Facility and will have the right to elect to retain their Less than Marketable Parcels should they so wish.

Lock-in arrangements

Certain of the parties who have provided irrevocable undertakings (including the Stellar Directors, Rowan Carr, Deutsche Balaton and Creditforce (together the "**Locked-in Parties**")) have entered into voluntary Lock-in agreements with NWF in respect of New NWF Shares to be issued to these parties subject to the Scheme becoming Effective. Pursuant to the terms of these agreements, the parties have agreed, *inter alia*, not to dispose of the New NWF Shares held for a period of six months subject to customary exemptions. Subject to the Scheme becoming Effective, and the Option and Warrant Offers and the DB Share Rights Offer being accepted, it is expected that the Locked-in Parties would hold, in aggregate 61,545,885 New NWF Shares, representing, in aggregate, approximately 10.6 per cent. of the issued ordinary share of NWF following completion of the Combination and the NWF Financings.

13. NWF Financings

NWF has announced the NWF Conditional Placing to raise A\$3 million through the issue of 15,000,000 new ordinary shares in NWF at A\$0.20 per share subject to the necessary NWF shareholder approvals (the NWF Share Authority) being obtained at the NWF GM. It also published a prospectus on 12 March 2018 for an underwritten rights issue to raise approximately A\$30 million through the issue of the NWF Rights Issue Shares at a price of A\$0.15 per NWF Share ("**NWF Rights Issue**"). Completion of the NWF Rights Issue is conditional on, *inter alia*, completion on the Scheme. Further terms of the NWF Rights Issue and underwriting agreements are described below.

In addition to the Loan already made to Stellar and subject to completion of the Scheme, the NWF Rights Issue and the NWF Conditional Placement, NWF intends that the majority of the net proceeds of the NWF Placement (which was completed on 8 February 2018), NWF Conditional Placement and NWF Rights Issue will, be used:

- (i) to develop the high-grade and high value Tongo-Tonguma project in Sierra Leone into production, in accordance with the Mine Plan developed by Stellar (including any revised plan arising from the FEED results) and pursuant to the terms of the Tribute Mining Agreements entered into by Stellar with Ocea, further details of which were announced by Stellar on 28 April 2017;
- (ii) to repay the Stellar CLNs and accrued interest of approximately US\$3.2 million in aggregate and other creditors; and
- (iii) to provide general working capital to the enlarged NWF Group.

Funds from the NWF Placement and NWF Conditional Placing will also be used for the advancement of Newfield's existing projects, namely, continued exploration work on its Allotropes Diamond Project in Sierra Leone and its gold projects in Kalgoorlie, Western Australia.

The following table sets out the anticipated capital structure of NWF upon completion of the NWF Conditional Placement, the NWF Rights Issue and issue of New NWF Shares (assuming no other NWF Shares are issued for any reason, including on exercise of existing options):

	<i>NWF Shares</i>	<i>Options over NWF Shares</i>
Existing Securities	270,583,335	6,000,000 ⁽ⁱ⁾
NWF Rights Issue Shares	200,231,668 ⁽ⁱⁱ⁾	–
NWF Rights Issue Options	–	50,000,000 ⁽ⁱⁱⁱ⁾
NWF Conditional Placement Shares	15,000,000 ^(iv)	–
New NWF Shares	95,100,000 ^(v)	–
TOTAL	<u>580,915,003</u>	<u>56,000,000⁽ⁱⁱⁱ⁾</u>

- (i) Exercisable at A\$0.50 each on or before 30 December 2020.
- (ii) Subject to rounding.
- (iii) To be issued subject to the receipt of NWF shareholder approval being obtained at the NWF GM. Such Options will be exercisable at A\$0.30 each on or before 31 March 2021.
- (iv) To be issued subject to the receipt of NWF shareholder approval being obtained at the NWF GM (the NWF Share Authority).
- (v) Rounded to the nearest 0.1 million NWF Shares. This assumes that the Option and Warrant Offer and the DB Share Offer is accepted in full and that no other Stellar Shares are issued prior to the Scheme becoming effective.

Terms and conditions of the NWF Rights Issue and underwriting

The NWF Rights Issue, which was announced on 12 March 2018 is conditional on, *inter alia*, the completion of the Scheme, and the admission of the NWF Rights Issue Shares to trading on the ASX.

Underwriting

NWF Rights Issue Underwriter, Townshend Capital Pty Ltd, has agreed to underwrite the NWF Rights Issue pursuant to the terms of the Underwriting Agreement.

NWF agreed to pay the Underwriter an underwriting fee of \$200,000, which, subject to the receipt of NWF Shareholder approval, is to be settled by the issue of the NWF Rights Issue Options to the NWF Rights Issue Underwriter or its nominees. If the required resolution is not passed, NWF will pay the \$200,000 underwriting fee to the NWF Rights Issue Underwriter in accordance with the terms of the Underwriting Agreement.

NWF has also agreed to pay the NWF Rights Issue Underwriter's costs and expenses of and incidental to the NWF Rights Issue. The Underwriting Agreement also contains a number of indemnities, representations and warranties from NWF to the NWF Rights Issue Underwriter that are considered standard for an agreement of this type.

The NWF Rights Issue Underwriter may terminate the Underwriting Agreement by the provision of written notice to NWF in any of the following circumstances:

- (a) the Offer or the Scheme is withdrawn or modified by NWF or Stellar without the prior written consent of the Underwriter (except to the extent that such withdrawal or modification is required by the Panel and does not affect the material commercial terms of the Offer);
- (b) a material adverse change occurs;
- (c) an event of insolvency occurs in respect of a member of the NWF Group or any member of the Stellar Group which has or is reasonably likely to have a significant adverse effect on the outcome of the NWF Rights Issue in so far as it relates to the assets, liabilities, financial position, performance, profitability or prospects of the NWF Group as a whole or the Stellar Group as a whole;
- (d) any NWF disclosure materials given to the Underwriter by NWF after the date of the Underwriting Agreement and before completion discloses a matter which would cause any NWF warranty to cease to be true and correct in all material respects and such matter has or ought reasonably to have a significant adverse effect on the outcome of the NWF Rights Issue in so far as it relates to the assets,

liabilities, financial position, performance, profitability or prospects of the NWF Group as a whole or the Stellar Group as a whole; or

- (e) any NWF warranty ceases to be true and correct in all material respects and the breach of such NWF warranty has or ought reasonably to have a significant adverse effect on the outcome of the NWF Rights Issue in so far as it relates to the assets, liabilities, financial position, performance, profitability or prospects of the NWF Group as a whole or the Stellar Group as a whole.

Townshend Capital Pty Ltd (www.townshendcapital.com.au) is a boutique investment management Australian Financial Services licensee pursuant to section 913B of the Corporations Act 2001, licence number 219326) that provides corporate advice and deal services to wholesale clients, as well as ASX-listed entities. NWF has worked with Townshend Capital Pty Ltd on a number of successful transactions, including its initial public offering in June 2012 (\$4.5 million), its private placement in October 2015 (\$10 million), and the underwriting of NWF options in May 2016 (\$8.7 million) and June 2017 (\$3.0 million).

Sub-underwriting

The NWF Rights Issue Underwriter is entitled to enter into sub-underwriting arrangements. NWF is aware that the NWF Rights Issue Underwriter has entered into a sub-underwriting agreement with the Lead Sub-Underwriter, an existing substantial holder of NWF. NWF is not a party to this sub-underwriting agreement.

Pursuant to this sub-underwriting agreement, the Lead Sub-Underwriter has agreed to subscribe for an aggregate maximum of A\$15 million worth of NWF Shares under the NWF Rights Issue (that is, by taking up its entitlement as an eligible shareholder and sub-underwriting for the balance).

Any shortfall for which the NWF Rights Issue Underwriter is required to subscribe will first be allocated to the Lead Sub-Underwriter, up to the maximum described above.

The Lead Sub-Underwriter is NWF's largest shareholder. As at the date of this Announcement, the Lead Sub-Underwriter holds a relevant interest in 51,793,028 NWF Shares, constituting a voting power of 19.14 per cent. in NWF.

It is intended that the Lead Sub-Underwriter will be allocated 25,000,000 of the NWF Rights Issue Options.

The Lead Sub-Underwriter has informed NWF that the Lead Sub-Underwriter does not have any associates who hold a relevant interest in any securities.

Any shortfall NWF Shares will be allocated firstly to the eligible NWF Shareholders who apply for shortfall NWF Shares, then pursuant to the Underwriting Agreement.

In the unlikely event that no other NWF Shareholders subscribe for new Shares (either pursuant to the NWF Rights Issue or the shortfall offer) the voting power of the Lead Sub-Underwriter would increase from 19.14 per cent. to approximately 26.13 per cent.

NWF notes the following in respect of the Lead Sub-Underwriter arrangements:

- (i) The Stellar Board recommendation of the Offer is based primarily on the assumption that the capital raising under the NWF Rights Issue completes successfully.

Due to the importance of Stellar Board support for the Combination, the Underwriting Agreement was required to include limited termination events and other conditionality. Such terms were agreed by the NWF Rights Issue Underwriter on the basis of the Lead Sub-Underwriter's commitment.

The Underwriting Agreement is therefore on terms materially more favourable to NWF than market standard, as a result of the Lead Sub-Underwriter's commitment.

- (ii) The Lead Sub-Underwriter will not benefit from the proposed use of funds raised pursuant to the Rights Issue, other than as a holder of NWF Shares and the portion of NWF Rights Issue Options received.
- (iii) It is the view of the NWF Directors that NWF Shareholders have been provided with adequate notice of the proposed Rights Issue and therefore will be provided with a reasonable opportunity to accept the NWF Rights Issue (as well as applying for shortfall, should they wish); and

- (iv) Eligible NWF Shareholders have the ability to subscribe for shortfall NWF Shares in excess of their entitlement, in priority to the Lead Sub-Underwriter arrangements.

14. The Scheme and the Meetings

The Combination is being implemented by way of a Court approved scheme of arrangement between Stellar and the Stellar Shareholders under Part 26 of the Companies Act 2006, although NWF reserves the right to elect to implement the Combination by way of an Offer (subject to Panel consent, where necessary). The procedure involves an application by Stellar to the Court to sanction the Scheme, which will involve the Scheme Shares being transferred to NWF, in consideration for which Scheme Shareholders will receive New NWF Shares. To become effective, the Scheme requires, amongst other things, the approval of a majority in number of the Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy at the Court Meeting, representing not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders present and voting at the Court Meeting (or any adjournment thereof) and the passing of the special resolution necessary to implement the Scheme at the General Meeting. Following the Court Meeting and the General Meeting and the satisfaction (or, where applicable, waiver) of the other Conditions, the Scheme must also be sanctioned by the Court. The Scheme will only become effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and, if they attended and voted, whether or not they voted in favour).

If the Scheme becomes Effective, Scheme Shareholders will receive New NWF Shares as consideration for their Scheme Shares in the proportions indicated above.

New NWF Shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid following the Scheme Effective Date and otherwise pari passu in all respects with all other NWF Shares.

Fractions of the New NWF Shares will not be allotted or issued pursuant to the Combination, but entitlements of Scheme Shareholders will be rounded down to the nearest whole number of New NWF Shares.

The Explanatory Statement in compliance with section 897 of the Companies Act is set out in Part II of the document.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of opinion of Scheme Shareholders. You are therefore strongly urged to complete, sign and return your Forms of Proxy, or, alternatively (and if applicable), submit your proxy by electronic means through CREST, for both the Court Meeting and the General Meeting, as soon as possible.

Further details of the Scheme and the Meetings are set out in paragraph 4 of Part II of this document.

15. Modifications to the Scheme

The Scheme contains a provision for Stellar and NWF jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances.

16. Further Information

Your attention is drawn to the letter from Cairn Financial Advisers LLP set out in Part II of this document (being the Explanatory Statement pursuant to section 897 of the Companies Act). The terms of the Scheme are set out in full in Part V of this document. Your attention is also drawn to the further information contained in this document and, in particular, to the risk factors in Part III, the Conditions to the implementation of the

Combination in Part IV, the information on UK Taxation in Part VI and the additional information set out in Part VIII to this document.

You are advised to read the whole of this document and not just rely on the summary information contained in this letter.

17. Action to be taken

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by Stellar Shareholders in respect of the Combination are set out in paragraph 4 of Part II of this document.

Stellar Shareholders are asked to complete and return the enclosed blue and white Forms of Proxy in accordance with the instructions printed on them as soon as possible, but in any event so as to be received by Stellar's registrars, Computershare Investor Services (Ireland) Limited, not later than in respect of the blue Form of Proxy, 10.00 a.m. on 17 April 2018 or, in respect of the white Form of Proxy 10.15 a.m. on 17 April 2018. Stellar Shareholders who hold Stellar Shares in CREST may also appoint a proxy through the CREST electronic proxy appointment service by following the instructions set out on pages 10 and 11 of this document. If the blue Form of Proxy for the Court Meeting is not returned by the relevant time, it may be handed to the Chairman of the Court Meeting or a representative of Computershare Investor Services (Ireland) Limited at the Court Meeting on behalf of the Chairman of the Court Meeting before the start of the Court Meeting. However, in the case of the General Meeting, if the white Form of Proxy is not returned by the relevant time, it will be invalid.

Details relating to the de-listing of the Stellar Shares and settlement of the New NWF Shares offered to Stellar Shareholders, Option and Warrant Holders and Deutsche Balaton in respect of the DB Share Rights by NWF are included in paragraphs 12 and 15 of Part II of this document.

Overseas Shareholders should refer to paragraph 11 of the Explanatory Statement set out in Part II of this document.

Notices convening the Court Meeting and the General Meeting are set out at the end of this document.

18. Recommendation

The Stellar Board, which has been so advised by Cairn Financial Advisers LLP as to the financial terms of the Combination, considers the terms of the Combination to be fair and reasonable. Cairn Financial Advisers LLP is providing independent financial advice to the Stellar Board for the purpose of Rule 3 of the Code. In providing their advice to the Stellar Board, Cairn Financial Advisers LLP has taken into account the commercial assessments of the Stellar Board. In addition, the Stellar Directors believe that the terms of the Combination are in the best interests of Stellar Shareholders as a whole.

Accordingly, the Stellar Directors unanimously recommend that Stellar Shareholders vote in favour of the Scheme at the Court Meeting and in favour of the resolution to be proposed at the General Meeting as the Stellar Directors have irrevocably undertaken to do in respect of their own beneficial holdings of 5,604,862 Stellar Shares representing, in aggregate, approximately 9.04 per cent. of the ordinary share capital of Stellar in issue on the Latest Practicable Date.

Yours sincerely

Peter Daresbury
(Non-Executive Chairman)

PART II

EXPLANATORY STATEMENT

(in compliance with Section 897 of the Companies Act)

Cairn Financial Advisers LLP
Cheyne House
Crown Court
62-63 Cheapside
London EC2V 6AX

26 March 2018

To Stellar Shareholders, persons with information rights and, for information only, to participants in the Stellar Share Schemes

Dear Sir or Madam,

RECOMMENDED COMBINATION OF STELLAR AND NWF

1. Introduction

On 12 March 2018, the boards of NWF and Stellar announced that they had reached agreement on the terms of a recommended Combination of Stellar with NWF, pursuant to which NWF will acquire the entire issued and to be issued share capital of Stellar in exchange for New NWF Shares. It is intended that the Combination is implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

Implementation of the Scheme will require the approval by the Scheme Shareholders at a meeting convened by order of the Court. In addition, a special resolution must be passed at the General Meeting to deal with certain ancillary matters in connection with the Combination. The Scheme also requires the sanction of the Court.

Your attention is drawn to the letter from the Chairman of Stellar set out in Part I of this document, which forms part of this Explanatory Statement and which contains the background to and reasons for the Stellar Board's unanimous recommendation and which states that the Stellar Board, which has been so advised by Cairn Financial Advisers LLP as to the financial terms of the Combination, considers the terms of the Combination to be fair and reasonable. In providing our advice to the Stellar Board, we have taken into account the Stellar Board's commercial assessment of the Combination. The Stellar Board unanimously recommends that all Stellar Shareholders vote in favour of the Resolutions to be proposed at the Meetings, as those Stellar Directors who hold Stellar Shares have irrevocably undertaken to do in respect of their own beneficial shareholdings of 5,604,862 Stellar Shares in aggregate, which represent approximately 9.04 per cent. of Stellar's issued share capital on the Latest Practicable Date.

We have been authorised by the Stellar Directors to write to you to explain the Scheme and to provide you with other relevant information. This letter sets out and explains the provisions of the Scheme. The terms of the Scheme are set out in full in Part V of this document. Your attention is also drawn to the Conditions set out in Part IV to this document and the further information set out in Parts VI to XI of this document and Appendix 1 to this document. Statements contained in paragraphs 6 and 10 of Part I of this document which relate to information on the NWF Group and NWF's intentions with regard to management and employees and the financial effect of the Combination reflect the views of the NWF Directors.

2. Summary of the Combination

Under the terms of the Combination, each Stellar Shareholder will be entitled to receive:

for each Stellar Share: 0.7622 of a New NWF Share (“Scheme Ratio”)

Based on the NWF Closing Price of A\$0.24 per NWF Share on 23 March 2018 (being the latest practicable date before the date of this document) at an exchange rate of A\$1.83 to £1.00, the terms of the Combination represent:

- a value of approximately 10.0 pence per Stellar Share;
- a value of the entire issued share capital of Stellar of approximately £6.2 million;
- a premium of approximately:
 - 53.8 per cent. to the Stellar Closing Price of 6.5 pence per Stellar Share on the Latest Practicable Date;
 - 53.4 per cent. to the prior 30 Trading Day VWAP of 6.5174 pence per Stellar Share as at Latest Practicable Date; and
 - 334.6 per cent. to the Stellar Closing Price of 2.3 pence per Stellar Share on the 31 January 2018, being the Trading Day prior to announcement of the Possible Offer.

Based on the theoretical ex-rights price of an NWF Share of A\$0.223 per share (“**Theoretical Ex-rights Price**”) calculated in connection with the completion of the NWF Financings (see below), at the Possible Offer Exchange Rate, the terms of the Combination represent:

- a value of approximately 9.77 pence per Stellar Share (“**Theoretical Ex-rights Price Offer Value**”);
- a value of the entire issued share capital of Stellar of approximately £6.06 million;
- a premium of approximately:
 - 50.3 per cent. to the Stellar Closing Price of 6.5 pence per Stellar Share on the Latest Practicable Date;
 - 49.9 per cent. to the prior 30 Trading Day VWAP of 6.5174 pence per Stellar Share as at Latest Practicable Date; and
 - 324.8 per cent. to the Stellar Closing Price of 2.3 pence per Stellar Share on the 31 January 2018, being the Trading Day prior to announcement of the Possible Offer.

Stellar Shareholders should note that the value of the consideration that they will ultimately receive (once the Scheme becomes Effective in accordance with its terms) will depend upon the market value of New NWF Shares received by them following the Effective Date, and this value may vary, as NWF is a public company whose shares are admitted to trading on ASX. In addition, as NWF is an Australian Company whose shares are trading on ASX, it may not be possible or economic for Stellar Shareholders to trade their New NWF Shares and to realise potential capital gains.

Appropriate NWF Share offers are being made to Stellar Option and Warrant Holders. Under the terms of the Option and Warrant Offers, Stellar Option and Warrant Holders will be offered NWF Shares equivalent in value, at the Theoretical Ex-rights Price and the Possible Offer Exchange Rate, to the net value of their Options or Warrants, being the difference between the Theoretical Ex-rights Price Offer Value and the exercise cost of the relevant Options or Warrants multiplied by the number of Stellar Options or Warrants held.

The Stellar Option and Warrant Holders (apart from those, excluding Rowan Carr, who are not Stellar Directors) have all irrevocably undertaken to accept the Option and Warrant Offers and agreed not to exercise their Options and/or Warrants prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate NWF Share offer is being made to Deutsche Balaton as the holder of the DB Share Rights based on the Scheme Ratio. Deutsche Balaton has irrevocably undertaken to accept the DB Share Rights Offer and agreed not to exercise its DB Share Rights prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate offer is also being made to CLN Holders to repay in full the Stellar CLNs following the Scheme becoming Effective. The CLN Holders have irrevocably undertaken to accept the appropriate offer for their CLNs and agreed not to convert their CLNs prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

Subject to the Scheme becoming Effective and assuming acceptance in full of the Option and Warrant Offers and the DB Share Rights Offer and completion of the NWF Rights Issue (as described below) and the NWF Conditional Placement (together, the “NWF Financings”) and assuming no NWF Options are exercised and no other Stellar Shares or NWF Shares are issued:

- Scheme Shareholders would receive in aggregate approximately 47.26 million New NWF Shares, representing, in aggregate, approximately 8.14 per cent. of the enlarged issued share capital of the Combined Group pursuant to the Scheme;
- Stellar Option and Warrant Holders (including Deutsche Balaton) would receive in aggregate approximately 37.03 million New NWF Shares, representing approximately 6.37 per cent. of the enlarged issued share capital of the Combined Group pursuant to the acceptance of the Option and Warrant Offers; and
- Deutsche Balaton would receive a further 10.81 million New NWF Shares, representing approximately a further 1.86 per cent. of the enlarged issued share capital of the Combined Group pursuant to the acceptance of the DB Share Rights Offer.

The total number of New NWF Shares issued to Scheme Shareholders and the holders of rights over Stellar Shares (including holders of Stellar Options, Stellar Warrants and DB Share Rights) would, in aggregate, amount to 95.10 million New NWF Shares, representing in aggregate, approximately 16.37 per cent. of the enlarged issued share capital of the Combined Group pursuant to the Scheme.

The Combination is conditional on, amongst other things, the approval of the Scheme by the Scheme Shareholders. The Conditions to the Combination are set out in full in Part IV of this document.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

If the Scheme becomes Effective, Scheme Shareholders will receive New NWF Shares as consideration for their Scheme Shares in the proportions indicated above. New NWF Shares will be issued credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid following the Scheme Effective Date and otherwise *pari passu* in all respects with all other NWF Shares.

3. Irrevocable undertakings to vote in favour of the Combination

NWF has, in total, received irrevocable undertakings to vote in favour of the Scheme in respect of 26,425,893 Stellar Shares representing, in aggregate, approximately 42.62 per cent. of the issued ordinary share capital of Stellar as at the Latest Practicable Date.

Other than Stellar Option Holders who are not Stellar Directors, excluding Rowan Carr, the Stellar Option and Warrant Holders, Deutsche Balaton (in relation to the DB Shares Rights Offer) and each of the CLN Holders, have agreed to accept the relevant appropriate offer to be made to them under Rule 15 of the Takeover Code based on draft offers provided to them as summarised in the Announcement.

Certain of the parties who have provided Irrevocable Undertakings (including the Stellar Directors, Rowan Carr (Stellar's Chief Operating Officer), Deutsche Balaton and Creditforce) have entered into voluntary Lock-in agreements with NWF in respect of New NWF Shares to be issued to these parties subject to the Scheme becoming Effective. Pursuant to the terms of these agreements, the parties have agreed, *inter alia*, not to dispose of the New NWF Shares held for a period of six months subject to customary exemptions. Subject to the Scheme becoming Effective, and the Option and Warrant Offers and the DB Share Rights Offer being accepted, it is expected that the Locked-in Parties would hold, in aggregate 61,545,885 New NWF Shares, representing, in aggregate, approximately 10.6 per cent. of the issued ordinary shares of NWF following completion of the Combination and the NWF Financings.

Further details of these irrevocable undertakings are set out in paragraph 4 of Part VIII of this document.

4. Structure of the Combination

(a) Introduction

It is intended that the Combination will be implemented by means of a Court-sanctioned scheme of arrangement between Stellar and the Scheme Shareholders under Part 26 of the Companies Act.

The purpose of the Scheme is to provide for NWF to become the owner of the entire issued and to be issued share capital of Stellar. In order to achieve this, the Scheme Shares will be transferred to NWF. In consideration for this, the Scheme Shareholders will be issued New NWF Shares on the basis set out in paragraph 2 above.

The implementation of the Combination is subject to the Conditions, which are set out in Part IV of this document.

The Scheme will become Effective upon the delivery to the Registrar of Companies of a copy of the Court Order.

(b) The Meetings

Notices of the Court Meeting and the General Meeting are set out at the end of this document. Entitlement to attend and vote at the Meetings and the number of votes which may be cast thereat will be determined by reference to the register of members of Stellar at the Voting Record Time. All Stellar Shareholders whose names appear on the register of members of Stellar at 6.00 p.m. on 17 April 2018 or, if such meetings are adjourned, on the register of members at 6.00 p.m. on the date two days before the date fixed for such adjourned meeting, shall be entitled to attend and speak and vote at the relevant meeting in respect of the number of Stellar Shares registered in their name at the relevant time.

The Court Meeting

You will find set out at the end of this document notice of the Court Meeting which has been convened by order of the Court for the purpose of considering and, if thought fit, approving the Scheme (with or without modification).

The Court Meeting, which has been convened for 10.00 a.m. on 19 April 2018, is being held at the direction of the Court to seek the approval of the Scheme Shareholders to the Scheme. At the Court Meeting, voting will be by way of poll and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held. The Scheme must be approved by a majority in number of those Scheme Shareholders who are present and voting either in person or by proxy at the Court Meeting and who represent 75 per cent. or more in value of all Scheme Shares held by such Scheme Shareholders.

Scheme Shareholders have the right to raise any objections they may have to the Scheme at the Court Meeting.

It is important that, for the Court Meeting, as many votes (whether in person or by proxy) as possible are cast so that the Court may be satisfied that there is a fair and reasonable representation of Stellar Shareholder opinion.

You are therefore strongly urged to vote in person or complete and return the blue Form of Proxy, or appoint a proxy through CREST as soon as possible, and, in any event so as to be received by 10.00 a.m. on 17 April 2018 for the Court Meeting. A Form of Proxy for the Court Meeting not lodged at the relevant time may be handed in to the Chairman of the Court Meeting or a representative of Computershare Investor Services (Ireland) Limited at the Court Meeting on behalf of the Chairman of the Court Meeting before the start of the Court Meeting.

Stellar Shareholders should note that the Stellar Board may withdraw their recommendation if the NWF Rights Issue does not complete for any reason, including where the NWF Rights

Issue Underwriter exercises its right to terminate under one of the limited termination provisions contained in the Underwriting Agreement. The Stellar Board may also withdraw their recommendation if the NWF Rights Issue does not raise sufficient funds to develop the Tongo-Tonguma Project towards a meaningful level of production. If the Stellar Board withdraws its recommendation, the Chairman of the Court Meeting intends to adjourn the Court Meeting indefinitely such that the Scheme will not become Effective.

The General Meeting

In addition to the Court Meeting, the General Meeting has been convened for 10.15 a.m. on 19 April 2018, or as soon thereafter as the Court Meeting has concluded or been adjourned, to consider and, if thought fit, pass the Special Resolution (which requires votes in favour representing at least 75 per cent. of the votes cast) to approve, conditional on the Scheme becoming Effective:

- (i) the Scheme;
- (ii) the cancellation of admission of the Stellar Shares to trading on AIM;
- (iii) the re-registration of Stellar as a private limited company; and
- (iv) certain amendments to the Stellar Articles as described below.

You will find the notice of the General Meeting set out at the end of this document.

Voting on the Special Resolution will be on a show of hands unless a poll is demanded. The Chairman reserves the right to demand a poll and, in such event, each Stellar Shareholder present in person or by proxy will be entitled to one vote for every Stellar Share held.

All Stellar Shareholders will be entitled to vote on the Special Resolution.

It is proposed that the Stellar Articles be amended to ensure that any Stellar Shares which are issued after the General Meeting but before the Scheme Record Time will be subject to and bound by the Scheme or otherwise. Any Stellar Shares issued on the exercise of options under the Stellar Share Schemes after the Scheme Record Time will not be subject to the Scheme. Accordingly, it is also proposed that the Stellar Articles be amended so that any Stellar Shares issued to any person other than NWF (or its nominee(s)) on or after the Scheme Record Time will automatically be acquired by NWF in consideration for the issue of such number of New NWF Shares to such person, as would have been due under the Scheme had such Stellar Shares been Scheme Shares.

The proposed amendments to the Stellar Articles are set out in full in the notice of the General Meeting.

(c) **Modifications to the Scheme**

The Scheme contains a provision for Stellar and NWF jointly to consent on behalf of all concerned to any modifications, additions or conditions to the Scheme which the Court may think fit to approve or impose. The Court would be unlikely to approve or impose any modifications, additions or conditions to the Scheme which might be material to the interests of Stellar Shareholders unless Stellar Shareholders were informed of any such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Stellar Shareholders should be held. Similarly, if a modification, addition or condition is put forward which, in the opinion of the Stellar Directors, is of such a nature or importance as to require the consent of Stellar Shareholders at a further meeting, the Stellar Directors will not take the necessary steps to enable the Scheme to become Effective unless and until such consent is obtained.

(d) **Alternative means of implementing the Combination**

NWF has reserved the right, subject to the prior consent of Stellar and the Panel, to implement the Combination by way of a contractual Offer, in which case additional documents will be sent to Stellar Shareholders. In such event, the Combination will (unless otherwise agreed between NWF, Stellar and the Panel) be implemented on the same terms and conditions (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme.

(e) **Conditions to the Scheme**

The Scheme is subject to the Conditions and certain further terms referred to in Part IV of this document.

Subject to satisfaction (or, where applicable, waiver) of the Conditions, the Scheme is expected to become Effective by 26 April 2018.

Stellar Shareholders should note that completion of the Scheme is not conditional on completion of the underwritten NWF Rights Issue and are therefore encouraged to note the basis of the Stellar Board recommendation set out in paragraph 18 of Part I of this document and the terms of the NWF Rights Issue as described in paragraph 13 of Part I of this document. If the Stellar Directors withdraw their recommendation of the Combination, the Chairman of the Court Meeting intends to use his discretion to adjourn the Court Meeting indefinitely.

The Combination will lapse if:

- (i) the approvals of the requisite majorities of Stellar Shareholders at the Court Meeting and the General Meeting are not obtained on or before the 22nd day after the expected date of such meeting as set out in the Scheme Circular (or, in each case, such later date as may be agreed between NWF and Stellar and, in the case of the Court Meeting, the Court may allow);
- (ii) the Scheme is not sanctioned by the Court by the 22nd day after the expected date of such hearing as set out in the Scheme Circular (or such later date as may be agreed between NWF and Stellar); or
- (iii) the Scheme does not become Effective by the Long Stop Date,

provided however that the deadlines for the timing of the Court Meeting, the General Meeting and the Court hearing to approve the Scheme as set out above may be waived by NWF and the deadline for the Scheme to become effective may be extended by agreement between Stellar and NWF (with the consent of the Panel).

If the Scheme is not Effective by the Long Stop Date (or such later date as may be agreed between NWF and Stellar, with the consent of the Takeover Panel, and (if required) the Court may allow) the Scheme will not be implemented and the Combination will not proceed.

Upon the Scheme becoming Effective, it will be binding on all Stellar Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

Scheme Shares will be acquired under the Scheme fully paid and free from all liens, charges and encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching thereto, including the right to receive and retain all dividends and other distributions declared, paid or made after the date on which the Scheme becomes Effective. If any dividend or other distribution or return of capital is proposed, declared, made, paid or becomes payable by Stellar in respect of a Scheme Share on or after the date of this document and prior to the Scheme becoming Effective, NWF reserves the right to reduce the number of New NWF Shares to be issued as consideration by up to the amount per Scheme Share of such dividend, distribution or return of capital except where the Scheme Share is or will be acquired pursuant to the Scheme on a basis which entitles NWF to receive the dividend, distribution or return of capital and to retain it. For these purposes a New NWF Share will be valued at A\$0.29 (being the NWF Closing Price on the last Trading Date prior to the Announcement). If NWF exercises such right to reduce the value of the consideration payable for each Scheme Share by the amount per Scheme Share of any dividend that has not been paid, the Scheme Shareholders shall be entitled to receive and retain such dividend when paid.

NWF Shares to be issued pursuant to the Scheme will be issued free from all liens, charges, encumbrances and other third party rights and/or interests of any nature whatsoever credited as fully paid and will rank *pari passu* with all other NWF Shares, including the right to receive in full all dividends and other distributions, if any, declared, made or paid after the date hereof.

If any such dividend or distribution is paid or made after the date of this document and NWF exercises its rights described above, any reference in this document to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. Any exercise by NWF of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.

(f) **Sanction of the Scheme by the Court**

Under the Companies Act, the Scheme also requires the sanction of the Court. NWF has confirmed that it will be represented by counsel at the Scheme Court Hearing so as to consent to the Scheme and to undertake to the Court to be bound thereby.

The Scheme will become effective in accordance with its terms on delivery of a copy of the Court Order to the Registrar of Companies.

If the Scheme becomes Effective, it will be binding on all Stellar Shareholders irrespective of whether or not they attended or voted in favour of the Scheme at the Court Meeting or in favour of the Special Resolution proposed at the General Meeting. It is anticipated that the Scheme Court Hearing will take place on 25 April 2018. If, however, any Condition has not been satisfied or waived by such time, the date of the Scheme Court Hearing will be delayed. If the Scheme does not become Effective by the Long Stop Date (or such later date (if any) as NWF and Stellar may agree and (if required) the Court may allow) the Scheme will not become Effective and the Combination will not proceed.

5. Background to and reasons for recommending the Combination

The details of the background to and reasons for the Stellar Directors unanimously recommending the Combination are set out in full in the letter from the Chairman of Stellar in Part I of this document.

6. Financial effect of the Combination

NWF expects the Combination will enhance its assets net of liabilities primarily as a result of the NWF Financings providing NWF with sufficient funding to progress development of the Tongo-Tonguma Project.

7. Offer-related arrangements

No offer-related arrangements have been entered into in connection with the Combination.

8. Stellar Options, Stellar Warrants, Stellar CLNs and DB Share Rights

The effect of the Scheme in relation to these rights over Stellar Shares is described in paragraph 7 of the letter from the Chairman of Stellar in Part I of this document.

9. The Stellar Directors and the effect of the Scheme on their interests

The Stellar Directors and the details of their interests (for the purposes of Part 10 of the Companies Act) in the share capital of Stellar are set out in paragraph 5 of Part VIII to this document. Certain Stellar Directors are participants in the Stellar Share Schemes and paragraph 7 of Part I of this document in respect of the Option and Warrant Offer will apply to their interests in such schemes in the same manner as in the case of other participants in the Stellar Share Schemes.

Details of the service contracts (including any termination provisions) and any severance agreements of the executive Stellar Directors, the letters of appointment of the non-executive Stellar Directors are set out in paragraph 9 of Part VIII to this document.

The executive management of Stellar, Karl Smithson (Chief Executive Officer) and Rowan Carr (Chief Operating Officer) are intended to be retained by NWF after completion of the Scheme. Their existing Stellar contracts and obligations will be observed. On completion of the Combination, Karl Smithson, Chief Executive Officer of Stellar, will be invited to join the NWF Board as an executive director. It is intended that Stellar's Chief Operating Officer, Rowan Carr, and other senior staff, including the Tongo project manager

and plant/metallurgical manager, will be retained by NWF after completion of the Scheme. Each of the non-executive Directors of Stellar, being Peter Daresbury, Steven Poulton and Hansjorg Plaggemars has confirmed that he intends to resign from the Stellar Board (and any Stellar subsidiary board positions) conditional upon and with effect from, the Scheme becoming Effective. Each of the non-executive Directors will receive any accrued director fees, payment for notice periods and expenses due under their respective letters of appointment, in each case in compensation for loss of office and in full and final settlement of all and any claims they may have against the Stellar Group in respect of their holding office. It is expected that Peter Daresbury will enter into a consultancy agreement with NWF for a period of up to 6 months after the Effective Date.

Save as described above, the total emoluments received by the Directors of Stellar will not be varied as a consequence of the Combination.

Save as disclosed, the effect of the Scheme on such interests of the Stellar Directors (whether as directors, members, creditors or otherwise) does not differ from its effect on the like interests of any other person.

10. Taxation

A summary of relevant UK taxation, which is intended as a general guide only, is set out in Part VI to this document. If you are in any doubt as to your tax position, or if you are subject to tax in a jurisdiction outside the UK, you should consult your independent professional adviser.

11. Overseas shareholders

The implications of the Scheme for Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

If, in respect of any Overseas Shareholder, NWF is advised that the allotment and issue of New NWF Shares would or might infringe the laws of any jurisdiction outside the United Kingdom, or would or might require NWF to obtain any governmental or other consent or effect any registration, filing or other formality with which, in the opinion of NWF, it would be unable to comply or which it regards as unduly onerous, then NWF may in its sole discretion either: (a) determine that no New NWF Shares shall be allotted and issued to such Overseas Shareholder, but that instead those New NWF Shares shall be allotted and issued to a nominee appointed by NWF, as trustee for such Overseas Shareholder, on terms that they shall be sold on behalf of such Overseas Shareholder as soon as reasonably practicable following the Effective Date, with the net proceeds of sale (after deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) being remitted to the Overseas Shareholder concerned (by sending a cheque) as soon as reasonably practicable after the sale at the risk of such Overseas Shareholder; or (b) determine that such New NWF Shares shall be sold on behalf of such Overseas Shareholder, in which event the New NWF Shares shall be issued to such Overseas Shareholder and NWF shall appoint a person to procure that those shares be sold as soon as reasonably practicable following the Effective Date, with the net proceeds of sale (after deduction of all expenses and commissions, including any amount in respect of value added tax payable thereon) being remitted to the Overseas Shareholder concerned (by sending a cheque) as soon as reasonably practicable after the sale at the risk of such Overseas Shareholder.

No action has been taken to register or qualify the NWF Shares or otherwise permit a public offering of such securities in any jurisdiction.

The New NWF Shares have not been, and will not be, registered under the Securities Act or the securities laws of any state, district or other jurisdiction of the United States and the relevant clearances have not been, and will not be, obtained from the securities commission or similar regulatory authority of any province or territory of Canada. The Combination is not being made in any US state or other jurisdiction where it is not legally permitted to do so. Accordingly, the New NWF Shares may not be offered, sold, resold, delivered or distributed, directly or indirectly, in or into such jurisdictions or any other jurisdiction if to do so would constitute a violation of relevant laws of, or require registration thereof in, such jurisdiction (except pursuant

to an exemption, if available, from any applicable registration or prospectus requirements or otherwise in compliance with all applicable laws).

This document has been prepared for the purposes of complying with English law, the Takeover Code and the AIM Rules and the information disclosed in this document may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of any other jurisdiction or if the Takeover Code and/or AIM Rules had not applied.

12. Delisting of Stellar Shares and re-registration

The last day of dealings in, and for registration of transfers of, and disablement in CREST of, Stellar Shares is expected to be the Trading Day following the day of the Scheme Court Hearing, and no transfers will be registered after 6.00 p.m. on that date (other than the registration of the transfer of the Stellar Shares to NWF pursuant to the Scheme), following which the Stellar Shares will be suspended from trading on AIM.

Applications will be made to AIM for the cancellation of admission of the Stellar Shares to trading on AIM, shortly after the Effective Date.

After the Scheme Record Time, all share certificates in respect of Stellar will cease to be valid and should be destroyed following the Scheme Effective Date. In addition, on the Scheme Effective Date, entitlements to Scheme Shares held within the CREST system will be cancelled and such entitlements rematerialised.

The Special Resolution also includes a resolution for the re-registration of Stellar as a private company with effect from the later of the Scheme becoming Effective and the cancellation of the admission of the Stellar Shares to trading on AIM.

Upon completion of the Combination, NWF Shares will continue to be listed on the ASX. The Combined Group will retain the name Newfield Resources Limited.

13. Application of the Takeover Code and other laws to NWF

The Takeover Code will not apply to NWF. Accordingly, holders of New NWF Shares will not enjoy the protection normally afforded to shareholders in companies to which the Takeover Code applies. For your reference, the following paragraphs describe certain aspects of securities, takeovers and foreign investment legislation in Australia that may be relevant to the New NWF Shares.

Takeovers of public companies such as NWF in Australia are governed primarily by Chapter 6 of the Australian Corporations Act. This legislation requires the following principles to be followed in the event of a takeover:

- the acquisition of control of an entity which is subject to the takeover rules must take place in an efficient, competitive and informed market;
- target shareholders must have a reasonable time to consider a proposed acquisition and must be given enough information to enable them to assess the merits of the proposal; and
- all holders of a class of shares in a target must be treated equally under a takeover bid and must have an equal opportunity to participate in the benefits of a change of control of a company.

Subject to certain exceptions under the Australian Corporations Act, acquisitions of interests in voting shares of NWF will be prohibited where, as a result of the acquisition, the acquirer's or someone else's voting power (as defined in the Australian Corporations Act) in NWF increases:

- from a starting point of 20 per cent. or less, to above 20 per cent.; or
- from a starting point of above 20 per cent. to below 90 per cent.

The definition of voting power in the Australian Corporations Act is broad, and includes control by persons or their associates over voting or disposal of voting shares.

There are a number of exceptions to the prohibition, including: (i) acquisitions under a formal takeover bid made in accordance with the Australian Corporations Act in which all shareholders can participate; (ii)

acquisitions resulting from a court-approved scheme of arrangement; (iii) acquisitions made with specified shareholder approvals (where no votes are cast in favour by the parties to the transaction or their associates); (iv) acquisitions of no more than 3 per cent. of voting power (as defined in the Australian Corporations Act) every six months subject to certain qualifications; (v) acquisitions pursuant to a rights issue offered to all shareholders; and (vi) acquisitions resulting from an issue under a disclosure document to an underwriter or a sub-underwriter.

Mergers of companies in Australia which take place by way of scheme of arrangement follow a similar process to schemes of arrangement in the United Kingdom, that is they constitute a court-approved statutory arrangement between a company and its shareholders that becomes binding on all shareholders by operation of law. While schemes are subject to fewer prescriptive rules than takeover bids in terms of conditionality, pricing and timing, they are supervised by ASIC and the courts and many of the principles of the takeovers legislation apply equally to these transactions.

As part of this regime, NWF Shareholders who have voting power of more than five per cent. of the issued shares in NWF are required to disclose their interest to NWF and to ASX (often referred to as a 'substantial shareholders notice') and thereafter every time this interest changes by one per cent. or more.

Under Australian law, on application by an eligible person, the Australian Takeovers Panel may declare that unacceptable circumstances exist in relation to the affairs of NWF. The persons eligible to make an application to the Australian Takeovers Panel include the bidder, the target, the Australian Securities and Investments Commission, or any other person whose interests are affected by the relevant circumstances. A declaration of unacceptable circumstances may be made where it appears to the Australian Takeovers Panel that, among other things, circumstances are unacceptable having regard to the effect the circumstances have had, are having, will have or are likely to have on the control, or potential control, of NWF or the acquisition, or proposed acquisition, by a person of a substantial interest in NWF. A declaration can be made whether or not the circumstances constitute a contravention of the Australian Corporations Act. If a declaration is made, the Australian Takeovers Panel may make a wide range of remedial orders.

As NWF is listed on ASX, it is subject to the ASX Listing Rules. The ASX Listing Rules govern the conduct of companies whose shares trade on that exchange with specific rules that relate to the term and conditions of securities that may be on issue, continuous and regular disclosure requirements, transactions with related parties, voting exclusions on certain resolutions and procedures to be applied to transactions that impact the nature and scale of NWF (including the need for prior shareholder approval).

There are key differences between NWF's Constitution and Stellar's Articles. For example, under English law directors may generally allot shares if authorised to do so by ordinary resolution of the company's members or by the articles of association. In addition, shareholders have pre-emption rights unless those rights are explicitly disapplied. This means that an issue for cash of equity securities or rights to subscribe for, or convert into, equity securities must be offered in the first instance to the existing equity shareholders in proportion to the respective nominal values of their holdings, unless a special resolution has been passed at a general meeting of shareholders to the contrary. However, NWF will not be subject to the requirements of the Companies Act 2006 to obtain authority from shareholders to allot new shares and to issue equity securities on a pre-emptive basis to existing holders of ordinary shares (unless otherwise approved by shareholders). Any future increase in NWF's share capital or granting of rights to subscribe for NWF Shares may be dilutive to NWF Shareholders as they do not have pre-emption rights under NWF's Constitution or Australian law (although shareholders are afforded certain protections against dilution pursuant to the ASX Listing Rules). A summary of the key differences is set out in Appendix I to this document.

Investments by foreign persons in Australian companies are regulated under the Australian Foreign Acquisitions and Takeovers Act and Australian Government Foreign Investment Policy. In general, a foreign person (including an Australian incorporated subsidiary of a foreign company) must apply to the Australian Federal Treasurer for approval before acquiring a shareholding of 20 per cent. or more (or 40 per cent. or more in aggregate with other foreign investors holding more than 5 per cent. of the company) in an Australian company valued at, or with total assets of, more than a legislated threshold. A foreign government (including any state-owned enterprise or sovereign wealth fund) and its related entities must obtain approval before making any "direct investment" in an Australian company. These rules apply to NWF. Further information about Australia's foreign investment laws and policy can be found at www.firb.gov.au.

The foregoing summary description of certain aspects of securities, takeovers and foreign investment legislation in Australia is a very limited and generalised summary description of only certain general aspects of the legislation that may be applicable in Australia concerning acquisitions of interests in NWF, is qualified in its entirety by reference to the full text of the legislation of Australia and should not in any circumstances be construed as legal advice. If you have any questions in respect of this summary description, you should consult your own Australian legal advisers.

14. Risks of holding New NWF Shares

On completion of the Combination, Scheme Shareholders will become shareholders in NWF. Like any diamond exploration company operating in Africa, NWF's business is exposed to a range of risks. While some of these risks can be mitigated by the use of safeguards, systems and controls, some of these risks are outside of the control of NWF. Some of these risks are also similar to those faced by Stellar, however, some do differ (especially given the different nature of NWF's existing assets and the jurisdictions in which they are located). Thus the value of your shareholding in NWF may be impacted by these risks. As a company listed on ASX, NWF is required to disclose all material information relating to its business. This information is publicly available on the ASX website www.asx.com.au. Stellar Shareholders are specifically referred to the risk factors impacting NWF and holding NWF Shares as set out in Part III of this document.

15. Settlement

Subject to the Scheme becoming Effective, settlement of the consideration to which any Scheme Shareholder is entitled thereunder will be effected within 14 days of the Scheme Effective Date in the manner set out below. Different arrangements may apply in respect of Stellar Options, Stellar Warrants and holders of DB Share Rights and Stellar CLNs, and holders of such rights will receive further correspondence in due course.

Except with the consent of the Panel, settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which NWF may otherwise be, or claim to be, entitled against such Scheme Shareholder.

Fractions of the New NWF Shares will not be allotted or issued pursuant to the Combination, but entitlements of Scheme Shareholders and holders of rights over Stellar Shares who accept the relevant offer will be rounded down to the nearest whole number of New NWF Shares.

Being Australian securities, the NWF Shares are not capable of being registered, transferred or settled directly through CREST, the UK electronic settlement system.

It is the intention that the New NWF Shares will be held in an issuer sponsored account. Stellar Shareholders who wish to trade their New NWF Shares will need to arrange with a broker to have those shares transferred to a CHESS account. If Stellar Shareholders cannot identify a broker in the UK who can trade NWF Shares, then NWF and its share registry will assist Stellar Shareholders who wish to trade their New NWF Shares by referring them to stockbrokers in Australia. Stellar Shareholders who would like NWF's assistance in this matter should contact the Company Secretary, Kim Hogg, at kim.hogg@anthonyho.com.au. However, Stellar Shareholders should note that NWF will only be effecting an introduction and that the Stellar Shareholder will need to make their own arrangement with such stockbrokers in relation to broking facilities and the costs of transactions.

Stellar Shareholders should also note that the ASX defines a 'marketable parcel of shares' as being a parcel of shares with a value of at least A\$500. Parcels of shares with a value of less than A\$500 are deemed to be uneconomic to trade due to the impact of transaction fees ("Less than Marketable Parcel"). Under ASX rules, companies on the ASX can provide a facility to their shareholders whereby holdings of less than A\$500 are aggregated and sold in the market with the cash returned to participating shareholders (the "Facility").

In the 3 months following completion of the Combination, Newfield intends to provide this Facility to holders of a Less than Marketable Parcel of NWF Shares. This Facility will enable holders of Less than Marketable Parcels to sell their shares without incurring any costs that could otherwise make a sale of their shares uneconomic. Holders of Less than Marketable Parcels will be provided with at least six weeks' notice of the Facility and will have the right to elect to retain their Less than Marketable Parcels should they so wish.

General

All documents and remittances sent to, from, by or on behalf of Stellar Shareholders will be sent entirely at their own risk.

All mandates relating to the payment of dividends and other instructions (or deemed instructions, including communication preference) given (or deemed given) to Stellar by Stellar Shareholders in force at the Scheme Effective Time relating to holdings of Stellar Shares will cease as from the Scheme Effective Date.

16. Action to be taken

Your attention is drawn to paragraph 17 in Part I of this document which explains the actions you should take in relation to the Scheme.

17. Further information

The terms of the Scheme are set out in full in Part V of this document. Your attention is also drawn to the further information contained in this document, including to the Risk Factors in Part III, the Conditions and certain further terms of the Combination in Part IV, the information on UK Taxation in Part VI and the additional information set out in Part VIII to this document.

Yours faithfully

Cairn Financial Advisers LLP

PART III

RISK FACTORS

An investment in New NWF Shares should be regarded as speculative. Activities in NWF, as in any business, are subject to risks which may impact on NWF's future performance. NWF has implemented appropriate strategies, actions, systems and safeguards for known risks, however some are outside its control.

The Stellar Directors and the NWF Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which prospective investors need to be aware of in evaluating NWF's business and the risks of investing in NWF. Prospective investors should carefully consider the following factors in addition to the other information presented in this document.

The principal risks include, but are not limited to, the following:

1. Risks specific to NWF

(a) Stellar resource risk

Inferred resource estimates have previously been declared for Stellar's Tongo-Tonguma Project.

NWF has not verified the historical resource estimates and cannot comment on the continuing reliability of these estimates. NWF therefore does not adopt or endorse these former estimates.

It is NWF's intention that, if the Scheme becomes Effective, it will undertake a thorough review of the work programs on which the estimates were based, as well as the key assumptions, mining and processing parameters and methods used to prepare these estimates. NWF will also review any more recent estimates or data relevant to the reported mineralisation, and undertake any further evaluation and/or exploration work that needs to be completed in order for NWF to report the estimates as mineral resources in accordance with the JORC Code 2012 and the ASX Listing Rules.

As NWF has not undertaken the above review and additional works, there is a risk that the historical resource estimates may not be reliable. Until such time as NWF has completed its review and validation of the resource estimates for the Tongo-Tonguma Project, NWF considers that these resource estimates ought not to be relied upon by investors in NWF.

(b) Resource estimates

NWF has previously announced an inferred mineral resource estimate for its Gboyeyiya Alluvial Project, which forms part of its Allotropes Project in Sierra Leone.

Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates that were valid when originally made may alter significantly when new information or techniques become available.

In addition, by their very nature, resource estimates are imprecise and depend on interpretations which may prove to be inaccurate, and whilst NWF employs industry-standard techniques including compliance with the JORC Code 2012 to reduce the resource estimation risk, there is no assurance that this approach will alter the risk. As further information becomes available through additional fieldwork and analysis, resource estimates may change. This may result in alterations to mining and development plans which may in turn adversely affect NWF.

(c) Risks associated with operating in Sierra Leone

NWF's main project, the Allotropes Project, lies within the West African country of Sierra Leone. Stellar's Tongo-Tonguma Project is also located in Sierra Leone.

NWF is therefore, and will continue to be, subject to the risks associated with operating in this region. Such risks can include economic, social or political instability or change, disease outbreak, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control,

exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local residents or contractors or require other benefits to be provided to local residents.

In addition, changes to exploration, mining or investment policies and legislation or a shift in political attitude in the jurisdiction in which the NWF operates may adversely affect the NWF's proposed operations and profitability. NWF must also be required by local authorities to invest in social projects for the benefit of the local community. Additional social expenditures in the future may have a negative impact on the NWF 's profitability.

(d) **Legal system in Sierra Leone**

The legal system operating in Sierra Leone may be less developed than more established countries, which may result in risk such as:

- (i) political difficulties in obtaining effective legal redress in the courts whether in respect of a breach of law or regulation, or in an ownership dispute;
- (ii) a higher degree of discretion on the part of governmental agencies;
- (iii) the lack of political or administrative guidance on implementing applicable rules and regulations;
- (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions; or
- (v) relative inexperience of the judiciary and court in such matter.

The commitment to local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to licences and agreements for business. These may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance joint ventures, licences, license applications or other legal arrangements will not be adversely affected by the actions of the government authorities or others and the effectiveness of and enforcement of such arrangements cannot be assured.

(e) **Control**

There is a risk that the NWF Rights Issue will have an effect on the control of NWF. In the unlikely event that no entitlements are taken up, and the Underwriter and Lead Sub-Underwriter are required to subscribe for 100 per cent. of the NWF Rights Issue, the Lead Sub-Underwriter's voting power in the Company will increase from 19.14 per cent. to 26.13 per cent.

NWF and the NWF Directors will comply with all applicable laws and the ASX Listing Rules in relation to any dealings between the Lead Sub-Underwriter and NWF, including obtaining any NWF Shareholder approvals for transactions between the Lead Sub-Underwriter and the Company, where required by applicable law or the ASX Listing Rules.

However, there is a risk that investors will discount NWF's Shares as a result of the level of control that may be acquired by the Lead Sub-Underwriter and the decreased likelihood of a third party making a takeover bid for the Company.

(f) **Title**

All of the permits or licences in which NWF has or may earn an interest will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the terms of each permit or licence is usually at the discretion of the relevant government authority.

Additionally, permits are subject to a number of government specific legislative conditions. The inability to meet these conditions could affect the standing of a permit or restrict its ability to be renewed.

If a permit or licence is not renewed or granted, NWF may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that permit.

(g) **Currency and commodity price volatility**

NWF's ability to proceed with the development of its projects and benefit from future mining operations will depend on market factors, some of which may be beyond its control.

The world market for minerals is subject to many variables and may fluctuate markedly. These variables include world demand for diamonds and other metals that may be mined commercially in the future from NWF's project areas, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on NWF's exploration, development and production activities, as well as on its ability to fund those activities. Metals are principally sold throughout the world in US dollars. NWF's cost base will be payable in various currencies including Australian dollars, and US dollars. As a result, any significant and/or sustained fluctuations in the exchange rate between the Australian dollar and the US dollar could have a materially adverse effect on NWF's operations, financial position (including revenue and profitability) and performance. NWF may undertake measures, where deemed necessary by the Board to mitigate such risks.

(h) **Future capital needs**

Further funding will be required by NWF to support its ongoing activities and operations. There can be no assurance that such funding will be available on satisfactory terms or at all.

NWF's ability to raise further capital within an acceptable time, of a sufficient amount and on terms acceptable to NWF will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, share market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to NWF on favourable terms (or at all). If adequate funds are not available on acceptable terms NWF may not be able to develop its projects and it may impact on NWF ability to continue as a going concern.

Any additional equity financing will dilute NWF Shareholders and debt financing, if available, may restrict NWF's financing and operating activities.

(i) **Reliance on key management**

NWF is reliant on a number of key personnel employed or engaged by the Company. Loss of such personnel may have a materially adverse impact on the performance of NWF.

The NWF Board is aware of the need to have sufficient management to properly supervise the exploration and (if successful) for the development of NWF's projects. The NWF Board adopts remuneration policies designed to ensure the attraction and retention of key personnel accordingly.

2. Mining Industry Risks

(a) **Exploration and development risks**

NWF is exposed to the risks inherent in exploration, development, mining and processing of gravels and/or ore containing diamonds. The key risks include: the grade and volumes of valuable constituent in an ore-body may not be what was originally estimated from the sampling, drilling, analysis and gravels/resource/reserve estimation; exploration for additional diamond bearing gravels/primary ore-bodies or extension of existing diamond bearing gravels/primary ore-bodies may not be successful or yield results which are either lower than expected or inconsistent with earlier data; applications for mining tenements may not be granted and/or mining title companies may not be incorporated; the feasibility study for the development of any proposed mines and processing facilities may provide results which mean that the development of a mine is either uneconomic in current market conditions or provides insufficient returns for the risks involved; the capital and operating costs may be different to that estimated from the design and feasibility study; the production rates of gravels/ore mined and processed may be different to that forecast in the original estimates, design and feasibility study; and the product specification may be different to that expected from sampling, test-work and analysis at the original estimate, design and feasibility stage. Also, because most of the Company's revenues and

profits are related to its minerals operations, its results and financial conditions are directly related to the success of its exploration, development and acquisition efforts and the ability to replace existing diamond resources or reserves.

(b) **Recovery**

There is the risk that existing diamond resources or new diamond bearing discoveries in which NWF invests may fail to realise their estimated potential recoverable grades from the diamond resources or reserves and/or meet required production rates.

(c) **Drilling and exploration programs**

There are operational risks associated with NWF's planned drilling and exploration programs. The planned surface sampling, drilling and exploration programs at NWF's mineral projects may be affected by a range of factors, including (but not limited to): geological and ground access conditions; unanticipated operational and technical difficulties encountered in sampling and drilling activities; adverse weather conditions, environmental accidents, and unexpected shortages or increases in the costs of consumables, spare parts, and labour; mechanical failure of operating plant and equipment; prevention of access by reason of political or civil unrest, outbreak of hostilities, outbreak of disease, inability to obtain regulatory consents or approvals; terms imposed by government on development of mining projects including conditions such as equity participation, royalty rates and taxes; and risks of default or non-performance by third parties providing essential services.

No assurance can be given that planned and future exploration will be successful or that a commercial mining operation will eventuate at any of NWF's mineral projects.

(d) **Environmental**

The operations and proposed activities of NWF are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, NWF's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is NWF's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Significant liabilities could be imposed on NWF for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

3. General Risks

(a) **Market conditions and other economic risks**

General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on NWF's operations and any future development activities, as well as on its ability to fund those activities.

The price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

Neither NWF nor the NWF Directors warrant the future performance of the Company or any return on an investment in NWF.

(b) **Unforeseen expenditure risk**

Expenditure may need to be incurred that has not been taken into account by NWF. Although NWF is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of NWF.

(c) **Litigation risk**

All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims

that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which NWF is or may become subject could have a material effect on its financial position, results of operations or NWF's activities.

(d) **Insurance**

NWF will, where possible and economically practicable, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by NWF outside the scope of the insurance cover.

4. Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in NWF.

The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of NWF and the value of the New NWF Shares. Stellar Shareholders should consider that the investment in NWF is high risk and should consult their professional adviser before deciding whether to vote in favour of the Scheme.

PART IV

CONDITIONS AND CERTAIN FURTHER TERMS OF THE COMBINATION

Part 1: Conditions of the Scheme and the Combination

1. The Scheme will be conditional upon the following having occurred prior to the Long Stop Date, or such later date as NWF and Stellar may, with the consent of the Takeover Panel, agree and (if required) the Court may allow:

- (a) the approval of the Scheme by a majority in number of the Scheme Shareholders on the register of Stellar at the Voting Record Time, entitled to vote and present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment, postponement or reconvention of such meeting) and such Court Meeting being held on or before 19 April 2018 (or such later date as NWF may, subject to the Takeover Code and/or with the consent of the Takeover Panel, agree and (if required) the Court may approve) and the votes cast at such meeting in favour of the Scheme representing 75 per cent. or more of the total votes cast at such meeting;
- (b) the resolutions as set out in the notice of the General Meeting in the Scheme Document, being duly passed by the requisite majority at the General Meeting (or at any adjournment, postponement or reconvention of that meeting) and not subsequently being revoked and such General Meeting being held on or before 19 April 2018 (or such later date as NWF may, subject to the Takeover Code and/or with the consent of the Takeover Panel, agree and (if required) the Court may approve);
- (c) the sanction of the Scheme (without modification or, if agreed by NWF, with modification) and a copy of the Court Order being delivered to Companies House and, if the Court so orders, the Court Order being registered by Companies House.

2. In addition, the Scheme will also be conditional upon the following Conditions, and, accordingly, the necessary actions to make the Scheme Effective, including the delivery of the copy of the Court Order to Companies House, will not be taken unless such following Conditions (as amended if appropriate) have been satisfied (and continue to be satisfied pending the commencement of the Scheme Court Hearing) or waived prior to the Scheme being sanctioned by the Court:

Confirmation of absence of adverse circumstances

- (a) except as Publicly Announced or fairly disclosed in Disclosed Information, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Stellar Group (as defined below) is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject, which in each case as a consequence of the Combination or because of a change in the control or management of Stellar, could or might reasonably be expected to result in (to an extent or in a manner which is material and adverse in the context of the Combination or would have a material and adverse effect on the Wider Stellar Group as a whole):
 - (i) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests or business of any member of the Wider Stellar Group thereunder, or interests or business of any such member in or with any other person, firm, company or body (or any arrangements to which any such member is a party relating to any such interests or business), being or becoming capable of being terminated, modified, amended, relinquished or adversely affected or any other obligation or liability arising or any action being taken or arising thereunder;
 - (ii) any asset owned or used by any member of the Wider Stellar Group, or any interest in such asset, being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Stellar Group or any right arising under which any such asset or interest could be required to be disposed of or charged or cease to be available to any member of the Wider Stellar Group;
 - (iii) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any member of the Wider Stellar Group or any such mortgage, charge or other security (whenever created, arising or having arisen) becoming enforceable or being capable of being enforced;
 - (iv) the value of any member of the Wider Stellar Group or its financial or trading position or prospects being prejudiced or adversely affected;

- (v) any member of the Wider Stellar Group ceasing to be able to carry on business under any name which it at present uses;
- (vi) the creation or acceleration of any liability (actual or contingent) by any member of the Wider Stellar Group;
- (vii) except as agreed by NWF and Stellar, any liability of any member of the Wider Stellar Group to make any severance, termination, bonus or other payment to any of its directors or other officers;
- (viii) any requirement on any member of the Wider Stellar Group to acquire, subscribe, pay up or repay any shares or other securities; or
- (ix) any monies borrowed by or any other indebtedness (actual or contingent) of, or any grant available to any member of the Wider Stellar Group, being or becoming repayable or capable of being declared repayable immediately or prior to its or their stated maturity date or repayment date, or the ability of such member of the Wider Stellar Group to borrow monies or incur any indebtedness becoming or being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Stellar Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, could reasonably be expected to result in any of the events or circumstances as are referred to in subparagraphs (i) to (ix) of this Condition;

Other third party clearances

- (b) no government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, antitrust regulator, central bank, court or any other body or person whatsoever in any relevant jurisdiction (each a “**Third Party**”) having decided to take, institute, implement, threaten or withdraw any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps, and there not continuing to be outstanding any statute, regulation or order of any Third Party, in each case which would or might reasonably be expected to (to an extent or in a manner which is material and adverse in the context of the Combination):
 - (i) require, prevent or delay the divestiture, or materially alter the terms of any proposed divestiture by any member of the Wider NWF Group (as defined below) or by Stellar or any other member of the Wider Stellar Group of all or any portion of their respective businesses, assets or properties or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own, control or manage any of their respective assets or properties or any part thereof;
 - (ii) require, prevent or delay the divestiture by any member of the Wider NWF Group of any shares or other securities in Stellar;
 - (iii) impose any limitation on, or result in a delay in, the ability of any member of the Wider NWF Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Stellar Group or the Wider NWF Group or to exercise voting or management control over any such member;
 - (iv) otherwise materially adversely affect any or all of the business, assets, liabilities, financial or trading position, profits, operational performance or prospects of any member of the Wider NWF Group or of any member of the Wider Stellar Group;
 - (v) make the Combination or its implementation by NWF or any member of the Wider NWF Group of any shares or other securities in, or control or management of, Stellar void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, prevent, delay, impede or otherwise interfere with the implementation thereof, or require material amendment or impose additional material conditions or obligations with respect thereto, or otherwise challenge, or interfere with the Combination or its implementation by NWF or any member of the Wider NWF Group of any shares or other securities in, or control or management of, Stellar;
 - (vi) other than pursuant to the implementation of the Combination, require any member of the Wider NWF Group or the Wider Stellar Group to acquire, or to offer to acquire, any shares or other

- securities (or the equivalent) or interest in any member of the Wider Stellar Group owned by any Third Party;
- (vii) impose any material limitation on the ability of any member of the Wider NWF Group or the Wider Stellar Group to conduct its business or integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider NWF Group or the Wider Stellar Group;
 - (viii) require any member of the Wider Stellar Group to relinquish, terminate or amend in any way any contract to which any member of the Wider Stellar Group is a party; or
 - (ix) result in any member of the Wider NWF Group or the Wider Stellar Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Combination of any shares or other securities in, or control or management of, Stellar having expired, lapsed or been terminated;

- (c) all notifications, notices, filings or applications in connection with the Combination or any aspect of the Combination or its financing that are necessary and which are the responsibility of the Stellar Group having been made and all authorisations, orders, grants, consents, clearances, licences, confirmations, permissions and approvals which are necessary (Authorisations), in any jurisdiction, for and in respect of the Combination or any aspect of the Combination or its financing, or the acquisition or proposed acquisition by any member of the Wider NWF Group of any shares or other securities in, or control or management of, Stellar by any member of the Wider NWF Group and which are the responsibility of the Stellar Group having been obtained in terms and in a form reasonably satisfactory to NWF from all appropriate Third Parties and persons or bodies with whom any member of the Wider Stellar Group has entered into contractual arrangements, and all such Authorisations together with all authorisations, orders, grants, consents, clearances, licences, confirmations, permissions and approvals necessary or appropriate for any member of the Wider NWF Group to carry on its business (the Business Authorisations) remaining in full force and effect (where the absence of such Authorisations or Business Authorisations would be material and adverse in the context of the Combination) and all filings necessary for such purpose which are the responsibility of the Stellar Group have been made and there being no notice or intimation of any intention to revoke, suspend, restrict, materially adversely modify or not to renew any of the same at the time at which the Combination becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with by the Stellar Group;

No material transactions, claims or changes in the conduct of the Stellar Group

- (d) since 30 June 2017 and except as Publicly Announced or fairly disclosed in Disclosed Information, no member of the Wider Stellar Group having:
 - (i) save as between Stellar and wholly-owned subsidiaries of Stellar or for Stellar Shares required to be issued or transferred out of treasury pursuant to the award of Stellar Shares in the ordinary course under the Stellar Share Schemes, issued, agreed to issue, authorised or proposed the issue of additional shares of any class, or of securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or redeemed, purchased or repaid any of its own shares or other securities or reduced or made any other change to any part of its share capital other than pursuant to the implementation of the Combination;
 - (ii) other than to another member of the Stellar Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;
 - (iii) save for transactions between members of the Stellar Group or pursuant to the Combination, merged with or demerged from any body corporate or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any asset (including shares or loan capital (or the equivalent thereof) in any undertaking or undertakings and further including trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition, disposal, transfer, mortgage, charge

- or security interest (which, in the case of any transfer, mortgage, charge or security interest, is other than in the ordinary course of business);
- (iv) save for transactions between members of the Stellar Group, made or authorised or proposed or announced an intention to propose any change in its loan capital;
 - (v) issued, authorised, proposed the issue of or made any change in or to the terms of any debentures or (save for trade credit incurred in the ordinary course of business or for transactions between members of the Stellar Group) incurred or increased any indebtedness or become or agreed to become subject to any liability (actual or contingent);
 - (vi) implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in respect of the Combination or in the ordinary course of business;
 - (vii) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or could be materially restrictive on the businesses of any member of the Wider Stellar Group or the Wider NWF Group (other than in the ordinary course of business) and which is material in the context of the Wider Stellar Group taken as a whole;
 - (viii) other than in respect of a member which is dormant and was solvent at the relevant time, taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntary or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed;
 - (ix) been unable or admitted in writing that it is unable to pay its debts as they fall due or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness;
 - (x) waived or compromised any material claim otherwise than in the ordinary course of business;
 - (xi) in respect of Stellar and wholly-owned subsidiaries of Stellar, made any material alteration to its memorandum or articles of association or other incorporation documents (in each case, other than an alteration in connection with the Scheme);
 - (xii) proposed, agreed to provide or modified the terms of any employee share scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Stellar Group or entered into or changed the terms of any contract with any director or senior executive;
 - (xiii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities;
 - (xiv) taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Takeover Panel or the approval of Stellar Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or
 - (xv) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;

No material adverse change

- (e) since 30 June 2017 and save as Publicly Announced or fairly disclosed in Disclosed Information:
 - (i) no material adverse change or deterioration having occurred (or circumstances having arisen which would or might be expected to result in any adverse change or deterioration) in the business, assets, liabilities, financial or trading position or profits, operational performance or prospects of any member of the Wider Stellar Group;

- (ii) no agreement or arrangement between any member of the Wider Stellar Group and any other person has been terminated or varied in a manner which would or might reasonably be expected to have a material adverse effect on the financial position of the Wider Stellar Group taken as a whole;
 - (iii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Stellar Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider Stellar Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider Stellar Group;
 - (iv) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened in writing, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider Stellar Group;
 - (v) no contingent or other material liability in respect of any member of the Wider Stellar Group having arisen or become apparent or increased that might reasonably be likely to adversely affect any member of the Wider Stellar Group that is material in the context of the Wider Stellar Group taken as a whole;
 - (vi) no amendment or termination of any joint venture or partnership to which any member of the Wider Stellar Group is a party having been agreed or permitted; and
 - (vii) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Stellar Group which is necessary for the proper carrying on of its business, in each case, to an extent or in a manner which is material in the context of the Combination and has had, or would or might reasonably be expected to have, a material and adverse effect on the Wider Stellar Group, taken as a whole;
- (f) except as Publicly Announced or fairly disclosed in Disclosed Information, NWF not having discovered:
- (i) that any financial, business or other information concerning the Wider Stellar Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Stellar Group, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make that information not misleading;
 - (ii) that any member of the Wider Stellar Group is subject to any liability (actual or contingent) which is not disclosed in Stellar's annual report for the financial year ended 30 June 2017 or the interim report for the six months ended 31 December 2017;
 - (iii) that any member of the Wider Stellar Group, partnership, company or other entity in which any member of the Wider Stellar Group has a significant economic interest and which is not a subsidiary undertaking of Stellar is subject to any liability (contingent or otherwise) which is not disclosed in Stellar's 2017 Annual Report; or
 - (iv) any information which affects the import of any information disclosed in writing at any time by or on behalf of any member of the Wider Stellar Group to any member of the Wider NWF Group or its advisers,

in each case to an extent or in a manner which is material in the context of the Combination or material in the context of the Wider Stellar Group, taken as a whole;

Other issues

- (g) except as Publicly Announced or fairly disclosed in Disclosed Information, NWF not having discovered that:
- (i) any past or present member of the Wider Stellar Group has failed to comply with any or all applicable legislation or regulation, of any jurisdiction, with regard to the disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters and which non-compliance would likely give rise to any liability (actual or contingent), or that there has otherwise been any such disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which disposal, spillage,

release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) on the part of any member of the Wider Stellar Group which, in each case, is material in the context of the Wider Stellar Group, taken as a whole;

- (ii) there is, or is likely to be, any liability (actual or contingent) of any past or present member of the Wider Stellar Group to make good, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Stellar Group, under any environmental legislation, regulation, notice, circular or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto which, in each case, is material in the context of the Wider Stellar Group, taken as a whole;
- (iii) there are adequate procedures in place to prevent persons associated with the Wider Stellar Group from engaging in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, as amended or any other applicable anti-corruption legislation and NWF not having discovered a contravention by any past or present member of the Wider Stellar Group or any persons associated with, or performing services on behalf of, the Wider Stellar Group, of such legislation; and
- (iv) any past or present member of the Wider Stellar Group has not complied with the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and any laws implementing the same, the UK Bribery Act 2010 and the US Foreign Corrupt Practices Act of 1977; or
- (v) there is, or is likely to be or expected to be, or there has been, any:
 - (a) claim brought against any member of the Wider Stellar Group by a person or class of persons in respect of;
 - (b) circumstances that exist whereby a person or class of persons would be likely to have a claim in respect of; or
 - (c) liability (actual or contingent) of any member of the Wider Stellar Group as a result of or relating to,

any material, chemical, product or process of manufacture or materials now or previously held, used, sold, manufactured, carried out or under development, exploration or research by any past or present member of the Wider Stellar Group where such claim or liability is or could reasonably be expected to be material in the context of the Wider Stellar Group, taken as a whole; and

- (h) any past or present member of the Wider Stellar Group has engaged in any business with or made any investments in, or made any payments to, (a) any government, entity or individual with which US or European Union persons are prohibited from engaging in activities or doing business by US or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or (b) any government, entity or individual targeted by any of the economic sanctions of the United Nations or the European Union or any of their respective member states.

3. For the purposes of these Conditions:

- (a) A Third Party shall be regarded as having intervened if it has decided or intimated a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided and intervene shall be construed accordingly;
- (b) Publicly Announced means disclosed in (i) Stellar's 2017 Annual Report or its interim report to 31 December 2017, or (ii) publicly announced (by delivery of an announcement to a Regulatory Information Service) by or on behalf of Stellar on or before the date of this document;
- (c) Substantial interest means a direct or indirect interest in 20 per cent. or more of the voting or equity capital or the equivalent of an undertaking;

- (d) Disclosed Information means (i) the Announcement, (ii) information which is Publicly Announced; (iii) the information disclosed in the annual report and accounts of Stellar for the financial year ended 30 June 2017 and the interim report for the 6 months ended 31 December 2017; and (iv) any information which has been fairly disclosed to NWF on or before the date of this document;
- (e) Wider NWF Group means NWF and its subsidiary undertakings, associated undertakings and any other undertakings in which NWF and such undertakings (aggregating their interests) have a substantial interest, excluding the Stellar Group; and
- (f) Wider Stellar Group means Stellar and its subsidiary undertakings, associated undertakings and any other undertakings in which Stellar and such undertakings (aggregating their interests) have a substantial interest.

Part 2. Certain further terms of the Combination

1. NWF reserves the right, subject to the prior consent of the Panel, to elect to implement the acquisition of the Stellar Shares by way of a takeover offer (as such term is defined in section 974 of the Companies Act). In such event, such Combination will be implemented on the same terms (subject to appropriate amendments as described in this Appendix I), so far as applicable, as those which would apply to the Scheme. Furthermore, if such an offer is made and sufficient acceptances are received, when aggregated with Stellar Shares otherwise acquired by NWF, it is the intention of NWF to apply the provisions of section 979 of the Companies Act to acquire compulsorily any outstanding Stellar Shares to which such offer relates.
2. If NWF is required by the Panel to make an offer for Stellar Shares under the provisions of Rule 9 of the Code, NWF may make such alterations to any of the above conditions as are necessary to comply with the provisions of that Rule.
3. The Scheme and any dispute or claim arising out of, or in connection with it, (whether contractual or non-contractual in nature) will be governed by English law and will be subject to the jurisdiction of the Courts of England. The Combination will comply with the applicable rules and regulations of the London Stock Exchange and the Takeover Code.
4. The terms of the Scheme will provide that the Scheme Shares will be acquired under the Scheme fully paid and free from all liens, charges and encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching thereto, including the right to receive and retain all dividends and other distributions declared, paid or made after the date on which the Scheme becomes Effective. If any dividend or other distribution or return of capital is proposed, declared, made, paid or becomes payable by Stellar in respect of a Scheme Share on or after the date of this Announcement and prior to the Scheme becoming Effective, NWF reserves the right to reduce the number of New NWF Shares to be issued as consideration by up to the amount per Scheme Share of such dividend, distribution or return of capital except where the Scheme Share is or will be acquired pursuant to the Scheme on a basis which entitles NWF to receive the dividend, distribution or return of capital and to retain it. For these purposes a New NWF Share will be valued at A\$0.29 (being the NWF Closing Price on the last Trading Date prior to the Announcement). If NWF exercises such right to reduce the value of the consideration payable for each Scheme Share by the amount per Scheme Share of any dividend that has not been paid, the Scheme Shareholders shall be entitled to receive and retain such dividend when paid.
5. If any such dividend or distribution is paid or made after the date of this document and NWF exercises its rights described above, any reference in this document to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. Any exercise by NWF of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.
6. The New NWF Shares to be issued under the Scheme will be issued credited as fully paid and will rank *pari passu* with all other NWF Shares, including the right to receive in full all dividends and other distributions, if any, declared, made or paid after the date hereof.
7. Fractions of the New NWF Shares will not be allotted or issued pursuant to the Combination, but entitlements of Scheme Shareholders will be rounded down to the nearest whole number of New NWF Shares.

8. Under Rule 13.5 and Rule 13.6 of the Code, neither NWF nor Stellar may not invoke a condition to the Combination so as to cause the Combination not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to NWF or Stellar Shareholders respectively in the context of the Combination. The determination of whether or not such a condition can be invoked would be determined by the Panel.

9. The New NWF Shares to be issued pursuant to the Combination have not been, and will not be, registered under the US Securities Act or under any laws of any state, district or other jurisdiction, of the United States. Accordingly, unless an exemption under relevant securities laws is available, the New NWF Shares are not being, and may not be, offered, sold, resold, delivered or distributed, directly or indirectly, in, into or from the United States or to, or for the account or benefit of, any US Person. The Combination does not constitute an offer of New NWF Shares in the United States. Neither the SEC nor any US state securities commission has approved or disapproved of the New NWF Shares, or determined if this Announcement is accurate or complete. Any representation to the contrary is a criminal offence.

10. Scheme Shareholders who are or will be "affiliates" (as such term is defined in Rule 144 under the Securities Act) of NWF after the Effective Date, will be subject by reason of the US securities laws to certain transfer restrictions relating to New NWF Shares received pursuant to the Scheme. Under US securities laws, a Scheme Shareholder who is deemed to be an affiliate of NWF after completion of the Scheme, may not resell New NWF Shares received pursuant to the Scheme without registration under the Securities Act, except (i) pursuant to the applicable resale provisions of Rule 144 promulgated under the Securities Act, (ii) pursuant to another applicable exemption from the registration requirements of the Securities Act or (iii) in a transaction not subject to such registration requirements.

11. The availability of the consideration pursuant to the Combination to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirement.

12. Each of the Conditions will be regarded as a separate condition and will not be limited by reference to any other Condition.

PART V
THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

COMPANIES COURT (ChD)

No. CR-2018-000978

IN THE MATTER OF STELLAR DIAMONDS PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

BETWEEN

STELLAR DIAMONDS PLC

and

THE HOLDERS OF SCHEME SHARES
(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

Announcement	the announcement dated 12 March 2018 made in connection with the Combination in accordance with Rule 2.7 of the Code
Business Day	a day (other than a Saturday or Sunday) on which banks are open for general business in London
certificated or in certificated form	a share or other security which is not in uncertificated form (that is, not in CREST)
CHESSE	the Clearing House Electronic Subregister System operated by ASX Settlement Pty Limited, which provides for the electronic transfer, settlement and registration of securities on the Australian Securities Exchange
Code	the City Code on Takeovers and Mergers
Combination	the direct or indirect acquisition of the entire issued and to be issued share capital of Stellar by NWF to be implemented by way of the Scheme or (should NWF so elect, subject to the consent of the Panel (where necessary)) by way of a Contractual Offer
Companies Act	the Companies Act 2006, as amended, modified, consolidated, re-enacted or replaced from time to time
Company or Stellar	Stellar Diamonds plc with registered office at 4th Floor, 29-30 Cornhill, London EC3V 3NF and registered in England and Wales with company number 04822520
Contractual Offer	a takeover offer as defined in Section 974 of the Companies Act
Court	the High Court of Justice in England and Wales
Court Meeting	the meeting of the Scheme Shareholders convened by order of the Court pursuant to Section 896 of the Companies Act to consider and, if thought fit, approve (with or without modification) the Scheme, notice of which is set out in Part X to the Scheme Document, including any adjournment thereof
CREST	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the Regulations
directors	the directors of the Company and any one of them as the context may require
Encumbrances	all mortgages, pledges, liens, charges, options, encumbrances, equitable rights, rights of pre-emption, assignments, hypothecations or any other third party rights of any nature whatsoever
Euroclear	Euroclear UK & Ireland Limited, a limited company incorporated in England and Wales with registered number 02878738
holder	a registered holder and any person(s) entitled by transmission
members	members of Stellar on the register of members at any relevant date

New NWF Shares	the new ordinary shares in NWF, to be allotted pursuant to the Scheme
NWF	Newfield Resources Limited
NWF Group	NWF and its subsidiaries
NWF Shares	the ordinary shares in the capital of NWF
Overseas Shareholders	Stellar Shareholders who are resident in, ordinarily resident in, located in, or citizens or nationals of, jurisdictions outside the United Kingdom
Panel or Takeover Panel	the Panel on Takeovers and Mergers
Registrar of Companies	the Registrar of Companies in England and Wales
Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended)
Restricted Jurisdiction	any jurisdiction where the relevant action would constitute a violation of the relevant laws and regulations of such jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which NWF or Stellar regards as unduly onerous
Restricted Overseas Person	Overseas Shareholders who are resident in any Restricted Jurisdiction
Scheme	this scheme of arrangement under Part 26 of the Companies Act between the Company and the Scheme Shareholders in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by the Company and NWF
Scheme Court Hearing	the hearing by the Court at which the Scheme Court Order is made
Scheme Court Order	the order of the Court to sanction the Scheme under Part 26 of the Companies Act
Scheme Document	the document dated 26 March 2018 sent by the Company to Scheme Shareholders comprising the particulars required by Part 26 of the Companies Act, of which the Scheme forms part, and the notice convening the Court Meeting and the General Meeting
Scheme Effective Date	the date on which this Scheme becomes effective in accordance with its terms and “ Scheme Effective Time ” means the time on such date at which the Scheme becomes effective
Scheme Record Time	6.00 p.m. on the Business Day following the day on which the Scheme Court Hearing is held
Scheme Shareholders	registered holders of Scheme Shares
Scheme Shares	the Stellar Shares: <ul style="list-style-type: none"> (i) in issue at the date of the Scheme Document and which remain in issue at the Scheme Record Time (ii) (if any) issued after the date of the Scheme Document but before the Voting Record Time and which remain in issue at the Scheme Record Time; and

- (iii) (if any) issued at or after the Voting Record Time and before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent holders thereof are, or have agreed in writing to be, bound by the Scheme and, in each case, which remain in issue at the Scheme Record Time

excluding, in any case, any Stellar Shares held by or on behalf of NWF or the NWF Group at the Scheme Record Time

Securities Act	the US Securities Act of 1933, as amended
Stellar Group	Stellar and its subsidiary undertakings
Stellar Shares	ordinary shares of 1 penny each in the capital of the Company
Stellar Shareholders	holders of Stellar Shares
subsidiary and subsidiary undertaking	have the meanings given in Section 1162 of the Companies Act
uncertificated or in uncertificated form	recorded on the relevant register as being held in uncertificated form in CREST and title to which may be transferred by means of CREST
Voting Record Time	6.00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two Business Days before the date fixed for the adjourned meeting

- (B) The issued share capital of the Company as at the close of business on 23 March 2018 (being the latest practicable date prior to the publication of the Scheme Document) was £620,077.48 divided into 62,007,748 ordinary shares of 1 penny each, all of which have been issued and are fully paid or credited as fully paid.
- (C) The purpose of this Scheme is to provide for transfer of the Scheme Shares to persons in consideration for the allotment of New NWF Shares to the holders of the Scheme Shares.
- (D) NWF was incorporated in Australia, on 14 September 2011, as "QVB Pty Ltd". On 20 January 2012 NWF converted to a public company and changed its name to "Newfield Resources Limited". The issued and outstanding share capital of NWF as at the close of business on 23 March 2018 (being the latest practicable date prior to the publication of the Scheme Document) was 566,815,003 ordinary shares. NWF also has 6,000,000 unquoted options on issue, each exercisable at A\$0.50 each and expiring on 30 December 2020.
- (E) NWF has agreed to appear by Counsel at the Scheme Court Hearing to sanction this Scheme and to consent thereto and to undertake to the Court to be bound thereby and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to this Scheme.

THE SCHEME

1. TRANSFER OF SCHEME SHARES

- 1.1 On the Scheme Effective Date, NWF (and/or its nominee(s)) shall acquire all of the Scheme Shares, fully paid-up with full title guarantee, and free from all Encumbrances and other interests, and together with all rights at the Scheme Effective Date or thereafter attached thereto, including the right to receive and retain all dividends and other distributions declared, paid or made thereon (if any).
- 1.2 For such purposes, the Scheme Shares shall be transferred to NWF (and/or its nominee(s)) and to give effect to such transfers any person may be appointed by NWF as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant Scheme Shareholder to execute and deliver as transferor a form of transfer or other instrument or instructions of the transfer, or procure the transfer by means of CREST, of any Scheme Shares and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred.
- 1.3 Pending the transfer of the Scheme Shares pursuant to clauses 1.1 and 1.2 of this Scheme each Scheme Shareholder irrevocably:
 - 1.3.1 appoints NWF (or its nominee(s)) as its attorney and agent to exercise any voting rights attached to the Scheme Shares and any or all rights and privileges attaching to the Scheme Shares;
 - 1.3.2 appoints NWF (or its nominee(s)) as its attorney and agent to sign any consent to short notice of any general or separate class meeting of Stellar and on their behalf to execute a form of proxy in respect of such Scheme Shares appointing any person nominated by NWF to attend general and separate class meetings of Stellar; and
 - 1.3.3 authorises Stellar to send to NWF any notice, circular, warrant or other document or communication which Stellar sends to its shareholders or any class thereof.

2. CONSIDERATION FOR THE TRANSFER OF SCHEME SHARES

- 2.1 In consideration for the transfer of the Scheme Shares to NWF (and/or its nominee(s)) as provided in clauses 1.1 and 1.2 of this Scheme, NWF shall, subject to as hereinafter provided in respect of the New NWF Shares, issue on the Scheme Effective Date, to or for the account of each Scheme Shareholder whose name appears in the register of members of Stellar at the Scheme Record Time:

for every Stellar Share 0.7622 of a New NWF Share

- 2.2 Fractions of New NWF Shares will not be allotted to Scheme Shareholders. Fractional entitlements to New NWF Shares will be rounded down to the nearest whole number of New NWF Shares.
- 2.3 If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable by Stellar in respect of a Scheme Share on or after the date of the Scheme Document and prior to the Scheme becoming effective NWF reserves the right to reduce the number of New NWF Shares to be issued as consideration by up to the amount per Scheme Share of such dividend, distribution or return of capital except where the Scheme Share is or will be acquired pursuant to the Scheme on a basis which entitles NWF to receive the dividend, distribution or return of capital and to retain it. For these purposes a New NWF Share will be valued at A\$0.29. If NWF exercises such right to reduce the value of the consideration payable for each Scheme Share by the amount per Scheme Share of any dividend that has not been paid, the Scheme Shareholders shall be entitled to receive and retain such dividend when paid.
- 2.4 If any such dividend or distribution is paid or made after the date of the Scheme Document and NWF exercises its rights described above, any reference in this document to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. Any exercise by NWF of its rights referred to in clause 2.3 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.

- 2.5 The New NWF Shares shall be issued, free from Encumbrances credited as fully paid, and shall rank in full for all dividends, distributions and other entitlements declared, made or paid by NWF by reference to a record date on or after the Scheme Effective Date and otherwise *pari passu* with all other fully paid NWF Shares in issue at the Scheme Effective Date.

3. SETTLEMENT

- 3.1 As soon as practicable (and in any event not later than 14 days) after the Scheme Effective Date, NWF shall make all such allotments of and shall issue such New NWF Shares as are required to be issued by it to give effect to this Scheme to the persons respectively entitled thereto, such consideration to be settled as set out in this clause 3 but subject to clause 5 of this Scheme.
- 3.2 Subject to paragraph 5 below, settlement of the consideration shall be effected as follows as soon as practicable (and in any event not later than 14 days) after the Scheme Effective Date in the case of all holders of Scheme Shares which at the Scheme Record Time are in certificated form or uncertificated form, NWF shall allot and issue, credited as fully paid up, to such Scheme Shareholder directly the New NWF Shares to which such Scheme Shareholder is entitled under the Scheme and register such Scheme Shareholder as the holder of such New NWF Shares on the uncertificated issuer sponsored sub-register of NWF Shares operated by NWF and NWF shall procure that an issuer sponsored holding statement is sent to the relevant Scheme Shareholder within 14 days of the Scheme Effective Date.
- 3.3 All deliveries of holding statements, statements of entitlement and confirmation advices required to be made pursuant to this Scheme shall be effected by sending the same by first class post (or international standard (formerly airmail) post, if overseas) in pre-paid envelopes addressed to the persons entitled thereto at their respective registered addresses as appearing in the register of members of the Company at the Scheme Record Time (or in the case of any joint holders, at the address of the joint holder whose name stands first in the register of members of the Company in respect of such joint holding) and neither NWF nor the Company or their respective agents or nominees shall be responsible for any loss or delay in the transmission of any cheques sent in accordance with this sub-clause 3.3, which shall be sent at the risk of the person or persons entitled thereto.
- 3.4 The preceding paragraphs of this clause 3 shall take effect subject to any prohibition or condition imposed by law.

4. CERTIFICATES AND CANCELLATIONS

- 4.1 With effect from and including the Scheme Record Time:
- 4.1.1 all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every holder of the Scheme Shares shall be bound at the request of the Company to deliver up the share certificate to the Company or, as it may direct, to destroy the same; and
- 4.1.2 each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.
- 4.2 On or as soon as reasonably practicable after the Scheme Effective Date and subject to the completion of such transfers, forms, instruments or instructions as may be required in accordance with clause 4.1 and the payment of any stamp duty thereon, appropriate entries will be made in the register of members of the Company to reflect the transfer of the Scheme Shares to NWF. Any such transfer, form, instrument or instruction which is in writing and which constitutes an instrument of transfer shall be deemed to be the principal instrument.

5. OVERSEAS SHAREHOLDERS

- 5.1 Without prejudice to the generality of the foregoing, if, in respect of any Scheme Shareholders with a registered address in a jurisdiction outside the United Kingdom, or whom NWF or the Company reasonably believe to be a citizen, national or resident of a jurisdiction outside the United Kingdom, NWF is advised that the allotment and/or issue of New NWF Shares would or may infringe the laws of such jurisdiction or would or may require NWF or the Company to comply with any governmental or other consent or any registration, filing or formality with which NWF or the Company, in their opinion, is unable to comply or ensure compliance with or which NWF or the Company regards as unduly onerous, NWF may, in its sole discretion, either:

- 5.1.1 determine that the relevant New NWF Shares shall be sold, in which event the New NWF Shares shall be issued for the account of such Scheme Shareholder and NWF shall appoint a person to be authorised on behalf of such Scheme Shareholder to procure that any New NWF Shares in respect of which NWF or the Company have made such determination shall, as soon as practicable following the Scheme Effective Date, be sold; or
- 5.1.2 determine that such New NWF Shares shall not be issued for the account of such Scheme Shareholder but shall instead be issued to a nominee for such Scheme Shareholder appointed by NWF on terms that the nominee shall, as soon as practicable following the Scheme Effective Date, sell the New NWF Shares so issued.
- 5.2 Any sale under clause 5.1 shall be carried out at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions incurred in connection with such sale, including any tax payable on the proceeds of sale) shall be paid to such Scheme Shareholder by sending a cheque or creating an assured payment obligation in accordance with the provisions of clause 3.
- 5.3 To give effect to any sale under clause 5.1, the person appointed by NWF in accordance with clause 5.1.1 shall be authorised as attorney and agent on behalf of the Scheme Shareholder concerned, and the nominee appointed by NWF in accordance with clause 5.1.2 shall be authorised, to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer and to give such instructions and to do all other things which he may consider necessary or expedient in connection with such sale. In the absence of bad faith or wilful default, neither NWF nor the Company or their respective directors, officers, advisers or agents or the person or nominee so appointed shall have any liability for any loss or damage arising as a result of the timing or terms of such sale.

6. DIVIDEND MANDATES

All mandates relating to the payment of dividends on Scheme Shares and other instructions (or deemed instructions, including communication preference) given (or deemed given) in Stellar in relation to notices and other communications by Scheme Shareholders which are in force at the Scheme Effective Date relating to holdings of Stellar Shares shall cease as from the Scheme Effective Date.

7. THE EFFECTIVE TIME

- 7.1 This Scheme shall become effective in accordance with its terms as soon as a copy of the Scheme Court Order shall have been delivered to the Registrar of Companies for registration.
- 7.2 Unless this Scheme shall become effective on or before the close of business on 31 May 2018 (London time) or such later date, if any, as NWF and the Company may agree and the Court and the Panel may allow, this Scheme shall never become effective.

8. MODIFICATION

- 8.1 NWF and the Company may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition may require the consent of the Panel.
- 8.2 Nothing in this Scheme shall prevent the NWF Constitution from being altered from time to time in any manner permitted by law.

9. GOVERNING LAW

This Scheme is governed by the laws of England and Wales and is subject to the jurisdiction of the English courts. The rules of the Code will apply to this Scheme.

Dated: 26 March 2018

PART VI

UNITED KINGDOM TAXATION

1. Background

- 1.1. Any person who is in any doubt as to his or her tax position, or who is subject to taxation in any jurisdiction other than that of the UK, should consult his or her professional advisers.
- 1.2. The comments set out below refer to certain limited aspects of the United Kingdom taxation treatment of Scheme Shareholders resident in the United Kingdom and do not purport to be either (i) a complete analysis of all tax considerations relating to the Scheme and their holding of New NWF Shares or (ii) an analysis of the tax position of Steller or NWF. The following statements do not constitute tax advice and are intended only as a general guide to current UK tax law and published practice of HMRC, both of which are subject to change at any time, possibly with retrospective effect.
- 1.3. The comments are intended as a general guide and apply only to Scheme Shareholders who are resident for tax purposes in the UK, who hold their Scheme Shares and will hold their New NWF Shares as an investment and who are the absolute beneficial owners of their Scheme Shares and will be the absolute beneficial owners of their New NWF Shares (other than under a Self Invested Personal Pension or through an Individual Savings Account). These comments may not apply to certain classes of Scheme Shareholders who are subject to different tax rules, such as charities, dealers in securities, persons holding or acquiring shares in the course of a trade, persons who have or could be treated for tax purposes as having acquired their Scheme Shares or New NWF Shares by reason of their employment, collective investment schemes, persons subject to UK tax on the remittance basis and insurance companies. Scheme Shareholders are encouraged to consult an appropriate independent professional tax advisor in respect of their personal tax position.

2. Taxation of Chargeable Gains

The Scheme

The Scheme Shareholders will receive New NWF Shares as consideration for the transfer of their Scheme Shares.

New NWF Shares

- 2.1. Subject to the comments made below, the receipt of New NWF Shares by Scheme Shareholders pursuant to the Scheme should be treated as an exchange of securities for the purposes of section 135 of the Taxation of Chargeable Gains Act 1992 (“TCGA”). This means that the Scheme Shareholders should not be treated as disposing of the proportion of their Scheme Shares which are exchanged for New NWF Shares and, instead, the New NWF Shares received by them should be treated for UK tax purposes as the same asset, acquired at the same time as the Scheme Shares in respect of which they are issued as consideration.
- 2.2. In the case of Scheme Shareholders who alone, or together with persons connected with them, hold 5 per cent. or more of the Scheme Shares, such “rollover” treatment will only apply if the provisions of section 137(1) of the TCGA do not prevent it (exchange must be for *bona fide* commercial purposes and not part of a scheme for the avoidance of UK tax). No clearance has been sought from HMRC confirming that section 137(1) TCGA should not prevent the rollover treatment. If the Scheme is not treated as an exchange of securities, UK resident Scheme Shareholders who alone, or together with persons connected with them, hold 5 per cent. or more of the Scheme Shares would be treated for the purposes of taxation on chargeable gains as having disposed of their holding of Scheme Shares in consideration of the issue to them of the New NWF Shares pursuant to the Scheme.

Future disposals

- 2.3. A disposal or deemed disposal of New NWF Shares by a Scheme Shareholder, who is (at any time in the relevant tax year in the UK) resident in the UK for tax purposes, may give rise to a chargeable gain or an allowable loss for the purposes of taxation of chargeable gains in the UK, depending on the

Scheme Shareholder's circumstances and subject to any available exemption or relief. The gain will be calculated as the difference between the sale proceeds and any allowable costs and expenses, including the base cost of the New NWF Shares (which would equal the original base cost in the Scheme Shares where rollover treatment applies).

- 2.4. Scheme Shareholders who are not resident in the UK for tax purposes but who carry on a trade, profession or vocation in the UK through a branch, agency or fixed place of business in the UK may be liable to UK taxation on chargeable gains on any gain on a disposal or deemed disposal of their New NWF Shares, if those New NWF Shares are or have been held, used or acquired for the purposes of that trade, profession or vocation or for the purposes of that branch, agency or fixed place of business.

Individuals

- 2.5. The amount of capital gains tax, if any, payable by a Scheme Shareholder who is an individual resident in the United Kingdom for tax purposes will depend on his or her own personal tax position. No tax should be payable on any gain realised on the disposal if the amount of the net chargeable gains realised by a Scheme Shareholder, when aggregated with other net gains realised by that Scheme Shareholder in the year of assessment (and after taking account of allowable losses), does not exceed the annual exemption (the annual exemption for the tax year ending 5 April 2018 is £11,300, and is expected to be £11,700 for the tax year ending on 5 April 2019). Broadly, any gains in excess of this amount will be taxed at a rate of 10 per cent. for a taxpayer paying tax at the basic rate and 20 per cent. for higher and additional rate taxpayers. Where the gains of a basic rate taxpayer subject to capital gains tax exceed the unused part of their basic rate band, that excess will be subject to tax at the 20 per cent. rate.
- 2.6. A Scheme Shareholder who is an individual and who acquires New NWF Shares whilst a resident of the UK but who subsequently ceases to be resident for tax purposes in the UK for a period of five years or less and who disposes of the New NWF Shares during that period may be liable, on his or her return to UK, to capital gains tax (subject to any available exemption or relief).

Corporation tax payers

- 2.7. A gain on the disposal or deemed disposal of New NWF Shares by a Scheme Shareholder within the charge to UK corporation tax will form part of the Scheme Shareholder's profits chargeable to corporation tax (the rate of which is currently 19 per cent., although the UK Government has announced its intention to reduce the rate to 17% in 2020).

3. Taxation of Dividends on New NWF Shares

- 3.1. NWF will not be required to withhold UK tax at source from dividend payments it makes to Scheme Shareholders in respect of the New NWF Shares.

Individuals

- 3.2. UK resident individuals are granted an annual tax-free dividend allowance of £5,000. Accordingly, a Scheme Shareholder who is an individual resident in the UK for tax purposes and who receives a dividend from NWF will not pay any income tax on the first £5,000 of dividend income they receive (whether from NWF or elsewhere). Any dividend income received (including the first £5,000) will be treated as the top slice of the Scheme Shareholder's income.
- 3.3. A Scheme Shareholder who (taking account of dividend receipts) is not liable to UK income tax at either the higher or the additional rate will be subject to UK income tax on any dividend income in excess of £5,000 at the rate of 7.5 per cent.
- 3.4. A Scheme Shareholder who is liable to UK income tax at the higher rate will be subject to UK income tax on any dividend income in excess of £5,000 at the rate of 32.5 per cent. to the extent that the dividend income in excess of £5,000 falls above the threshold for the higher rate of UK income tax but below the threshold for the additional rate of UK income tax.

- 3.5. A Scheme Shareholder who is liable to UK income tax at the additional rate will be subject to UK income tax on any dividend income in excess of £5,000, at the rate of 38.1 per cent. to the extent that the dividend income in excess of £5,000 falls above the threshold for the additional rate of UK income tax.

Companies

- 3.6. Scheme Shareholders within the charge to UK corporation tax which are “small companies”(for the purposes of UK taxation of dividends) will not generally be subject to tax on dividends paid on the New NWF Shares, provided certain conditions are met.
- 3.7. Other Scheme Shareholders within the charge to UK corporation tax will not be subject to tax on dividends on the New NWF Shares so long as (i) the dividends fall within an exempt class and (ii) do not fall within certain specified anti-avoidance provisions and (iii) the Scheme Shareholder has not elected for the dividends not to be exempt. Each Scheme Shareholder’s position will depend on its own individual circumstances, although it would normally be expected that dividends paid on the New NWF Shares would fall within an exempt class. Examples of dividends that are within an exempt class include dividends paid on shares that are non-redeemable ordinary shares and dividends in respect of portfolio holdings where the recipient owns less than 10 per cent. of the issued share capital of the payer (or any class of that share capital). The exemptions are not comprehensive and are subject to anti-avoidance rules. If the conditions for exemption are not, or cease to be, satisfied, or such a Scheme Shareholder elects for an otherwise exempt dividend to be taxable, the Scheme Shareholder will be subject to corporation tax in the UK on dividends received from the Company. Corporation tax is charged on dividends at the rate applicable to that company. Scheme Shareholders will need to ensure that they satisfy the requirements of an exempt class before treating any dividend as exempt, and seek appropriate professional advice where necessary.

Other Shareholders

- 3.8. UK registered pension schemes and charities are generally exempt from tax on dividends which they receive but they are not entitled to claim repayment of the tax credit.
- 3.9. Trustees who are liable to income tax at the rate applicable to trusts (currently 45 per cent.) will pay tax on the dividend at the dividend trust rate of 38.1 per cent. for the tax year ending 5 April 2018. The annual tax-free dividend allowance applies to individuals only, and there is no equivalent allowance for trusts.

4. Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

New NWF Shares

- 4.1. The issue of the New NWF Shares will not give rise to a liability to stamp duty or SDRT.
- 4.2. The New NWF Shares are ‘foreign securities’ for UK SDRT purposes on the basis that (i) they are listed on the ASX which is a recognised stock exchange, (ii) NWF is not centrally managed and controlled in the UK, and (iii) NWF’s company register is not kept and maintained in the UK. Provided these conditions continue to be satisfied, the trading of NWF Shares will be exempt from SDRT.

PART VII

FINANCIAL INFORMATION AND RATINGS

Part A: Financial information relating to Stellar

The following sets out financial information in respect of Stellar as required by Rule 24.3 of the City Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the City Code:

<i>Financial information</i>	<i>Reference</i>
Half-yearly financial report	The unaudited interim results of the Stellar Group for the six months ended 31 December 2017.
Audited consolidated accounts for the last two financial years	<p>The audited consolidated accounts of the Stellar Group for the financial year ended 30 June 2017 are set out on pages 13 to 58 (both inclusive) in Stellar's annual report for the financial year ended on 30 June 2017 available from Stellar's website (at the link referred to below).</p> <p>The audited consolidated accounts of the Stellar Group for the financial year ended 30 June 2016 are set out on pages 13 to 45 (both inclusive) in Stellar's annual report for the financial year ended on 30 June 2016 available from Stellar's website (at the link referred to below).</p>

All documents referred to above are available in "read only" format for printing, reviewing and downloading free from charge at Stellar's website at www.stellar-diamonds.com. Copies of any document or information incorporated by reference with this document will not be provided unless such a request is made.

Part B: Stellar credit ratings information

There are no current public ratings or outlooks accorded to Stellar by any rating agencies.

Part C: Financial information relating to NWF

The following sets out financial information in respect of NWF as required by Rule 24.3 of the City Code. The documents referred to below are incorporated into this document by reference pursuant to Rule 24.15 of the City Code:

<i>Financial information</i>	<i>Reference</i>
Half-yearly financial report	The unaudited interim financial report of the NWF Group for the six months ended 31 December 2017.
Audited consolidated accounts for the last two financial years	<p>The audited consolidated accounts of the NWF Group for the financial year ended 30 June 2017 are set out on pages 37 to 64 (both inclusive) in NWF's annual report for the financial year ended on 30 June 2017 available from NWF's website (at the link referred to below).</p> <p>The audited consolidated accounts of the NWF Group for the financial year ended 30 June 2016 are set out on pages 36 to 61 (both inclusive) in NWF's annual report for the financial year ended on 30 June 2016 available from NWF's website (at the link referred to below).</p>

All documents referred to above are available in "read only" format for printing, reviewing and downloading free from charge at NWF's website at www.newfieldresources.com.au.

Part D: NWF credit ratings information

There are no current public ratings or outlooks accorded to NWF by any rating agencies.

No incorporation of website information

Save as expressly referred to herein, neither the content of Stellar's or NWF websites, nor the content of any website accessible from hyperlinks on Stellar's or NWF website, is incorporated into, or forms part of, this document.

Stellar will provide without charge to each person to whom a copy of this document has been delivered (upon the written or oral request of such person) a hard copy of any document relating to it that is incorporated by reference into this document. You may request a hard copy of any such documents by contacting Karl Smithson on +44 (0)207 1646 371 or by submitting a request in writing to 40 Bloomsbury Way, Lower Ground Floor, London, WC1A 2SE or by email to karl.smithson@stellar-diamonds.com.

Copies of any document or information incorporated by reference into this document will not be provided unless such a request is made.

PART VIII

ADDITIONAL INFORMATION

1. Responsibility statements

- (i) The Stellar Directors, whose names are set out in paragraph 2(i) below, accept responsibility for the information contained in this document other than the information for which responsibility is taken by others pursuant to paragraph 1(ii) of this Part VIII. To the best of the knowledge and belief of the Stellar Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- (ii) The NWF Directors, whose names are set out in paragraph 2(ii) below, accept responsibility for the information contained in this document relating to the NWF Group including, but not limited to, the background to and reasons for the Combination, the strategy of the Combined Group, the synergy potential of the Combination, integration planning, NWF's intentions and strategic plans for Stellar and the Combined Group, NWF's current trading and prospects, the Combined Group's dividend policy, the financial effects of the Combination, NWF's estimated fees and expenses, information in relation to the NWF Directors and their respective close relatives and related trusts, and persons deemed to be acting in concert with NWF (as such term is defined in the City Code). To the best of the knowledge and belief of the NWF Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they take responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. The Stellar Directors and the NWF Directors

- (i) The Stellar Directors and their respective functions are:

<i>Name</i>	<i>Position Held</i>
Peter Daresbury	Chairman
Karl Smithson	Chief Executive Officer
Steven Poulton	Non-Executive Director
Hansjörg Plaggemars	Non-Executive Director

Stellar's registered office is at 40 Bloomsbury Way, Lower Ground Floor, London WC1A 2SE, United Kingdom and its telephone number is +44 (0) 20 7 164 6371.

- (ii) The NWF Directors and their respective functions are:

<i>Name</i>	<i>Position Held</i>
Anthony Ho	Executive Director
Michael Lynn	Executive Director
Robert Ang	Non-Executive Director

NWF's registered office is at 79 Broadway, Nedlands Western Australia 6009 and its telephone number is +61 8 6389 2688.

3. Persons acting in concert

- (i) In addition to Stellar companies and the Stellar Directors and their close relatives, for the purposes of the City Code, the following persons and persons affiliated with them are deemed to be acting in concert with Stellar in respect of the Combination:

<i>Name</i>	<i>Type of Company</i>	<i>Registered Office</i>	<i>Relationship with Stellar</i>
Rowan Carr	n/a	n/a	Chief Operating Officer of the Stellar Group
Cairn Financial Advisers LLP	Limited Liability partnership	Cheyne House Crown Court 62-63 Cheapside London EC2V 6AX	Nominated adviser and Financial adviser
Deutsche Balaton	Investing company	Ziegelhäuser Landstraße 1 69120 Heidelberg Germany	Hansjörg Plaggemars, Stellar's non-executive Director is an adviser to Deutsche Balaton and a director of a holding company of Deutsche Balaton

- (ii) In addition to NWF companies and the NWF Directors and their close relatives, for the purposes of the City Code, no other persons and persons affiliated with them are deemed to be acting in concert with NWF in respect of the Combination

4. Irrevocable undertakings

Stellar Directors' Irrevocable Undertakings

<i>Name of Stellar Director</i>	<i>Number of Stellar Shares in respect of which undertaking is given</i>	<i>% of Stellar issued ordinary share capital</i>
Peter Daresbury	2,033,827	3.28%
Karl Smithson	1,526,486	2.46%
Steven Poulton	1,456,745	2.35%
Hansjörg Plaggemars	587,862	0.95%
Total	5,604,920	9.04%

Other Stellar Shareholders' Irrevocable Undertakings

<i>Name of Stellar Shareholder</i>	<i>Number of Stellar Shares in respect of which undertaking is given</i>	<i>% of Stellar issued ordinary share capital</i>
Deutsche Balaton	8,547,692	13.78
Creditforce	3,293,914	5.31
Rowan Carr	1,029,102	1.66
UBS Europe SE on behalf of Susanne Bunnenberg	2,828,916	4.56
Jane Carr	36,390	0.06
Martin Lampshire	451,819	0.73
Graham Radburnd	9,800	0.02
Helen Smithson	27,839	0.04
Guido Pas	301,482	0.49
WSC Richards	2,169,579	3.50
Dr. Markus Elsasser	723,904	1.17
Filip Nys	251,472	0.41
James Munday Carless	661,391	1.07
Michael Million	134,049	0.22
Luis da Silva	353,624	0.57
Total	20,820,973	33.58

Each Irrevocable Undertaking outlined above binds the relevant Stellar Shareholder, amongst other things, to vote in favour of the Scheme at the Court Meeting and the resolution to be proposed at the General Meeting, in respect of his or its entire beneficial holding of Stellar Shares.

The Irrevocable Undertakings will cease to be binding if, among other things:

- (i) the Stellar Board does not recommend the Combination;
- (ii) the relevant offer or Scheme Circular is not posted to Stellar Shareholders within the permitted period under the Takeover Code or as otherwise agreed with the Panel;
- (iii) the Combination does not become effective, is withdrawn or lapses in accordance with its terms;
- (iv) the Stellar Directors withdraw their recommendation in support of the Combination.

The Irrevocable Undertakings above remain binding in the event of a higher, or any other, bid or offer for Stellar subject to the Board of Stellar not withdrawing their recommendation.

Irrevocable Undertakings in relation to conversion and exercise rights of the Stellar Warrant and Options Holders and the holder of the DB Share Rights and the holders of the Stellar CLNs

Appropriate NWF Share offers are being made to Stellar Option and Warrant Holders. Under the terms of the Option and Warrant Offers, Stellar Option and Warrant Holders will be offered NWF Shares equivalent in value, at the Theoretical Ex-rights Price and the Possible Offer Exchange Rate, to the net value of their Options or Warrants, being the difference between the Theoretical Ex-rights Price Offer Value and the exercise cost of the relevant Options or Warrants multiplied by the number of Stellar Options or Warrants held.

The Stellar Option and Warrant Holders (apart from those, excluding Rowan Carr, who are not Stellar Directors) have all irrevocably undertaken to accept the Option and Warrant Offers and agreed not to exercise their Options and/or Warrants prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate NWF Share offer is being made to Deutsche Balaton as the holder of the DB Share Rights based on the Scheme Ratio ("**DB Share Rights Offer**"). Deutsche Balaton has irrevocably undertaken to accept the DB Share Rights Offer and agreed not to exercise its DB Share Rights prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

An appropriate offer is also being made to CLN Holders to repay in full the Stellar CLNs following the Scheme becoming Effective. The CLN Holders have irrevocably undertaken to accept the appropriate offer for their CLNs and agreed not to convert their CLNs prior to the Scheme becoming Effective, lapsing or being withdrawn, unless the Stellar Board withdraws its recommendation of the Combination or their Irrevocable Undertaking otherwise terminates.

Parties with rights over Stellar Shares who have provided Irrevocable Undertakings summarised above are set out below.

<i>Name of Stellar Shareholder who has provided an irrevocable</i>	<i>Number of Stellar Shares over which undertaking is given</i>	<i>Percentage of Stellar issued share capital</i>	<i>Rights over Stellar Shares (based on an exchange rate of US\$1.41: £1.00)</i>
Deutsche Balaton	8,547,692	13.78%	<p>Stellar CLN principal outstanding:</p> <ul style="list-style-type: none"> ● US\$1,650,000 (CLN1) ● US\$293,345 (CLN2) <p>CLN Warrants with an exercise price of US\$2,475,000 in aggregate, exercisable at a price of 5 pence per Stellar Share into 35,106,383 Stellar Shares¹.</p> <p>CLN Warrants with an exercise price of US\$880,035 in aggregate, exercisable at a price of 5 pence per Stellar Share into 12,482,766 Stellar Shares¹.</p> <p>In addition to the above, Deutsche Balaton is entitled to be issued 14,184,397 Stellar Shares (being shares with an aggregate value of US\$1.0 million issued at 5 pence per share).²</p>
Creditforce	3,293,914	5.31%	<p>Stellar CLN principal outstanding:</p> <ul style="list-style-type: none"> ● US\$450,000 <p>CLN Warrants with an exercise price of US\$1,350,000 in aggregate with an exercise price of 5 pence per Stellar Share into 19,148,936 Stellar Shares.¹</p>
Peter Daresbury	2,033,827	3.28%	Nil
Karl Smithson	1,526,486	2.46%	Stellar Options over 1,850,000 Stellar Shares
Steven Poulton	1,456,745	2.35%	<p>Stellar Options over 750,000 Stellar Shares</p> <p>Stellar CLN principal outstanding:</p> <ul style="list-style-type: none"> ● US\$598,838 <p>CLN Warrants with an exercise price of US\$1,796,514 in aggregate with an exercise price of 5 pence per Stellar Share into 25,482,468 Stellar Shares.¹</p>
Hansjörg Plaggemars	587,862	0.95%	Stellar Options over 750,000 Stellar Shares
Rowan Carr	1,029,102	1.66%	Stellar Options over 1,250,000 Stellar Shares
Peterhouse Corporate Finance Limited	–	–	Warrants exercisable at 7.125 pence into 227,719 Stellar Shares

1 The rights held by Stellar Warrant Holders include CLN Warrants over 92,220,553 Stellar Shares which are associated with the Stellar CLNs. The number of these CLN Warrants has been calculated based on the aggregate exercise price of the CLN Warrants of US\$2.475 million and US\$1.340 million with the exercise price being assumed to be, for the purpose of the Combination, 5 pence per share and using an exchange rate of US\$1.41 to £1.00. The CLN Warrant exercise price may vary in accordance with the terms of the Stellar CLNs (which are summarised in Stellar's previous announcements, notably the announcements of 14 August 2017 and 11 September 2017) in the event that the Combination does not proceed. The exercise price of the CLN Warrants (other than in the case of default) in accordance with the Stellar CLN is the lower of 5 pence or a) the VWAP of the next \$2 million in equity raised after the date of the Stellar CLN; or (b) the VWAP of the first \$10 million in equity raised after 1 February 2017; or (c) the VWAP of the equity raisings from the date of the Stellar CLN until at least US\$35,000,000 in debt finance is raised for the Tongo-Tonguma Project.

2 Pursuant to an agreement entered into with Stellar on 6 October 2016 (as subsequently amended) whereby Deutsche Balaton conditionally agreed to waive certain of its rights under its Stellar CLN relating to its ability to convert/and or exercise its loan note and warrants respectively into shares in a subsidiary of Stellar.

5. Interests and dealings

(i) Definitions

For the purposes of this paragraph 5 of this Part VIII:

“acting in concert” with Stellar or NWF, as the case may be, means any such person acting or deemed to be acting in concert with Stellar or NWF, as the case may be, for the purposes of the City Code;

“Stellar relevant securities” means relevant securities of Stellar (such term having the meaning given to it in the City Code in relation to the offeree), including Stellar Shares and securities of Stellar carrying conversion or subscription rights into Stellar Shares;

“a person has an interest” or is **“interested”** in relevant securities has the meaning given to it in the City Code;

“dealing” or **“dealt”** includes:

- (a) acquiring or disposing of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities, or of general control of relevant securities;
- (b) taking, granting, acquiring, disposing of, entering into, closing out, terminating, exercising (by either party) or varying an option (including a traded option contract) in respect of any relevant securities;
- (c) subscribing or agreeing to subscribe for relevant securities;
- (d) exercising or converting, whether in respect of new or existing securities, any relevant securities carrying conversion or subscription rights;
- (e) acquiring, disposing of, entering into, closing out, exercising (by either party) any rights under, or varying, a derivative referenced, directly or indirectly, to relevant securities;
- (f) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities;
- (g) the redemption or purchase of, or taking or exercising an option over, any of its own relevant securities by NWF or Stellar; and
- (h) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;

“Dealing Arrangement” means an arrangement of the kind referred to in Note 11(a) on the definition of acting in concert in the City Code;

“derivative” means any financial product whose value, in whole or in part, is determined, directly or indirectly by reference to the price of an underlying security;

“Disclosure Date” means the close of business on the 23 March 2018, the latest practicable date prior to the publication of this document;

“Disclosure Period” means the period commencing on 1 February 2017 (being the date 12 months prior to the commencement of the Offer Period) and ending on the Disclosure Date;

“Financial Collateral Arrangement” means an arrangement of the kind referred to in Note 4 on Rule 4.6 of the City Code;

“short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; and

“NWF relevant securities” means relevant securities of NWF (such term having the meaning given to it in the City Code in relation to the offeror), including NWF Shares and securities of NWF carrying conversion or subscription rights into NWF shares.

(ii) Interests in Stellar relevant securities**(a) Interests of the Stellar Directors in Stellar relevant securities**

As at the close of business on the disclosure date, the interests of the Stellar Directors and their respective immediate families, related trusts and connected persons, all of which are beneficial unless otherwise stated, in Stellar relevant securities (excluding options which are disclosed in paragraph (b) below) were as follows:

<i>Name of Director</i>	<i>Note</i>	<i>Nature of interest or rights concerned</i>	<i>Number of Stellar Shares</i>
Peter Daresbury	1	Stellar Shares	2,033,827
Daresbury Family Trusts	2	Stellar Shares	7,101
Karl Smithson	3	Stellar Shares	1,526,486
Helen Smithson		Stellar Shares	27,839
Steven Poulton	4	Stellar Shares	1,456,745
Steven Poulton	5	Stellar CLNs	See Note 5 below
Steven Poulton	5	CLN Warrants	25,482,468
Hansjörg Plaggemars		Stellar Shares	587,862

Notes:

1. Includes 3,190 shares held on trust by Savernake Holdings.
2. Held by Wilderspool Investments No 2 and Palmville for the beneficial interest of Peter Daresbury's adult children.
3. Includes 49,272 shares held by Mrs Sara Smithson.
4. Includes 240,000 shares held by Mrs Susannah Poulton.
5. Steven Poulton has Stellar CLNs with a principal amount of US\$598,838 relating to CLN US\$1.34m and holds CLN Warrants over 25,482,468 Stellar Shares. The terms of the Stellar CLNs and the CLN Warrants are described in paragraph 8 of this Part VIII. The exercise price of the CLN Warrants is currently assumed to be 5 pence per Stellar Shares at an exchange rate of 1.41 USD = 1.00 GBP.

(b) Interests of the Stellar Directors in options over Stellar Shares

As at the close of business on the Disclosure Date, the following Stellar Options had been granted to the Stellar Directors and their respective immediate families, related trusts and connected persons under the Stellar Share Schemes and remained outstanding.

<i>Name of Director</i>	<i>Date of grant</i>	<i>Number of Stellar Options</i>	<i>Exercise Price</i>
Peter Daresbury	—	—	—
Karl Smithson	19 December 2017	1,850,000	3.25 pence
Steven Poulton	19 December 2017	750,000	3.25 pence
Hansjörg Plaggemars	19 December 2017	750,000	3.25 pence

All of the options stated above are exercisable for 5 years from the date of grant into one Stellar Share each, with one third of the options vesting on the date of grant, one third 6 months after grant, one third 12 months after grant.

(c) Interests of persons acting in concert with Stellar in Stellar relevant securities

As at the close of business on the Disclosure Date, the interests of persons acting in concert with Stellar in Stellar relevant securities are listed below:

<i>Name of Party</i>	<i>Notes</i>	<i>Nature of interest or rights concerned</i>	<i>Number of Stellar Shares</i>
Rowan Carr		Stellar Shares	1,065,492
Rowan Carr		Stellar Options	1,250,000
Deutsche Balaton		Stellar Shares	8,547,692
Deutsche Balaton	1	Stellar CLNs	See Note 1
Deutsche Balaton	2	CLN Warrants	47,589,149
Deutsche Balaton	3	Rights to Stellar Shares	14,184,397

Notes:

1. Deutsche Balaton holds Stellar CLNs with a principal amount of US\$1,943,345. The terms of the Stellar CLNs are described in paragraph 8 of this Part VIII.
2. Deutsche Balaton holds CLN Warrants over 47,589,149 Stellar Shares. Further details of the CLN Warrants are set out in paragraph 8 of this Part VIII. The exercise price of the CLN Warrants is currently assumed to be 5 pence per Stellar Share at an exchange rate of 1.41 USD = 1.00 GBP.
3. Deutsche Balaton also has rights over a further 14,184,397 Stellar Shares pursuant to an agreement entered into on 5 October 2016 (as subsequently amended and described in paragraph 8 of this Part VIII) whereby Deutsche Balaton conditionally agreed to waive certain of its rights under its Stellar CLN relating to its ability to convert/and or exercise its Stellar CLN and Stellar Warrants respectively into shares in a subsidiary of the Company.

NWF

(d) Interests of the NWF Directors in Stellar relevant securities

None of NWF, the NWF Directors or their respective related parties had an interest in, a right to subscribe in or a short position in Stellar relevant securities.

(e) Interests of persons acting in concert with NWF in Stellar relevant securities

None of the persons acting in concert with NWF had an interest in, a right to subscribe in or a short position in Stellar relevant securities.

(iii) Interests in NWF relevant securities

(a) Interests of the NWF Directors in NWF relevant securities

As at the close of business on the disclosure date, the interests of the NWF Directors and their respective immediate families, related trusts and connected persons, all of which are beneficial unless otherwise stated, in NWF relevant securities (excluding options which are disclosed in paragraph (b) below) were as follows:

<i>Name of Director</i>	<i>Nature of interest or rights concerned</i>	<i>Number of NWF Shares</i>
Anthony Ho	N/A	–
Michael Lynn	Direct	300,000
Robert Ang	Direct	4,160,300

(b) Interests of the NWF Directors in options over NWF Shares

As at the close of business on the Disclosure Date, the following options over NWF Shares had been granted to the NWF Directors and their respective immediate families, related trusts and connected persons under the NWF Schemes and remained outstanding.

<i>Name of Director</i>	<i>Date of grant</i>	<i>Number of NWF Shares</i>	<i>Exercise Price</i>	<i>Exercise/ vesting period</i>
Anthony Ho	1 Dec 2016	400,000	AUD\$0.50	30 Dec 2020
Michael Lynn	1 Dec 2016	1,500,000	AUD\$0.50	30 Dec 2020
Robert Ang		Nil		

(c) Interests of persons acting in concert with NWF in NWF relevant securities

As at the close of business on the Disclosure Date, the interests of persons acting in concert with NWF in NWF relevant securities are listed below:

Not applicable as there are no such parties acting in concert with NWF.

(d) Interests of the Stellar Directors in NWF relevant securities

Neither Stellar nor any of the Stellar Directors or their respective related parties had an interest in, a right to subscribe in or a short position in NWF relevant securities.

(e) *Interests of persons acting in concert with Stellar in NWF relevant securities*

None of the persons acting in concert with Stellar had an interest in, a right to subscribe in or a short position in NWF relevant securities.

(iv) Dealings in Stellar relevant securities

(a) *Dealings in Stellar relevant securities by the Stellar Directors*

During the Disclosure Period, the dealings in Stellar relevant securities by the Stellar Directors and their immediate families, related trusts and connected persons were as follows:

<i>Director</i>	<i>Transaction Type</i>	<i>Date of dealing</i>	<i>Number of Stellar Shares</i>	<i>Price per share (£ pence)</i>
Peter Daresbury	Subscription for new Stellar Shares through open offer	3 October 2017	202,910	3.25 pence
	Stellar Shares in lieu of fees	14 September 2017	565,439	3.25 pence
	Stellar Shares in lieu of fees	27 March 2017	639,358	5.5 pence
	Market purchase of Stellar Shares	28 February 2017	90,000	5.5 pence
Karl Smithson	Grant of Stellar Options	20 December 2017	1,850,000	3.25 pence exercise price
	Subscription for new Stellar Shares through open offer	3 October 2017	71,585	3.25 pence
	Stellar Shares in lieu of fees	14 September 2017	365,728	3.25 pence
	Market sale of Stellar Shares	7 June 2017	389,844	5.50 pence
	Market purchase of Stellar Shares	7 June 2017	388,746	5.51 pence
	Stellar Shares in lieu of fees	27 March 2017	398,844	5.5 pence
	Market purchase of Stellar Shares	28 February 2017	103,247	4.85 pence
Steven Poulton	Grant of Stellar Options	20 December 2017	750,000	3.25 pence exercise price
	Market purchase of Stellar Shares	8 June 2017	85,000	7.4 pence
	Market purchase of Stellar Shares	7 June 2017	155,000	6.08 pence
	Stellar Shares in lieu of fees	27 March 2017	285,767	5.5 pence
	Subscription for new Stellar Shares	27 March 2017	363,636	5.5 pence
	Market purchase of Stellar Shares	28 February 2017	150,000	4.8 pence
	Market purchase of Stellar Shares	28 February 2017	50,000	4.99 pence
	Market purchase of Stellar Shares	28 February 2017	25,000	5.25 pence
Market purchase of Stellar Shares	28 February 2017	25,000	5.45 pence	
Hansjörg Plaggemars	Grant of Stellar Options	20 December 2017	750,000	3.25 pence exercise price
	Stellar Shares in lieu of fees	14 September 2017	587,862	3.25 pence

(b) *Dealings in Stellar relevant securities by persons acting in concert with Stellar*

During the Disclosure Period, the dealings in Stellar relevant securities by persons acting in concert with Stellar were as follows:

<i>Party</i>	<i>Transaction Type</i>	<i>Date</i>	<i>Number of Stellar Shares</i>	<i>Price per share (£ pence)</i>
Rowan Carr	Grant of Stellar Options	20 December 2017	1,250,000	3.25 pence exercise price
	Subscription for new Stellar Shares through open offer	3 October 2017	3,670	3.25 pence
	Stellar Shares in lieu of fees	14 September 2017	445,657	3.25 pence
Deutsche Balaton	Market purchase of Stellar Shares	8 June 2017	35,000	6.0 pence

On 14 August 2017, Stellar announced that it had repaid its existing US\$1.24 million convertible loan note to its noteholders (including Deutsche Balaton) by way of entering into the CLN US\$1.34 million. Further details of the CLN US\$1.34 million are set out in paragraph 8 of this Part VIII. Deutsche Balaton subscribed for US\$293,345 of the CLN US\$1.34 million.

(v) Dealings in NWF relevant securities

(a) Dealings in NWF relevant securities by the NWF Directors

During the Disclosure Period, there were no dealings in NWF relevant securities by the NWF Directors and their immediate families, related trusts and connected persons.

(b) Dealings in NWF relevant securities by persons acting in concert with NWF

During the Disclosure Period, there were no dealings in NWF relevant securities by persons acting in concert with NWF.

(c) Significant interests in NWF

Based on available information as at the Disclosure Date, those persons which (together with their associates) have an existing interest in 5 per cent. or more of the NWF Shares on issue are set out below:

<i>Holder</i>	<i>Number of NWF shares</i>	<i>Interest</i>
Mr Rustiyan Oen	51,793,028	19.14%
Asia Pacific Horizon	37,140,236	13.73%
PT Griyainsani Cakrasadya	25,000,000	9.24%
Sparkle Investment Trust	21,860,613	8.08%
Wonder Holdings Pty Ltd	19,858,334	7.34%

Both Mr Rustiyan Oen and PT Griyainsani Cakrasaya are private individuals.

Asia Pacific Horizon (registered holder: Citicorp Nominees Pty Ltd) is an entity acting on behalf of a number of private investors.

Sparkle investment Trust is a unit trust based in Western Australia whose trustee is Sparkle Capital Pty Ltd and of which the beneficiary is Kreatif Investments Pty Ltd

Wonder Holdings Pty Ltd is an investment company, registered in Western Australia, the beneficiaries of which are B Chew and L Kartosudiro.

It is possible that the above percentage interests will also increase depending on the degree of participation of any of the above holders in the NWF Rights Issue (noting that eligible NWF Shareholders are also entitled to subscribe for NWF shortfall shares in excess of their entitlement).

In particular, Mr Rustiyan Oen is the Lead Sub-Underwriter to the NWF Rights Issue. In the event that no other eligible NWF shareholders subscribe for the NWF Shares offered under the NWF Rights Issue, the Lead Sub-Underwriter's interest in NWF Share may increase to a maximum of 26.13 per cent. (on an undiluted basis).

In the event that no other eligible NWF shareholders, save for the Lead Sub-Underwriter, subscribe for the NWF Shares offered under the NWF Rights Issue, the NWF Rights Issue Underwriter, Townshend Capital Pty Ltd, could be interested in up to a maximum of 17.25 per cent. (on an undiluted basis).

Townshend Capital Pty Ltd (www.townshendcapital.com.au) is a boutique investment management Australian Financial Services licensee pursuant to section 913B of the Corporations Act 2001, licence number 219326) that provides corporate advice and deal services to wholesale clients, as well as ASX listed entities. NWF has worked with Townshend Capital Pty Ltd on a number of successful transactions, including its initial public offering in June 2012 (\$4.5 million), its private placement in October 2015 (\$10 million), and the underwriting of NWF options in May 2016 (\$8.7 million) and June 2017 (\$3.0 million).

These percentages are is calculated on the assumption that:

- no further NWF Shares are issued other than the New NWF Shares, NWF Rights Issue Shares and NWF Conditional Placement Shares;
- no NWF Options are exercised;
- the number of New NWF Shares issued is 95,100,000.

(vi) Interests and dealings – General

Save as disclosed in paragraph 5 of this Part VIII, as at the Disclosure Date:

(a) none of:

- Stellar;
- the Stellar Directors or their respective related parties; or
- any person acting in concert with Stellar,

had an interest in, a right to subscribe in respect of, or any short position in relation to NWF relevant securities and none of:

- Stellar;
- the Stellar Directors or their respective related parties; or
- any person acting in concert with Stellar,

had an interest in, a right to subscribe in respect of, or any short position in relation to Stellar relevant securities, nor had any of the foregoing dealt in any Stellar relevant securities or NWF relevant securities since the start of the Offer Period;

(b) none of:

- NWF;
- the NWF Directors or their respective related parties; or
- any person acting in concert with NWF,

had an interest in, a right to subscribe in respect of, or any short position in relation to Stellar relevant securities or NWF relevant securities, nor had any of the foregoing dealt in any Stellar relevant securities or NWF relevant securities during the Disclosure Period;

- (c) save for the irrevocable undertakings described in paragraph 4 of this Part VIII, neither Stellar nor any person acting in concert with Stellar has any Dealing Arrangement;
- (d) save for the irrevocable undertakings described in paragraph 4 of this Part VIII, neither NWF nor any person acting in concert with NWF has any Dealing Arrangement;
- (e) none of Stellar or any person acting in concert with Stellar has borrowed or lent any Stellar relevant securities (including for these purposes any Financial Collateral Arrangements) since the start of the Offer Period, save for any borrowed shares which have been either on-lent or sold;
- (f) none of NWF or any person acting in concert with NWF has borrowed or lent any Stellar relevant securities (including for these purposes any Financial Collateral Arrangements) during the Disclosure Period, save for any borrowed shares which have been either on-lent or sold;
- (g) none of Stellar or any person acting in concert with Stellar has borrowed or lent any NWF relevant securities (including for these purposes any Financial Collateral Arrangements) since the start of the Offer Period, save for any borrowed shares which have been either on-lent or sold; and
- (h) none of NWF or any person acting in concert with NWF has borrowed or lent any NWF relevant securities (including for these purposes any Financial Collateral Arrangements) during the Disclosure Period, save for any borrowed shares which have been either on-lent or sold.

6. Market quotations

The following table shows the Closing Price of Stellar Shares and NWF Shares (as sourced from Thomson Reuters Eikon) on the following dates, unless otherwise indicated:

- (a) the first Trading Day of each of the six months immediately before the date of this document;
- (b) 31 January 2018, being the last Trading Day before the commencement of the Offer Period; and
- (c) 23 March 2018, being the latest practicable date prior to the posting of this document.

<i>Date</i>	<i>Price per Stellar Share (pence)</i>	<i>Price per NWF Share (A\$)</i>
1 September 2017	4.732	0.315
2 October 2017	3.150	0.30
1 November 2017	3.125	0.30
1 December 2017	2.250	0.30
1 January 2018	2.600	0.30
1 February 2018	5.750	0.29
1 March 2018	5.250	0.30
31 January 2018	2.300	0.29
23 March 2018	6.500	0.24

7. Rights attaching to the New NWF Shares

The New NWF Shares to be issued under pursuant to the Combination are of nil par value and will be issued free from all liens, charges, encumbrances and other third party rights and/or interests of any nature whatsoever credited as fully paid and will rank *pari passu* with all other NWF Shares, including the right to receive in full all dividends and other distributions, if any, declared, made or paid after the date hereof. However, there is no expectation that NWF intends to pay a dividend in the foreseeable future as any funds generated will be re-invested into the further development of NWF's licences.

The ticker and ISIN for NWF Shares are:

Ticker: NWF

ISIN: AU000000NWF9

A summary of the rights attaching to NWF Shares is set out below. This summary is qualified by the full terms of the Constitution (a full copy of the Constitution is available from NWF on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of the Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to Shares in any specific circumstances, the Shareholder should seek legal advice.

(a) General meeting and notices

Each member is entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive all notices, accounts and other documents required to be sent to members under the Constitution, the Corporations Act or the Listing Rules.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at a general meeting of the Company every holder of fully paid Shares present in person or by an attorney, representative or proxy has one vote on a show of hands (unless a member has appointed 2 proxies) and one vote per Share on a poll.

A person who holds a Share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the Share.

(c) Issues of further Shares

Subject to the Corporations Act and the Constitution, the Board may, on behalf of the Company, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Board decides. The Company must not issue shares or grant options if the issue or grant would result in a breach of the Listing Rules.

(d) Variation of rights

Unless otherwise provided by the Constitution or by the terms of issue of a class of Shares, the rights attached to the Shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued Shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued Shares of the affected class.

(e) **Transfer of Shares**

Subject to the Constitution, a member may transfer a share by any means permitted by the Corporations Act or by law.

(f) **Dividends**

Subject to the Corporations Act, the Listing Rules, the Constitution and the rights attaching to Shares issued on special conditions, the Directors may from time to time declare that a dividend is payable to the holders of ordinary Shares and fix the time for payment.

(g) **Winding up**

Subject to the Constitution, the Corporations Act and the rights of holders of Shares with special rights, on a winding up of the Company, any surplus must be divided among the members in the proportions which the amount paid (including amounts credited) on the Shares of a member is of the total amounts paid and payable (including amounts credited) on the Shares of all members.

(h) **Dividend reinvestment and share plans**

The Directors may establish a dividend reinvestment plan on any terms, under which participants may elect in respect of all or part of their Shares to apply the whole or any part of a Dividend from the Company in subscribing for securities of the Company or a related body corporate of the Company.

(i) **Directors**

The Company must have not less than 3 Directors.

(j) **Powers of the Board**

Except as otherwise required by the Corporations Act, any other law, the Listing Rules or the Constitution, the Directors may exercise all the powers of the Company except any powers that the Corporations Act or this Constitution requires the Company to exercise in general meeting.

(k) **Unmarketable parcels**

The Constitution permits the Company to sell the Shares held by a Shareholder if they comprise less than a marketable parcel within the meaning of the Listing Rules.

If a Shareholder does not want its Shares sold, that Shareholder may notify the Company accordingly.

As disclosed in the UK Rule 2.7 announcement, the Company intends to undertake a sale facility for its 'less than marketable parcels' of Shares in the three months following completion of the Stellar Offer. This facility will enable holders of less than marketable parcels of Shares to sell their Shares without incurring any costs that could otherwise make a sale of their shares uneconomic. Holders of less than marketable parcels of Shares will be provided with at least six weeks' notice of the facility and will have the right to elect to retain their less than marketable parcels of Shares should they so wish.

(l) **Capitalisation of profits**

The Directors may capitalise any profits of the Company and distribute that capital to the members, in the same proportions as the members are entitled to a distribution by dividend.

(m) **Preference Shares**

The Company may issue preference Shares including preference Shares which are liable to be redeemed in a manner permitted by the Corporations Act, and preference Shares in accordance with the terms of the Constitution.

8. Material contracts

8.1 Stellar's material contracts

The following contracts have been entered into by members of the Stellar Group, not being contracts entered into in the ordinary course of business, which are or may be material, during the period

beginning 1 February 2016 (being two years before the date of commencement of the Offer Period) and ending on the disclosure date:

(i) *Convertible Loan Note Instrument with Deutsche Balaton*

On 2 November 2015 the Company and Deutsche Balaton A.G. (“**DB**”) entered into a convertible loan note instrument to raise an aggregate nominal amount of US\$1.65 million (approximately £1.06 million) by the issue of four convertible loan notes (“**CLNs**”) to DB. The CLNs are secured convertible loan notes each with a nominal amount of US\$330,000.

DB may elect for the CLNs to be converted into up to 3,747,368 new Ordinary Shares in the Company (“**PLC Conversion**”) at a conversion price of 44.03 cents per new Ordinary Share which is subject to DB having a maximum interest in the enlarged share capital of the Company of 37.5 per cent. unless a waiver of Rule 9 of the Takeover Code is sought. Alternatively DB may elect to become a joint venture partner and convert the CLN's into shares in one or more of the Group's subsidiaries (“**Subsidiary Conversion**”) or elect for a combination of PLC Conversion and a Subsidiary Conversion (“**Mixed Conversion**”). Each of the New CLNs may be converted in whole only.

The maturity date of the CLNs is 31 October 2017 unless redemption of the CLNs or conversion into shares (“**Conversion**”) has occurred prior to this date (“**Maturity Date**”). The Maturity Date may be extended by a maximum of six months in the event that Conversion or Exercise is not possible at the Maturity Date as a result of, *inter alia*, DB being in possession of unpublished price sensitive information. Interest is payable on the CLNs at 6 per cent. per annum to be paid in cash in arrears, with the first instalment to be paid on the first anniversary of the CLN Issue Date and thereafter every six months. On Conversion, any outstanding interest will become payable. The CLNs are conditional upon shareholder approval being obtained and of the relevant authorities to issue securities arising on Conversion.

The CLNs may be redeemed in cash at any time at the Directors' discretion, providing that 10 weeks' notice is given to DB. DB may, at its sole discretion, require that the CLNs be converted rather than redeemed. The CLNs may also be redeemed early in certain circumstances, including customary events of default. Subject to any restrictions under the Takeover Code and the consent of the Company, the CLNs are transferable. The CLNs include certain rights of consent of DB (not to be unreasonably withheld or delayed), in the event that: i) any Subsidiary enters into any third party contracts where the aggregate liability under all contracts with that third party exceeds US\$100,000 per annum; and ii) any Subsidiary intends to dispose of or pledge any of its assets. The CLNs are subject to standard anti-dilution provisions and protections including, *inter alia*, in the event of capital reorganisations. Subject to any restrictions under the Takeover Code and the consent of the Company, the CLNs are transferable. DB also the right (but not the obligation) to match any offer and terms from a debt provider for up to 37.5 per cent. of the debt issuance.

On 19 November 2015 (as required by the CLNs) Stellar Diamonds Ltd granted an equitable charge to DB over all the fully paid shares in Sierra Diamonds Ltd which owns the Tongo mining licence. DB agreed in the CLN's that such security shall be unconditionally released prior to the date of any financing arrangements to be put in place in connection with the development of the Tongo mine if this is requested by the party(ies) providing such financing.

First Amendment to the CLN 5 October 2015

On 5 October 2015 the Company and DB entered into a deed to amend the CLN (“**Amendment No1 Deed**”), and *inter alia* agreed to waive DB's option to convert the CLN and/or exercise the DB Warrants (as referred to in section 2 below) at the subsidiary company level in return for issuing DB US\$1.0 million of new Ordinary Shares at the Issue Price (“**DB New Shares**”).

DB's agreement to terminate the option to convert at the subsidiary level and to be issued with the DB New Shares is conditional on completion of the “Transaction” and the Company having sufficient share authorities to fulfil its obligations under the Amendment No1 Deed in respect of the issue of the DB New Shares. “Transaction” is defined as “a further funding process to raise funds for the acquisition of Octea Mining Limited's Tonguma Kimberlite Project in Sierra Leone”.

The Amendment No1 Deed provides that the Company shall repay the Investment Amount under the CLN to DB on completion of the Transaction and in part consideration for the issue of the DB New Shares to be issued in consideration for the waiver of DB's option to convert, no interest

on the CLN will be payable by Stellar to DB. The issue of DB New Shares is conditional *inter alia* upon completion of the Transaction.

Save in certain limited circumstances, DB has agreed not to dispose of the DB New Shares for a period of six months following completion of the Transaction.

In the event that completion of the Transaction does not occur by 28 February 2017 or such later date as the Company and DB may agree, (“Long Stop Date”) the Amendment No1 Deed will be null and void save that the Maturity Date shall become 30 days following the Long Stop Date.

Second Amendment to CLN 21 February 2017

On 21 February 2017 the Company and DB entered into a letter agreement to amend the CLNs to take account of the Tribute Mining Agreement and anticipated timing of its completion. The definition of “Transaction”, was amended to include the proposed Tribute Mining Agreement and in conjunction with signing the agreements Stellar will raise a minimum funding requirement of US\$10 million the definition of “Completion” was changed to the date on which Stellar has raised a minimum initial funding of US\$10 million having entered into the Tribute Mining Agreement. The definition of “Placement Price” was changed to be the weighted average price of the first US\$10 million raised by Stellar from 1 February 2017 onwards and the Long Stop Date was extended to 30 April 2017.

Third Amendment to CLN 3 May 2017

On 3 May 2017 the Company and DB entered into a letter agreement to amend the CLNs so that the Long Stop Date is extended to 30 June 2017.

Fourth Amendment to CLN 3 July 2017

On 3 July 2017 the Company and DB entered into a letter agreement to amend the CLNs so that the Long Stop Date is extended to 15 August 2017.

Fifth Amendment to CLN 7 September 2017

On 7 September 2017 the Company and DB entered into a letter agreement to amend the CLNs so that the Long Stop Date is extended to 30 September 2017 or in the event that the Company enters into a satisfactory letter of intent for funding of the Tongo-Tonguma project development prior to 30 September 2017 then the Long Stop Date is extended to 31 December 2017.

The definition of ‘Issue Price’ in the CLN, was changed from the VWAP of the first US\$10 million raised from 1 February 2017 to the lower of: a) 5 pence per share; b) the VWAP of the next \$2m equity raised; c) the VWAP of the first \$10m raised since 1 February 2017; or the VWAP of equity raisings from the date of this amendment until at least \$35m of debt has been raised for the purposes of the Tongo-Tonguma Project.

Sixth Amendment to CLN 4 December 2017

On 4 December 2017 the Company and DB entered into a letter agreement to amend the CLNs so that the Long Stop Date is extended to 31 March 2018.

(ii) *Warrant Instrument with Deutsche Balaton*

On 2 November 2015 following completion of the CLNs the Company granted warrants to DB (“**DB Warrants**”). Upon exercise of the DB Warrants, DB may elect to subscribe for up to 5,995,789 new Ordinary Shares (“**PLC Exercise**”), subject to DB having a maximum interest in the new Ordinary Share Capital of 37.5 per cent. Alternatively DB may elect to subscribe for shares in one of the Group’s subsidiaries (“**Subsidiary Exercise**”) or elect for a combination of both PLC Exercise and Subsidiary Exercise (“**Mixed Exercise**”). The aggregate subscription price for the DB Warrants is US\$1.65 million.

The DB Warrants are exercisable at any time during the period commencing on the earlier of Conversion of the CLNs or their repayment and ending two business days after the Maturity Date (being the later of 31 October 2017 or the extension of that date in the event that exercise is not possible at the Maturity Date as a result of, *inter alia*, DB being in possession of unpublished price sensitive information (“**Extended Date**”).

The Warrants are subject to standard anti-dilution provisions, in the event of further capital re-organisations. Subject to any restrictions under the Takeover Code and the consent of the Company, the DB Warrants are transferable.

First Amendment to DB Warrants 5 October 2015

On 5 October 2015 the Company and DB entered into a deed to amend the DB Warrants (“**Amendment No1 Deed**”), and *inter alia* agreed to waive DB’s option to convert the CLN (as referred to in section 1 above) and/or exercise the DB Warrants at the subsidiary company level in return for issuing DB US\$1.0 million of new Ordinary Shares at the Issue Price (“**DB New Shares**”). DB’s agreement to terminate the option to exercise the DB Warrants at the subsidiary level and to be issued with the DB New Shares is conditional on completion of the “Transaction” and the Company having sufficient share authorities to fulfil its obligations under the Amendment No1 Deed in respect of the issue of the DB New Shares. The Maturity Date of the DB Warrants is amended to the later of 31 October 2018 or the Extended Date.

“Transaction” is defined as “a further funding process to raise funds for the acquisition of Ocea Mining Limited’s Tonguma Kimberlite Project in Sierra Leone”.

The Amendment No1 Deed provides that the Company shall grant three additional warrants of US\$275,000 (being a total of US\$825,000 warrants) to DB (“**DB New Warrants**”) which can be exercised by way of PLC Exercise at the Placement Price (being the price per Ordinary Share to be paid by the subscribers for Ordinary Shares in the Company as part of the equity funding for the Transaction). The issue of DB New Warrants is conditional *inter alia* upon completion of the Transaction.

In the event that completion of the Transaction does not occur by 28 February 2017 or such later date as the Company and DB may agree, (“**Long Stop Date**”) the Amendment No1 Deed will be null and void save that the Maturity Date shall become 30 days following the Long Stop Date.

Second Amendment to DB Warrants 21 February 2017

On 21 February 2017 the Company and DB entered into a letter agreement to amend the DB Warrants to take account of the Tribute Mining Agreement and anticipated timing of its completion. The definition of “Transaction”, was amended to include the proposed Tribute Mining Agreement and the definition of “Completion” was changed to the date on which Stellar has raised a minimum initial funding of US\$10 million having entered into the Tribute Mining Agreement. The definition of “Placement Price”, was changed to be the weighted average price of the first US\$10 million raised by Stellar from 1 February 2017 onwards. The Long Stop Date was extended to 30 April 2017 and the Maturity Date of the DB Warrants was extended to 30 June 2019.

Third Amendment to DB Warrants 3 May 2017

On 3 May 2017 the Company and DB entered into a letter agreement to amend the DB Warrants so that the Long Stop Date is extended to 30 June 2017 and the Maturity Date is extended to 31 August 2019.

Fourth Amendment to DB Warrants 3 July 2017

On 3 July 2017 the Company and DB entered into a letter agreement to amend the DB Warrants so that the Long Stop Date is extended to 15 August 2017.

Fifth Amendment to DB Warrants 7 September 2017

On 7 September 2017 the Company and DB entered into a letter agreement to amend the DB Warrants so that the Long Stop Date is extended to 30 September 2017 or in the event that the Company enters into a satisfactory letter of intent for funding of the Tongo-Tonguma project development prior to 30 September 2017 then to 30 November 2017.

Sixth Amendment to DB Warrants 4 December 2017

On 4 December 2017 the Company and DB entered into a letter agreement to amend the DB Warrants so that the Long Stop Date is extended to 31 March 2018. The Maturity Date of the DB Warrants was changed to eighteen months after the earlier of the date on which the Transaction completes, or the date on which the Company makes an announcement that the Transaction will not proceed. The definition of ‘Placement Price’ in the DB Warrants, was changed from the VWAP of the first US\$10 million raised from 1 February 2017 to the lower of: a) 5 pence per share; b) the VWAP of the next \$2m equity raised; c) the VWAP of the first \$10m raised since 1 February 2017; or d) the VWAP of equity raisings from the date of this amendment until at least \$35 million of debt has been raised for the purposes of the Tongo-Tonguma Project.

(iii) *Convertible Loan Note Instrument 27 July 2017*

On 27 July 2017 the Company entered into a \$1.34 million Convertible Loan Note Instrument (“**2nd CLN Agreement**”) with Deutsche Balaton, Steven Poulton and Creditforce (the “**Noteholders**”) to create new CLNs (“**New CLNs**”)

The maturity date of the New CLNs is 5 June 2018 (“**Maturity Date**”). The “Conversion Period” during which the New CLNs may be converted into new Ordinary Shares (at the election of the Noteholder) is the period commencing on the “Trigger Date” being later of i) the earlier of the date on which the Transaction completes (or the date on which the Company makes an announcement that the Transaction will not proceed) and ii) the date of obtaining the necessary shareholder authorisations which are needed to enable the Company to issue new Ordinary Shares pursuant to conversion of the CLN and ending on the Maturity Date. The “Transaction” is defined as the completion of the Tribute Mining Agreement with Ocea Mining Limited over the Tonguma kimberlite project in Sierra Leone and the raising of at least US\$35,000,000 in debt or equity finance.

The CLN’s are convertible into Ordinary Shares at a price of 70 percent of the Transaction Price per Ordinary Share (“**Conversion Price**”). The “Transaction Price” is defined as the lower of: a) the VWAP of the next US\$2 million in equity raised after the date of the 2nd CLN Agreement; or b) the VWAP of the first US\$10 million in equity raised after 1 February 2017; or c) the VWAP of equity raisings from the date of the 2nd CLN Agreement until at least US\$35 million in debt financing has been raised for the Tongo-Tonguma Project. In the event that the Transaction does not complete, the Conversion Price will be based on 70 percent of historical VWAP for a fixed period prior to notice of exercise of the warrants to be issued with the New CLN’s.

The Company may give notice of early repayment of the New CLNs at any time, subject to giving 20 days’ notice to the Noteholders at which point the Noteholders may elect to convert the New CLNs into Ordinary Shares. Interest is payable on the New CLNs at 18 percent per annum for the first 10 months following issuance and 24 percent per annum thereafter payable monthly in arrears.

The New CLN’s are subject to standard anti-dilution provisions and protections including, *inter alia*, in the event of a capital reorganisation.

In conjunction with the New CLNs and subject to obtaining shareholder authorities in relation to the Company’s ability to issue new Ordinary Shares at a general meeting, the Company shall issue the Noteholders with warrants (“CLN Warrants”) which are equivalent to three times the principal amount of the New CLN’s (i.e. warrants with a total subscription price of US\$3.72 million) (the “Notes Multiple”) exercisable at a premium of 5 percent to the Issue Price (per Ordinary Share) in the event of completion of the Transaction. The premium will increase at a rate of 1 percentage point per month from completion up to a maximum premium of 17 percent to the Issue Price. The CLN Warrants are exercisable for a period of 18 months following completion of the Transaction (or announcement that the Transaction will not occur or 31 March 2017 if earlier). Should the CLN Warrants be exercised then the resulting Ordinary Shares issued to the warrant holder shall be subject to a lock-in period of six months from the date of exercise. The subscription price for the CLN Warrants is the “Standard Subscription Price” being the lower of 5 pence or the Transaction Price. The “Transaction Price” is the lower of a) the VWAP of the next US\$2 million in equity raised after the date of the 2nd CLN Agreement; or b) the VWAP of the first US\$10 million in equity raised after 1 February 2017; or c) the VWAP of equity raisings from the date of 2nd CLN Agreement; until at least US\$35 million in debt financing has been raised for the Tongo-Tonguma Project. Transaction Default” to being upon the occurrence of the earlier of the Transaction failing to complete or upon the Company announcing the termination of the Transaction on or before 31 December 2017

In the event of early repayment and the Noteholders not electing to convert the outstanding New CLNs into Ordinary Shares, the Company agrees to issue the Noteholders additional warrants (“**Repayment Warrants**”) with an aggregate subscription price of US\$1.24 million, such Repayment Warrants to be exercisable at the Subscription Price (or the Alternative Subscription Price in the event that the Transaction does not complete). The Repayment Warrants are exercisable for a period of 18 months following Completion (or announcement that the Potential Transaction will not occur or 31 March 2017 if earlier).

First Amendment to New CLNs and Warrants 4 December 2017

On 4 December 2017 the Company and the Noteholders entered into a letter agreement to amend the New CLNs by extending the “Transaction Default” to the occurrence of the Transaction falling to complete or the Company announcing termination on or before the 30 April 2018

(iv) *Tribute Mining Agreement*

On 27 April 2017 Sierra Diamonds Limited and the Company entered into the tribute mining agreement (“**Tribute Agreement**”) with Ocea Limited and Tonguma Limited (“**Parties**”) for the Company to mine the Tonguma concession area alongside the Company’s wholly owned Tongo project. The material terms of the Tribute Agreement provide a) the Company will fund and operate the enlarged mine development; b) Sierra Diamonds will be responsible for processing and marketing diamonds recovered; c) agreed economics include reimbursement to Ocea of certain costs (including an amount equal to the annual Tonguma mining licence fee); d) certain assets of Tonguma Limited, including the 50 tonne per hour processing plant at Ocea’s Koidu Mine, will be acquired by Sierra Diamonds for a nominal amount; e) the first elements of mine development plan are required to commence within three months of completion and f) a technical committee will be established with effect from completion.

Ocea would continue to hold the Tonguma mining licence through its subsidiary company Tonguma Ltd and Stellar will continue to wholly own its adjacent Tongo licence and subsidiary company Sierra Diamonds Limited. Stellar will also own all infrastructure and capital items procured and utilised for the mine development on both licences.

Ocea has agreed that for so long as the Tribute Agreement is in place, it will not sell Tonguma Ltd or the Tonguma licence to a third party. The Tribute Agreement includes termination clauses whereby the Agreement can be terminated by either party for breach of the Agreement. The Tribute Agreement includes certain customary warranties and indemnities given by Tongo Limited and Tonguma Limited.

Amendment to Tribute Agreement 25 September 2017

On 25 September 2017 the Parties entered into a letter agreement to amend the Tribute Agreement by extending the “Long Stop Date” from “30 June 2017” to “31 October 2017”.

Amendment to Tribute Agreement 12 December 2017

On 12 December 2017 the Parties entered into a letter agreement to amend the Tribute Agreement by extending the “Long Stop Date” from “30 June 2017” to “31 January 2018”.

Amendment to Tribute Agreement 31 January 2018

On 31 January 2018 the Parties entered into a letter agreement to amend the Tribute Agreement by extending the “Long Stop Date” from “30 June 2017” to “28 February 2018”.

Amendment to Tribute Agreement 27 February 2018

On 27 February 2018 the Parties entered into a letter agreement to amend the Tribute Agreement, *inter alia*, to acknowledge that the funding of the Front End Engineering Design stage of the Mine Plan (“**FEED**”) that was contemplated by the Tribute Agreement to be carried out by way of way of subscription arrangements will instead be provided pursuant to a US\$3m loan made to Stellar by Newfield Resources Limited (as announced by Stellar through a Regulatory Information Service on 1 February 2018) which will be used, *inter alia*, to fund the FEED. The letter agreement also waived and/or removed certain conditions precedent of the Tribute Agreement and provided that completion of the Tribute Agreement take place immediately following execution of the letter agreement. The letter agreement also set out for clarification certain obligations of the Parties following completion (as detailed in the Tribute Agreement) including commencing implementation of the Mine Plan as reflected in the PEA (such implementation acknowledged by the Parties as having commenced via the FEED programme commencing), Sierra Diamonds managing the Tonguma Project on Tonguma’s behalf, the Tonguma Plant being transferred to Sierra Diamonds, the Company establishing a technical committee and making funding available to Sierra Diamonds for payment of the Tongo Mining Licence fee.

(v) *Revenue Share Agreement*

On 27 April 2017 Sierra Diamonds Limited, Stellar Diamonds Limited and the Company entered into a revenue share agreement with Ocea Limited and Tonguma Limited (“**Revenue Share Agreement**”). It is a condition to entering into the Tribute Mining Agreement that the Parties enter

into the Revenue Share Agreement. The Company has agreed to guarantee the obligations of Stellar Diamonds Limited under the Revenue Share Agreement. Stellar Diamonds Limited is required to pay to Ocea: a) US\$5,500,000 on the first business day that falls on or after the fifth anniversary of the date of commencement of implementation of the mine plan; b) a 10 per cent. share of gross revenues (after deduction of any Government royalty) on diamond and other minerals and ore recovered and sold as provided for in the approved mine plan relating to the Tonguma project and the Tongo project, but only after the Company has recouped an amount equal to its development capital and Ocea has received an initial revenue share payment of US\$5,000,000; and c) a 10 per cent. share of gross revenues (after deduction of any Government royalty) on diamond and other minerals and ore recovered and sold from any part of the licence area not provided for in the mine plan ("**Extended Activities**"), but only after the Company has recouped an amount equal to its costs and expenses incurred in relation to such Extended Activities.

(vi) *Guinea Disposal Agreements*

On 7 October 2017 Stellar Diamonds plc and West African Diamonds plc SARL, entered into an agreement with Guinean Diamond Corporation Limited to dispose of the entire issued share capital of West African Diamonds plc SARL to Guinean Diamond Corporation for US\$10,000. The disposal also comprises certain plant and equipment. The agreement includes certain customary warranties and indemnities given by Stellar Diamonds plc.

On 7 October 2017 Stellar Diamonds Limited and Guinean Diamond Corporation Limited entered into an agreement with Gold Knight Limited to dispose of the entire issued share capital of Guinean Diamond Corporation Limited to Gold Knight for US\$1,240,000. The disposal comprises certain plant and equipment as well as the shares held by Guinean Diamond Corporation Limited in its subsidiary companies Ressources Tassiliman Baoulé SA (75 per cent. interest in the Baoulé project) and Ressources Mandala Guinée SARL (100 per cent. interest in the Mandala project) and West African Diamonds plc SARL (100 per cent. interest in the Droujba project). The agreement includes certain customary warranties and indemnities given by Stellar Diamonds Limited.

(vii) *Loan Agreement with Rowan Carr*

On 11 December 2017 the Company entered into an interest free unsecured loan agreement with Rowan Carr, the Company's Chief Operating Officer, for US\$109,500 in relation to funds advanced by Rowan Carr for project costs incurred by the Group in Guinea whilst the disposal process referred to in paragraph (vi) above was completed ("**Loan**"). At present there is no fixed repayment schedule however the Company has committed to repay the Loan using the proceeds of future fundraises.

(viii) *Loan Agreement with NWF*

On 1 February 2018, Stellar entered into a loan agreement with NWF pursuant to which NWF agreed to advance a principal sum of US\$3 million to Stellar. The principal has been drawn-down in full. The loan is unsecured, and has an interest rate of 24 per cent. per annum. The amounts outstanding under the loan are repayable on 1 October 2018, or, if a competing offer is made for Stellar before 1 October 2018: three months of the competing offer for Stellar becoming unconditional, or 5 business days after the competing offer lapses or is withdrawn, or 1 October 2018.

8.2 **NWF's material contracts**

The following contracts have been entered into by members of the NWF Group, not being contracts entered into in the ordinary course of business, which are or may be material, during the period beginning 1 February 2016 (being two years before the date of commencement of the Offer Period) and ending on the disclosure date:

(i) *Stellar loan agreement*

On 1 February 2018, NWF entered into a loan agreement with Stellar pursuant to which it agreed to advance a principal sum of US\$3 million. The principal has been drawn-down in full. The loan is unsecured, and has an interest rate of 24 per cent. per annum. The amounts outstanding under the loan are repayable on 1 October 2018, or, if a competing offer is made for Stellar before 1 October 2018: three months of the competing offer for Stellar becoming unconditional, or 5 business days after the competing offer lapses or is withdrawn, or 1 October 2018.

(ii) *Underwriting Agreement*

On 12 March 2018, NWF entered into the Underwriting Agreement with the Underwriter, Townshend Capital Pty Ltd, pursuant to which the Underwriter agreed to underwrite the subscription of the NWF Rights Issue Shares.

NWF agreed to pay the Underwriter an underwriting fee of A\$200,000, which, subject to the receipt of NWF Shareholder approval (which is being sought at the NWF GM), is to be settled by the issue of the NWF Rights Issue Options to the Underwriter or its nominees. If the required resolution is not passed, NWF will pay the A\$200,000 underwriting fee to the Underwriter in accordance with the terms of the Underwriting Agreement.

NWF has also agreed to pay the Underwriter's costs and expenses of and incidental to the NWF Rights Issue. The Underwriting Agreement also contains a number of indemnities, representations and warranties from NWF to the Underwriter that are considered standard for an agreement of this type in Australia.

The Underwriter may terminate the Underwriting Agreement by the provision of written notice to NWF in any of the following circumstances:

- (a) the Offer or the Scheme is withdrawn or modified by NWF or Stellar without the prior written consent of the Underwriter (except to the extent that such withdrawal or modification is required by the Panel and does not affect the material commercial terms of the Offer);
- (b) a material adverse change occurs;
- (c) an event of insolvency occurs in respect of a member of the NWF Group or any member of the Stellar Group which has or is reasonably likely to have a significant adverse effect on the outcome of the NWF Rights Issue in so far as it relates to the assets, liabilities, financial position, performance, profitability or prospects of the NWF Group as a whole or the Stellar Group as a whole;
- (d) any NWF disclosure materials given to the Underwriter by NWF after the date of the Underwriting Agreement and before completion discloses a matter which would cause any NWF warranty to cease to be true and correct in all material respects and such matter has or ought reasonably to have a significant adverse effect on the outcome of the NWF Rights Issue in so far as it relates to the assets, liabilities, financial position, performance, profitability or prospects of the NWF Group as a whole or the Stellar Group as a whole; or
- (e) any NWF warranty ceases to be true and correct in all material respects and the breach of such NWF warranty has or ought reasonably to have a significant adverse effect on the outcome of the NWF Rights Issue in so far as it relates to the assets, liabilities, financial position, performance, profitability or prospects of the NWF Group as a whole or the Stellar Group as a whole.

9. Service contracts and letters of appointment of Stellar Directors

Karl Smithson

Karl Smithson entered into a service agreement with the Company on 1 October 2013 as its Chief Executive Officer ("**Service Agreement**"). Mr Smithson receives a salary of £150,000 per annum. The Service Agreement may be terminated by either Mr Smithson giving the Company not less than 6 months' written notice expiring at any time, or the Company giving Mr Smithson not less than 12 months' written notice expiring at any time. The Company may pay to Mr Smithson a bonus of such amount as may be determined by the Board at its absolute discretion. The Company will provide Mr Smithson with access to a designated stakeholder pension scheme. Mr Smithson is entitled to a death in service benefit of three times his salary, medical expenses insurance, medical evacuation insurance and travel insurance. The Company is entitled to pay Mr Smithson in lieu of his notice. There are further termination provisions which if triggered, entitle Mr Smithson to receive an amount equivalent to the gross value of two years' basic salary less any sums paid to him by way of notice or payment in lieu of notice but plus any accrued but unpaid bonus to the date of termination if he is dismissed or "constructively" dismissed, following a change in control of the Company. The Service Agreement contains post-termination restrictions, specifically non-solicitation of key employees (which applies for a period of 12 months after termination of the director's employment) and non-competition with the Company (which applies for a period of 6 months after termination of the director's employment under the Service Agreement).

Peter Daresbury

Peter Daresbury entered into a letter of appointment with the Company as its non-executive chairman on 27 January 2010 ("**Letter of Appointment**"). Peter Daresbury's annual fee is £50,000. Peter Daresbury is currently entitled to a £5,000 fee for sitting on the audit committee and £4,000 for sitting on the Remuneration Committee in addition to his annual fee. The Letter of Appointment contains certain restrictions relating to confidentiality and competition with the Company. The appointment can be terminated by either party giving the other 3 months' notice. It is confirmed in the Letter of Appointment that Peter Daresbury is an office holder and not an employee and provided that this is consistent with how the relationship between Peter Daresbury and the Company works in practice, Peter Daresbury is not entitled to employee's rights, such as the right to bring a claim for unfair dismissal.

Steven Poulton

Steven Poulton entered into a letter of appointment with the Company as a non-executive director on 27 January 2010 ("**Letter of Appointment**"). Mr Poulton also sits on the Company's Audit Committee. Mr Poulton's annual fee is £16,000. Mr Poulton is currently entitled to a £5,000 fee for sitting on the Audit Committee and a £4,000 fee for sitting on the Remuneration Committee, in addition to his annual fee above. The Letter of Appointment contains certain restrictions relating to confidentiality and competition with the Company. The appointment can be terminated by either party giving the other 3 months' notice. It is confirmed in the Letter of Appointment that Mr Poulton is an office holder and not an employee and provided that this is consistent with how the relationship between Mr Poulton and the Company works in practice, Mr Poulton is not entitled to employee's rights, such as the right to bring a claim for unfair dismissal.

Hansjörg Plaggemars

Hansjörg Plaggemars entered into a letter of appointment with the Company as a non-executive director on 19 November 2015 ("**Letter of Appointment**"). Mr Plaggemars annual fee is £16,000. Mr Plaggemars is currently entitled to a £5,000 fee for sitting on the Audit Committee and a £4,000 fee for sitting on the Remuneration Committee, in addition to his annual fee. The Letter of Appointment contains certain restrictions relating to confidentiality and competition with the Company. The appointment can be terminated by either party giving the other 3 months' notice. It is confirmed in the Letter of Appointment that Mr Plaggemars is an office holder and not an employee and provided that this is consistent with how the relationship between Mr Plaggemars and the Company works in practice, Mr Plaggemars is not entitled to employee's rights, such as the right to bring a claim for unfair dismissal.

No service contracts of Stellar Directors have been entered into or amended with Stellar or any of its subsidiaries within six months of the date of this document.

10. Bases of calculations and sources of information

10.1 The number of New NWF Shares to be issued under the Scheme of approximately 95.10 million

- (a) assumes that no options or warrants over Stellar Shares will be exercised and no Stellar CLNs (see paragraph 10.10 below) will be converted;
- (b) is calculated by multiplying the share exchange ratio of 0.7622 by the total number of Stellar Shares in issue on 23 March 2018 (being the last Business Day prior to the date of this document) and the DB Shares and in addition the Stellar Option and Warrant Holders will each receive such number of New NWF Shares that is equal to the difference between the exercise price of each option or warrant and the NWF Theoretical Ex-rights Price Offer Value of 9.77 pence per Stellar Share multiplied by the number of options or warrants held by each party divided by the NWF Theoretical Ex-rights Price. The Theoretical Ex-rights Price Offer Value is calculated by multiplying the Theoretical Ex-rights Price of a NWF Share (12.82 pence at an exchange rate of A\$1.74 to £1, being the Possible Offer Exchange Rate) by the share exchange ratio of 0.7622.

	<i>Number of Stellar Shares</i>	<i>Exercise price (if applicable)</i>	<i>Number of NWF Shares</i>
Existing Shareholders	62,007,748	n/a	47,262,305
Stellar Option Holders	5,250,000	3.25 pence	2,670,045
CLN Warrant Holders	92,220,553	5.00 pence	34,312,950
Peterhouse Warrants	227,719	7.125 pence	46,982
DB Stellar Shares	14,184,397	n/a	10,811,347
Total	<u>173,890,417</u>		<u>95,103,629</u>

10.2 Where stated in this document, the aggregate value of the New NWF Shares of £12.5 million (or A\$22.8 million) is calculated by multiplying the number of New NWF Shares to be issued under the terms of the Scheme (as calculated as described in paragraph 10.1(b)) by the price per NWF Share of A\$0.24 (being the mid-market closing price on 23 March 2018 (being the last Trading Day prior to the publication of this document)) and applying an A\$:£ exchange rate of 1.83.

10.3 The issued share capital of the Combined Group (being 580,915,003), assuming no Stellar Options or Stellar Warrants are exercised and no other Stellar Shares or NWF Shares are issued, has been calculated on the basis of:

- (a) a total number of 270,583,335 NWF Shares in issue on 23 March 2018 (being the Latest Practicable Date);
- (b) 200,231,668 NWF Rights Issue Shares;
- (d) 15,000,000 Conditional Placement Shares;
- (d) 95.1 million (rounded to the nearest 0.1 million NWF Shares) New NWF Shares which would be issued under the terms of the Combination (as referred to in the table at paragraph 10.1(b) above).

10.4 All prices for Stellar Shares (including VWAP prices) have been derived from Thomson Reuters Eikon and, unless otherwise stated, represent mid-market closing prices on the relevant date(s).

10.5 All VWAPs quoted have been derived from Thomson Reuters Eikon price and volume data. Where relative VWAPs and premiums derived therefrom are quoted, these have been calculated by calculating the VWAP for Stellar for the relevant period.

10.6 All prices for NWF Shares have been derived from Thomson Reuters Eikon and, unless otherwise stated, represent mid-market closing prices on the relevant date(s).

10.7 Unless otherwise stated, where amounts are translated from Australian dollars to British Pounds, an exchange rate of A\$1.83:£1 has been used, as sourced from Thomson Reuters Eikon on 23 March 2018.

10.8 The number of Stellar Shares which may be issued in the event of exercise of the CLN Warrants and which has been used as the basis for the Warrant Offer has been calculated on the following basis:

- (i) Exercise price of the CLN Warrants of 5 pence per share and using an exchange rate of US\$1.41 to £1.00;
- (ii) Total CLN Warrants over 92,220,553 Stellar Shares calculated based on this assumptions which are valid as at the date of this Document;
- (iii) Each CLN Warrant Holder has agreed not to exercise their CLN Warrants in accordance with the terms of the Irrevocable Undertakings, further details of which are set out in paragraph 4 of this Part VIII.

10.9 The Peterhouse Warrants are exercisable into 227,719 new Stellar Shares at a price of 7.125 pence per share. Peterhouse has agreed not to exercise their Peterhouse Warrants in accordance with the terms of the Irrevocable Undertakings, further details of which are set out in paragraph 4 of this Part VIII.

- 10.10 Each of the CLN Holders has agreed not to convert their loan note while in accordance with the terms of the Irrevocable Undertakings, further details of which are set out in paragraph 4 of this Part VIII.
- 10.11 Unless otherwise stated, the financial information relating to NWF is extracted from the audited consolidated financial statements of NWF for the relevant years and half years, prepared in accordance with Australian Accounting Standards and the Corporations Act 2001 (Cth) and comply with the IFRS as issued by the International Accounting Standards Board.
- 10.12 Unless otherwise stated, the financial information relating to Stellar is extracted from the audited consolidated financial statements of Stellar for the relevant years, prepared in accordance with IFRS as adopted by the EU.
- 10.13 Certain figures included in this document have been subject to rounding adjustments.
- 10.14 As at 23 March 2018, the total number of NWF Shares in issue was 270,583,335 and the total number of Stellar Shares in issue was 62,007,748.

11. Offer-related fees and expenses

- 11.1 The aggregate fees and expenses which are expected to be incurred by NWF in connection with the Combination are estimated to amount to £114,000 plus applicable VAT. This aggregate number consists of the following categories:
- (a) financial advice: £15,000 plus applicable VAT;
 - (b) legal advice: £94,000 plus applicable VAT; and
 - (c) other costs and expenses: £5,000.
- 11.2 The aggregate fees and expenses which are expected to be incurred by Stellar in connection with the Combination are estimated to amount to £429,000 plus applicable VAT. This aggregate number consists of the following categories:
- (a) financial advice: £160,000 plus applicable VAT;
 - (b) legal advice: £250,000 plus applicable VAT;
 - (c) other professional services: £10,000 plus applicable VAT; and
 - (d) other costs and expenses: £9,000 plus applicable VAT.

12. No significant change

- 12.1 Save as disclosed in this document, there has been no significant change in the financial or trading position of the Stellar Group since 31 December 2017, being the date to which Stellar's last interim accounts were prepared.
- 12.2 Save as disclosed in this document, there has been no significant change in the financial or trading position of NWF since 31 December 2017, being the date to which NWF's last half-yearly (and quarterly) financial report was prepared.

13. Consents

Cairn has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.

14. Other information

- 14.1 Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between NWF or any person acting in concert with NWF for the purposes of the Combination and any of the Stellar Directors or recent directors, shareholders or recent shareholders of Stellar, or any person interested or recently interested in shares of Stellar, having any connection with, or dependence upon, or which are conditional on, the Combination.

- 14.2 There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Stellar Shares to be acquired by NWF pursuant to the Combination will be transferred to any other person, save that NWF reserves the right to transfer any such Stellar Shares to any member of the NWF Group.
- 14.3 Save as disclosed in this document, no proposal exists in connection with the Combination that any payment or other benefit shall be made or given by NWF to any Stellar Director as compensation for loss of office or as consideration for, or in connection with, his retirement from office.
- 14.4 Save as disclosed in this document, NWF is not a party to any agreement or arrangement which relates to the circumstances in which it may or may not invoke or seek to invoke a condition to the Combination.
- 14.5 Save as disclosed in this document, the emoluments of the NWF Directors will not be affected by the Combination or any other associated transaction.
- 14.6 Save as disclosed in this document, the emoluments of the Stellar Directors will not be affected by the Combination or any other associated transaction.
- 14.7 Save with the consent of the Panel, settlement of the consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien, right of set-off, counterclaim or other analogous right to which NWF may otherwise be, or claim to be entitled, against such shareholder.

15. Documents available for inspection

Copies of the following documents will be available for inspection on NWF's website at www.newfieldresources.com.au and Stellar's website at www.stellar-diamonds.com and also available for inspection at the registered office of Cairn Financial Advisers LLP at Cheyne House, Crown Court, 62-63 Cheapside, London EC2V 6AX of each week (UK public holidays excepted), in each case during the period up to and including the Scheme Effective Date or the date on which the Scheme lapses or is withdrawn:

- (a) the Announcement;
- (b) the annual report and accounts of Stellar for the two financial years ending 30 June 2017;
- (c) the articles of association of Stellar;
- (d) the articles of association of Stellar as proposed to be amended at the General Meeting;
- (e) the NWF Constitution;
- (f) the material contracts which have been entered into in connection with the Combination, referred to in paragraph 8 of this Part VIII;
- (g) the irrevocable undertakings and letters of intent referred to in Parts I and VIII of this document;
- (h) the consent letter referred to in paragraph 13 of this Part VIII;
- (i) the rules of the Stellar Share Schemes; and
- (j) this document and the Forms of Proxy.

16. Incorporation by reference

16.1 Parts of other documents are incorporated by reference in, and form part of, this document.

16.2 Part VII of this document sets out which sections of such documents are incorporated into this document.

26 March 2018

PART IX

GLOSSARY AND DEFINITIONS

The following definitions apply throughout this document unless the context requires otherwise:

“A\$”	Australian Dollar
“AIM”	AIM, a market of the London Stock Exchange
“AIM Rules”	The rules of AIM as set out in the publication entitled ‘AIM Rules for Companies’ published by the London Stock Exchange
“Announcement”	the announcement dated 12 March 2018 made in connection with the Combination in accordance with Rule 2.7 of the Code
“ASIC”	Australian Securities and Investments Commission
“ASX”	Australian Securities Exchange
“ASX Listing Rules”	the official listing rules of the Australian Securities Exchange
“Australia”	the Commonwealth of Australia
“Business Day”	a day (other than a Saturday or Sunday) on which banks are open for general business in London or a Perth Business Day
“CHESS”	The Clearing House Electronic Subregister System, operated by the ASX Settlement Pty Limited
“CLN Announcements”	the announcements made by Stellar on 14 August 2017 and 11 September 2017 setting out details of the CLN US\$1.34 million, CLN US\$1.65 million, CLN US\$1.34 million Warrants and CLN US\$1.65 million Warrants
“CLN Holders”	holders of the CLN US\$1.34 million and the CLN US\$1.65 million
“CLN US\$1.34 million”	the unsecured convertible loan note with aggregate principal value of US\$1,342,183 held by Deutsche Balaton, Creditforce and Steven Poulton
“CLN US\$1.34 million Warrants”	the warrants issued to the CLN US\$1.34 million noteholders pursuant to the terms of the CLN US\$1.34 million, to subscribe for Stellar Shares
“CLN US\$1.65 million”	the convertible loan note with aggregate principal value of CLN US\$1,650,000 held by Deutsche Balaton
“CLN US\$1.65m Warrants”	the warrants issued to Deutsche Balaton, in connection with the CLN US\$1.65m, to subscribe for Stellar Shares
“CLN Warrant”	a CLN US\$1.65 million Warrant or a CLN US\$1.34 million Warrant
“CLNs”	the CLN US\$1.34 million and the CLN US\$1.65 million
“Code” or “Takeover Code”	the City Code on Takeovers and Mergers
“Combination”	the direct or indirect acquisition of the entire issued and to be issued share capital of Stellar by NWF to be implemented by way of the Scheme or (should NWF so elect, subject to the consent of the Panel (where necessary)) by way of an Offer

“Combined Group”	the combined group following the Combination, consisting of the NWF Group and the Stellar Group with NWF being the continuing parent entity
“Companies Act”	the UK Companies Act 2006, as amended
“Competent Person” or “MPH”	MPH Consulting Limited, the competent person for the purpose of the purpose of the AIM Mining, Oil & Gas Companies Note
“Conditions”	the conditions to the implementation of the Combination (including the Scheme) which are set out in Part IV of this document
“Court”	the High Court of Justice of England and Wales
“Court Meeting”	the meeting(s) of Scheme Shareholders to be convened by an order of the Court under the Companies Act, notice of which is set out in Part X of this document, to consider and if thought fit approve the Scheme (with or without amendment) including any adjournment, postponement or reconvention thereof
“Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
“CPR”	the competent person’s report primarily relating to the Tongo and Tonguma projects (as well as the Guinea Projects) prepared by MPH and available on Stellar’s website
“Creditforce”	Creditforce Limited
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Ltd is the operator
“DB Share Rights”	the right held by Deutsche Balaton to be issued the DB Shares pursuant to an agreement entered into between Stellar and Deutsche Balaton on 6 October 2016 (as subsequently amended) whereby Deutsche Balaton conditionally agreed to waive certain of its rights under the CLN US\$1.65 million relating to its ability to convert/and or exercise the CLN US\$1.65 million and CLN US\$1.65 million Warrants respectively into shares in a subsidiary of Stellar, further terms of which are included in Stellar’s announcements dated 6 October 2016 and 11 September 2017
“DB Share Rights Offer”	The offer by NWF to acquire the DB Share Rights held by Deutsche Balaton
“DB Shares”	the 14,184,397 Stellar Shares to be issued to Deutsche Balaton on exercise of the DB Share Rights
“Dealing Disclosure”	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
“Deutsche Balaton”	Deutsche Balaton A.G.
“Effective”	in the context of the Combination: <ul style="list-style-type: none"> (i) if the Combination is implemented by way of Scheme, means the Scheme having become effective pursuant to its terms; or (ii) if the Combination is implemented by way of an Offer, such offer having become or been declared unconditional in all respects in accordance with its terms

“Effective Date” or “Scheme Effective Date”	the date on which the Combination becomes Effective
“EMI Share Option Scheme”	Stellar Diamonds plc EMI Share Option Scheme
“FEED”	Front end engineering design
“Form(s) of Proxy”	either or both of the blue forms of proxy for use at the Court Meeting and the white forms of proxy for use at the General Meeting which accompany this document as the context requires
“General Meeting”	the general meeting of Stellar Shareholders to be convened in connection with the Combination, notice of which is set out in Part XI of this document, to consider and if thought fit approve various matters in connection with the implementation of the Scheme, including any adjournment, postponement or reconvention thereof
“HSEC”	Health, safety, environment and community
“IFRS”	International Financial Reporting Standards
“JORC”	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, as published by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
“Irrevocable Undertakings”	The undertakings by certain Stellar Shareholders and holders of rights over Stellar Shares summarised in Part VIII of this document
“Latest Practicable Date”	23 March 2018, being the latest practicable date prior to the date of this document
“Lead Sub-Underwriter”	Mr Rustiyan Oen
“Loan”	the US\$3 million loan from NWF to Stellar announced by Stellar on 1 February 2018
“Lock-ins”	the agreements entered into by the Locked-in Parties subject to which they have agreed not to dispose of New NWF Shares received by them in the event that the Combination becomes effective, for a period of six months save for customary exceptions
“Locked-in Parties”	the Stellar Directors, Rowan Carr, Deutsche Balaton and Creditforce
“London Stock Exchange”	London Stock Exchange plc
“Long Stop Date”	31 May 2018
“Mine Plan”	the mine plan for Tongo-Tonguma developed as part of and reported in the PEA by PPM and SRK Consulting and as subsequently updated following the outcome of the FEED process
“New NWF Shares”	the new NWF Shares, to be allotted pursuant to the Scheme (or, if applicable, the Offer), the Options and Warrants Offers and the DB Share Rights Offer
“NWF” or “Newfield”	Newfield Resources Limited, incorporated in Western Australia with registered office 79 Broadway, Nedlands, Western Australia, 6009
“NWF Board”	the board of directors of NWF

“NWF Closing Price”	the closing middle market price of a NWF Share on a particular Trading Day
“NWF Conditional Placement”	conditional private placement of 15,000,000 new NWF Shares at a price of A\$0.20 per share to raise A\$3 million, conditional on the NWF Share Authority
“NWF Conditional Placement Shares”	the new NWF Shares to be issued in connection with the NWF Conditional Placement
“NWF Financings”	the NWF Rights Issue, the NWF Conditional Placement and the NWF Placement
“NWF GM”	the general meeting to be held by NWF in connection, <i>inter alia</i> , with the NWF Share Authority
“NWF Group”	NWF and its subsidiaries (excluding the Stellar Group)
“NWF Options”	options to acquire NWF Shares
“NWF Placement”	private placement of 35,000,000 new NWF Shares at a price of A\$0.20 per share raising A\$7 million
“NWF Rights Issue”	the underwritten non-renounceable rights issue by NWF announced on 12 March 2018 to raise A\$30 million through the issue of the NWF Rights Issue Shares, conditional on, <i>inter alia</i> , completion of the Scheme
“NWF Rights Issue Options”	the options over 50,000,000 new NWF Shares in aggregate, exercisable at A\$0.30 per share proposed to be granted to the NWF Rights Issue Underwriter and its nominees, subject to the receipt of NWF Shareholder approval at the NWF GM and completion of the NWF Rights Issue
“NWF Rights Issue Shares”	the 200,231,668 new NWF Shares to be issued at A\$0.15 per NWF Share pursuant to the NWF Rights Issue
“NWF Rights Issue Underwriter”	Townshend Capital Pty Ltd
“NWF Share Authority”	the shareholder authority being sought at the NWF GM which is necessary to issue the NWF Conditional Placement Shares
“NWF Shareholder”	A holder of NWF Shares
“NWF Shares”	the ordinary shares in the capital of NWF
“Octea”	Octea Mining Limited
“Offer”	the implementation of the Combination by means of a takeover offer as defined in section 974 of the Companies Act in circumstances described in this document, rather than by means of the Scheme
“Offer Period”	the offer period (as defined by the Takeover Code) relating to Stellar, which commenced on 1 February 2018
“Opening Position Disclosure”	an announcement pursuant to Rule 8 of the Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to an offer
“Option and Warrant Offers”	The offers being made to the Stellar Option and Warrant Holders

“Overseas Shareholders”	Stellar Shareholders who are resident in, located in, ordinarily resident in, or citizens or nationals of, jurisdictions outside the United Kingdom
“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers
“PEA”	the preliminary economic assessment of the Tongo-Tonguma Project produced by Paradigm Project Management and SRK Consulting, a summary of which was announced by Stellar on 5 October 2016
“Perth Business Day”	a day (other than a Saturday or Sunday) on which banks are open for general business in Perth
“Peterhouse Warrant”	a warrant granted by Stellar to Peterhouse Corporate Finance Limited
“Possible Offer”	the possible offer for all of the issued and to be issued Stellar Shares as announced on 1 February 2018
“Possible Offer Announcement”	the announcement made by Stellar on 1 February 2018 in relation to the Possible Offer
“Possible Offer Exchange Rate”	Exchange rate of A\$1.74 : £1 on 31 January 2018, being the day prior to the Possible Offer Announcement
“PPM”	Paradigm Project Management
“Regulatory Information Service”	a primary information provider which has been approved by the Financial Conduct Authority to disseminate regulated information
“Restricted Jurisdiction”	any jurisdiction where the relevant action would constitute a violation of the relevant laws and regulations of such jurisdiction or would result in a requirement to comply with any governmental or other consent or any registration, filing or other formality which NWF or Stellar regards as unduly onerous
“Scheme” or “Scheme of Arrangement”	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Stellar and the Scheme Shareholders, with or subject to any modification, addition or condition which NWF and Stellar may agree, and if required, the Court may approve or impose
“Scheme Circular” or “this document”	this document to be sent to Stellar Shareholders setting out, amongst other things, the full terms and conditions of the Scheme and the notice convening the Court Meeting
“Scheme Court Hearing”	the hearing (or any adjournment thereof) of the Court to sanction the Scheme
“Scheme Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
“Scheme Record Time”	the time and date specified in the Scheme Circular by reference to which the Scheme will be binding on holders of Stellar Shares at such time
“Scheme Shareholders”	holders of Scheme Shares at the relevant time
“Scheme Shares”	the Stellar Shares: <ul style="list-style-type: none"> (i) in issue at the date of the Scheme Circular and which remain in issue at the Scheme Record Time;

- (ii) (if any) issued after the date of the Scheme Circular but before the Voting Record Time and which remain in issue at the Scheme Record Time; and
- (iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme or in respect of which the original or any subsequent holders thereof are, or have agreed in writing to be, bound by the Scheme and, in each case, which remain in issue at the Scheme Record Time,

excluding, in any case, any Stellar Shares held by or on behalf of NWF at the Scheme Record Time

“Special Resolution”	the special resolution to be proposed at the General Meeting, a copy of which is set out in Part XI of this document
“Stellar”	Stellar Diamonds plc with registered office at 40 Bloomsbury Way, Lower Ground Floor, London, WC1A 2SE, United Kingdom with Company number 546035
“Stellar Board”	the board of directors of Stellar
“Stellar Closing Price”	the closing middle market price of a Stellar Share on a particular Trading Day
“Stellar CLNs”	the CLN US\$1.65 million and the CLN US\$1.34 million
“Stellar Directors”	the directors of Stellar
“Stellar Group”	Stellar and its subsidiary undertakings
“Stellar Option and Warrant Holders”	Stellar Option Holders and Stellar Warrant Holders
“Stellar Option Holder”	a holder of Stellar Option
“Stellar Options”	options to acquire Stellar Shares pursuant to the Stellar Share Schemes
“Stellar Share Schemes”	the EMI Share Option Scheme and the Unapproved Share Option Scheme
“Stellar Shareholder”	a holder of Stellar Shares
“Stellar Shares”	ordinary shares of 1 penny each in the capital of Stellar
“Stellar Warrant”	a CLN Warrant or a Peterhouse Warrant
“Stellar Warrant Holder”	a holder of a Stellar Warrant
“Sub-Underwriting Agreement”	the agreement entered into on 1 March 2018 between the NWF Rights Issue Underwriter and the Lead Sub-Underwriter
“Theoretical Ex-rights Price”	the theoretical ex-rights price of an NWF Share of A\$0.223 calculated in connection with the completion of the NWF Financings and based on an NWF Share Price of A\$0.29, being the closing price per NWF Share on 31 January 2018, the last business day before the Possible Offer Announcement
“Theoretical Ex-rights Price Offer Value”	9.77 pence, being the implied value of a Stellar Share under the terms of the Scheme based on the NWF Theoretical Ex-rights Price calculated at the time of the Possible Offer Announcement

“Tongo Licence”	means the exploration licence, EL48/2012, in respect of the Tongo project for which a mining licence has been approved under application number 752 subject to payment of the licence fee
“Tongo Project”	the kimberlite project covering approximately 9.98 square kilometres in the Lower Bambara Chiefdom, Kenema District, in the Eastern Province of Sierra Leone and covered by mining lease EL48/2012
“Tongo-Tonguma Project” or “Tongo-Tonguma mine”	being the Tongo Project and the adjacent Tonguma Project which are proposed to be jointly developed by Stellar pursuant to the terms of the Tribute Mining Agreements
“Tonguma”	Tonguma Limited, a company incorporated in the British Virgin Islands
“Tonguma Licence”	means the mining licence ML01/12 in respect of the Tonguma Project which is owned by Tonguma
“Tonguma Project”	the kimberlite project covering approximately 124 square kilometres in the Lower Bambara Chiefdom, Kenema District, in the Eastern Province of Sierra Leone and covered by mining lease ML01/12
“Trading Day”	a day on which Stellar Shares or NWF Shares (as applicable) trade on AIM or ASX respectively
“Tribute Mining Agreements”	the tribute mining agreement and the revenue share agreement each entered into on 27 April 2017 between Stellar’s wholly owned subsidiary, Sierra Diamonds Limited, Tonguma Limited, the Company and Octea Limited to develop and operate the Tonguma Project
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“Unapproved Share Option Scheme”	Stellar Diamonds plc Unapproved Share Option Scheme
“Underwriting Agreement”	the agreement entered into on 12 March 2018 between NWF and the NWF Rights Issue Underwriter
“Voting Record Time”	the time and date by reference to which entitlement to vote at the Court Meeting will be determined, being 6.00pm (London time (GMT)) on the day which is two days before the date of the Court Meeting or if the Court Meeting is adjourned, 6.00pm (London time (GMT)) on the day which is two days before such adjourned meeting
“VWAP”	volume weighted average price
“Warrant Offers”	offers made to Stellar Warrant Holders by NWF in accordance with Rule 15 of the City Code

All times referred to in this Announcement are to London time unless otherwise stated.

PART X

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE

CR-2018-000978

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES

COMPANIES COURT (ChD)

INSOLVENCY AND COMPANIES COURT JUDGE BARBER

IN THE MATTER OF STELLAR DIAMONDS PLC

- and -

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 23 March 2018 made in the above matter, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the Scheme Shareholders (as defined in the Scheme of Arrangement referred to below), for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 proposed to be made between Stellar Diamonds Plc (the “**Company**”) and the holders of the Scheme Shares (as defined in the Scheme of Arrangement) and that such meeting will be held at the office of Gowling WLG, 4 More London Riverside, London SE1 2AU on 19 April 2018, at 10.00 a.m. at which place and time all holders of the Scheme Shares are requested to attend.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be furnished pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this notice forms part.

Shareholders entitled to attend and vote at the Court Meeting may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their place. A blue form of proxy for use at the Court Meeting is enclosed with this notice. Scheme Shareholders with Scheme Shares held through CREST may also appoint a proxy or proxies using CREST by following the instructions set out in paragraph 17 of Part I of this document. Completion and return of a form of proxy, or the appointment of proxies electronically or through CREST, will not prevent a holder of ordinary shares in the Company from attending and voting at the Court Meeting or any adjournment thereof in person if he wishes to do so.

In the case of joint holders, any one such joint holder may tender a vote, whether in person or by proxy, at the Court Meeting, however, the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.

It is requested that forms appointing proxies be lodged by post with the Company’s registrars Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, or through CREST or electronically, not less than 48 hours (excluding any day that is not a working day) before the time appointed for the Court Meeting, but if forms are not so lodged they may be handed to the Chairman at the Court Meeting or a representative of Computershare Investor Services (Ireland) Limited at the Court Meeting on behalf of the Chairman of the Court Meeting before the start of the Court Meeting and will still be valid. Shareholders should note that they may also hand updated proxies to the Chairman of the Court Meeting or a representative of Computershare Investor Services (Ireland) Limited at the Court Meeting on behalf of the Chairman of the Court Meeting before the start of the Court Meeting and the last valid proxy that is received shall be treated as replacing and revoking the former proxy in relation to the relevant Scheme Shares.

Proxies submitted using the CREST proxy voting service must be transmitted so as to be received by Computershare Investor Services (under CREST participant ID 3RA50) not later than 10.00 a.m. on 17 April

2018 or (as the case may be) no later than 48 hours (excluding any day that is not a working day) prior to the time and date fixed for any adjourned meeting. The time of receipt will be taken to be the time from which Computershare Investor Services is able to retrieve the message by enquiry to CREST. Entitlement to attend and vote at the Court Meeting, or any adjournment thereof, and the number of votes which may be cast thereat will be determined by reference to the register of members of the Company at 6.00 p.m. on the day which is two Business Days before the date of the Court Meeting or adjourned meeting (as the case may be). In each case, changes to the register of members of the Company after such time will be disregarded.

Voting at the Court Meeting will be conducted on a poll rather than a show of hands.

By the said Order, the Court has appointed Peter Daresbury, failing him, Nicholas Karl Smithson, and failing him, Hansjoerg Plaggemars, to act as Chairman of the Court Meeting and has directed the Chairman to report the result thereof to the Court.

The said Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 26 March 2018

Gowling WLG (UK) LLP
Solicitors to the Company

PART XI

NOTICE OF GENERAL MEETING

STELLAR DIAMONDS PLC

(Registered in England and Wales No. 5424214)

NOTICE IS HEREBY GIVEN that a GENERAL MEETING of the Company will be held at the offices of Gowling WLG, 4 More London Riverside, London SE1 2AU on 19 April 2018 at 10.15 a.m. (or as soon thereafter as the Court Meeting (as defined in the document of which this notice forms part) shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution:

SPECIAL RESOLUTION

THAT for the purpose of giving effect to the scheme of arrangement dated 26 March 2018 between the Company and the holders of its Scheme Shares (each as defined in the said scheme), a print of which has been produced to this meeting and for the purposes of identification signed by the Chairman thereof in its original form or subject to such modification, addition or condition approved or imposed by the Court (the "**Scheme**"), and in each case conditional on the Scheme becoming effective:

- (1) the Scheme be approved in its original form or subject to such modification, addition or condition agreed between the Company and Newfield Resources Limited and the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- (2) the cancellation of the admission of the ordinary shares of 1 penny each in the capital of the of the Company to trading on AIM, a market of the London Stock Exchange, be approved;
- (3) subject to such cancellation, the Company shall be re-registered as a private company; and
- (4) the articles of association of the Company be amended by the adoption and inclusion of the following new Article 48:

48 "**Scheme of Arrangement**"

48.1 In this Article 48, the "**Scheme**" means the scheme of arrangement dated 26 March 2018, between the Company and the holders of its Scheme Shares (each as defined in the Scheme), under Part 26 of the Companies Act 2006 in its original form or with or subject to any modification, addition or condition approved or imposed by the Court and (save as defined in this Article)) and as may be modified or amended in accordance with its terms, and expressions defined in the Scheme shall have the same meanings in this Article.

48.2 Notwithstanding any other provision of these Articles or the terms of any resolution whether special or ordinary passed by the Company in a general meeting, if the Company issues any shares (other than to NWF (as defined in the Scheme) whose offer for the entire issued and to be issued share capital of the Company is recommended by the board of directors of the Company or its nominee(s)) on or after the adoption of this Article and before the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the original or any subsequent holders of such shares shall be bound by the Scheme accordingly.

48.3 Notwithstanding either any provision of these Articles or the terms of any resolution whether special or ordinary passed by the Company in a general meeting and subject to the Scheme becoming effective, if any shares are issued to any person (a "**New Member**") (other than to NWF, a subsidiary of NWF or its nominee(s)) on or after the Scheme Record Time (the "**Transfer Shares**"), they will, provided the Scheme shall have become effective, be immediately transferred to NWF (and/or its nominee(s)) in consideration for and conditional on the allotment and issue free of all encumbrances of (a) such number of fully paid shares in the capital of NWF as would have been allotted and issued to such New Member under the Scheme had such Transfer Shares been Scheme Shares provided that:

- 48.3.1 if the Company is advised that the allotment and issue of any shares in NWF pursuant to this Article 48 (including without limitation under subparagraph 48.3.2 below) would or may infringe the laws of a jurisdiction outside the United Kingdom or would or may require NWF to comply with any governmental or other consent or any registration, filing or other formality or requirement with which NWF is in its opinion unable to comply or compliance with which NWF regards as unduly onerous, the Company may, in its sole discretion, determine that such shares in NWF shall be sold, in which event NWF shall appoint a person to act pursuant to this Article and such person shall be authorised on behalf of the New Member to procure that any shares in respect of which NWF has made such a determination, as soon as practicable following the allotment of such shares, be sold at the best price which can reasonably be obtained at the time of sale and the net proceeds of such sale (after the deduction of all expenses and commissions, including any value added tax payable thereon), rounded down to the nearest penny, shall be paid to the New Member;
- 48.3.2 the number of shares in NWF allotted and issued to a New Member pursuant to this Article 48 may be adjusted by the Directors on any reorganisation of or material alteration to the share capital of either the Company or NWF (including, without limitation, any subdivision and/or consolidation) effected after the close of business on the Scheme Effective Date. References in this Article 48 to shares shall, following such adjustment, be construed accordingly;
- 48.3.3 no fraction of a share in NWF shall be allotted or issued pursuant to this Article and the fractional entitlement of each New Member who would otherwise have been entitled to the beneficial interest in a fraction of such share in NWF shall be rounded down to the nearest whole number of shares; and
- 48.3.4 to give effect to any transfer of Transfer Shares, the Company may appoint any person as attorney and agent for the New Member to transfer the Transfer Shares to NWF and/or its nominee(s) and do all such other things and execute and deliver all such documents as may, in the opinion of the attorney, be necessary or desirable to vest the Transfer Shares in NWF and/or its nominee(s) and pending such vesting to exercise all such rights attaching to the Transfer Shares as NWF may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney fails to act in accordance with the directions of NWF) be entitled to exercise any rights attaching to the Transfer Shares unless so agreed by NWF. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer on behalf of the New Member (or any subsequent holder) in favour of NWF and the Company may give a good receipt for the consideration for the Transfer Shares and may register NWF and/or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member for the Transfer Shares.
- 48.4 NWF shall issue and allot any ordinary shares in NWF within 14 days of the issue of the Transfer Shares to the New Member. The ordinary shares of NWF to be issued and allotted pursuant to Article 48 shall be issued in uncertificated form.
- 48.5 Notwithstanding any other provision of these Articles, neither the Company nor the Directors shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Scheme Effective Date other than to NWF or as NWF shall direct in writing.
- 48.6 If the Scheme shall not have become effective by 31 May 2018 (or such later date (if any) as NWF and the Company may agree) and the Court may approve, this Article 48 shall be of no effect."

By order of the Board

Karl Smithson
Stellar Diamonds Plc

26 March 2018

Registered office: 40 Bloomsbury Way, Lower Ground Floor, London, WC1A 2SE, United Kingdom.

Notes:

1. Your right to appoint a proxy

A member (shareholder) of the Company who is entitled to attend and vote at this general meeting (the "Meeting") may appoint one or more proxies to attend, speak and to vote instead of him/her. A proxy need not be a member of the Company. A white Form of Proxy is enclosed with this Notice of Meeting (the "Notice"), and guidance on how to complete the form is set out in Note 2 below. A shareholder can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.

2. How to fill in the white Form of Proxy

In order to appoint a proxy you should sign and return the enclosed white Form of Proxy to the Company's registrars, Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18, at the address on the back of the form, to arrive not later than 10.15 a.m. on 17 April 2018 or, if the Meeting is adjourned, not later than 48 hours before the time the adjourned meeting is due to start (excluding any part of a day that is not a working day). In determining the time and date for delivery of the white Form of Proxy the Company has excluded non-working days. If you would like to use an envelope, please return the form to Computershare Investor Services (Ireland) Limited at Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18. Please note that delivery using this service can take up to 5 Business Days. If you do not specifically nominate another person to attend the Meeting and to vote on your behalf, the Chairman of the Meeting will be appointed as your proxy and will vote or abstain on a poll, on your behalf in accordance with your instructions. If you wish to appoint as your proxy someone other than the Chairman, cross out the words "the Chairman of the Meeting or" on the white Form of Proxy and write the full name of your proxy in the space provided – you can appoint more than one proxy if you wish. Please remember to ensure that the person concerned is able to attend the Meeting.

If you wish to instruct your proxy how to vote or abstain on each resolution in the event of a poll, please put an "X" in the appropriate box alongside the resolution on the white Form of Proxy. Please note that if you do not give any instructions, your proxy may vote or abstain on the resolution as he or she thinks fit.

Unless you instruct otherwise, your proxy may vote or abstain as he or she thinks fit on any other business which may properly come before the Meeting. Completing and returning the Form of Proxy will not prevent you from attending the Meeting and voting in person.

3. CREST Members

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent Computershare Investor Services (Ireland) Limited (ID3RA50) by 10.15 a.m. on 17 April 2018. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST Members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

4. Your entitlement to vote

The Company, pursuant to Regulation 41 of the Regulations, specifies that only those shareholders entered on the register of members of the Company as at 6.00 p.m. on 17 April 2018 shall be entitled to attend or vote at the Meeting in respect of the number of shares registered in their name at that time. If the Meeting is adjourned, the time by which a person must be entered on the register of members is 6.00 p.m. two Business Days preceding the date fixed for the adjourned Meeting. Changes to entries on the Company's register of members after the relevant time shall be disregarded in determining the rights of any person to attend or vote at the Meeting.

5. Documents available for inspection

Copies of the service contracts and letters of appointment of the directors of the Company, the register of members, the details of proxies, the current articles of association, the new articles of association as amended by the resolution and the register of the interests of directors (and their families) in the shares of the Company are available for inspection at the Company's registered office during normal business hours (Saturdays, Sundays and Bank Holidays excepted) and will also be available for inspection at the Meeting.

6. Voting rights

As at 23 March 2018 (being the latest practicable business date prior to the publication of this Notice) the Company's issued share capital consists of 62,007,748 ordinary shares carrying one vote each. Every member has one vote on a show of hands and, on a poll, one vote for each share held.

7. Corporate Representatives

A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative.

8. Other

The Company must cause to be answered at the Meeting any question relating to the business being dealt with at the Meeting which is put by a member of the Company attending, except (i) if to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; or (ii) if the answer has already been given on a website in the form of an answer to a question; or (iii) if it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

You may not use any electronic address provided either in the Notice or any related documents (including the white Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found at the Company's website: www.Stellar-diamonds.com.

APPENDIX I

COMPARISON OF PROPOSED NWF CONSTITUTION WITH THE STELLAR ARTICLES

The following is a summary comparison of the material differences between the rights of NWF Shareholders under the NWF Constitution and the rights of Stellar Shareholders under the Stellar Articles in force as at the date of this document. This section does not contain a detailed description of the provisions of the Companies Acts in the UK or the Australian Corporations Act in Australia which will affect the rights of shareholders in Stellar and NWF respectively.

The statements in this section are qualified in their entirety by reference to, and are subject to, the detailed provisions of the NWF Constitution which you are urged to read and which will be on display on NWF's website at www.newfieldresources.com.au and on Stellar's website at www.stellar-diamonds.com. You are also urged to carefully read or take your own professional advice on the relevant provisions of the Companies Acts and the Australian Corporations Act (as applicable) for a more complete understanding of the rights of shareholders in an English or Australian company (as applicable).

<i>Provision</i>	<i>NWF Constitution</i>	<i>Stellar Articles</i>
Authority to allot Share Capital	Subject to the ASX Listing Rules and certain prohibitions imposed under the Australian Corporations Act, the Board may on behalf of NWF issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the NWF Board decides.	<p>The Stellar Board's authority to allot shares is customarily sought annually from Stellar Shareholders. As of 26 March 2018, the Stellar Board has the authority to allot shares up to an aggregate nominal amount of £2,211,023, provided that the authority shall expire (unless previously renewed, varied or revoked by Stellar in a general meeting) on the earlier of the conclusion of Stellar's next annual general meeting and 24 September 2018.</p> <p>The Stellar Board also has authority to allot equity securities (as defined in section 560 of the 2006 Act) in connection with an offer by way of a rights issue in favour of holders of Stellar Shares, up to a nominal amount of £2,211,023, provided that the authority shall expire (unless previously renewed, varied or revoked by Stellar in a general meeting) on the earlier of the conclusion of Stellar's next annual general meeting and 24 September 2018.</p> <p>The Stellar Articles permit Stellar to issue options to subscribe for shares, or otherwise deal with or dispose of shares, on such terms and subject to such conditions as the Stellar Board may determine.</p> <p>The Investment Association Share Capital Management Guidelines provide that an authority to allot up to two-thirds of Stellar's existing issued share capital should be regarded as routine, but any amount in excess of one-third of the existing issued shares should only be applied to fully pre-emptive rights issues.</p> <p>Such guidance does not apply to companies admitted to trading on AIM, although they are encouraged to adopt the guidance.</p>

Provision

Pre-emption Rights and other restrictions on issue of securities

NWF Constitution

The NWF Constitution does not impose pre-emption rights in respect of the issue of NWF shares. However, NWF must not issue any shares if such an issue would result in a breach of the ASX Listing Rules.

The ASX Listing Rules impose a general restriction on NWF issuing more than 15 per cent. of its issued share capital over any 12 month period, without obtaining the approval of NWF shareholders.

This is subject to certain exceptions such as pro-rata issues of securities and issues under certain employee incentive schemes which have been approved by shareholders.

NWF will seek shareholder approval to permit it to issue the New NWF Shares under the terms of this Scheme.

Stellar Articles

Unless otherwise disapplied, shares must be allotted and issued in accordance with the statutory pre-emption rights contained in section 561 of the 2006 Act. The disapplication of pre-emption rights is customarily sought.

By a special resolution of Stellar on 24 March 2017, statutory pre-emption rights have been disapplied for issues of shares having a maximum aggregate nominal value of up to £878,522.84. The disapplication shall expire (unless previously renewed, varied or revoked by Stellar in a general meeting) on the earlier of the conclusion of Stellar's next annual general meeting and 24 September 2018.

The Investment Association Share Capital Management Guidelines provide that any general disapplication of pre-emption rights should be for no more than 5 per cent. of issued ordinary shares capital in any one year and in any rolling three year period, a company should not issue non-pre-emptively for cash equity securities which represent more than 7.5 per cent. of the company's ordinary share capital. Such guidance does not apply to companies admitted to trading on AIM, although they are encouraged to adopt the guidance.

Liens on Shares, Call on Shares and Forfeiture of Shares

The NWF Constitution provides that NWF has first and paramount lien on each share (including on dividends payable and proceeds from any sale) for all calls or instalments due but unpaid in respect of that share and certain amounts paid by NWF on account of a member (for which it is indemnified in accordance the NWF Constitution).

NWF may call upon members in respect of the unpaid amounts on partly-paid shares and, if such payment is not made NWF may by board resolution forfeit the relevant NWF Shares in respect of which that notice was given.

The Stellar Articles provide that Stellar will have a first and paramount lien on every share that is not a fully paid up share for all money (whether presently due or not) payable in respect of that share.

Subject to the terms of allotment, the Stellar Board may make calls upon the members in respect of any moneys unpaid on their shares, and if payment is not made, the shares may be forfeited by a resolution of the Stellar Board to that effect and forfeited shares may, within three years of such forfeiture, be sold, re-allotted or otherwise disposed of upon such terms and in such manner as the directors determine.

Provision

Distributions, Dividends, Repurchases and Redemptions

NWF Constitution

Dividends

Subject to the Australian Corporations Act and the terms of any NWF shares, NWF may by ordinary resolution of the board resolve to pay any dividend which it considers appropriate out of the profits of NWF. Subject to the terms of any NWF shares, NWF may pay a dividend on one class of shares to the exclusion of another class.

The board of NWF may resolve to pay a dividend in cash or satisfy it by the distribution of specific assets, the issue of shares or the grant of options.

No member may claim, and NWF must not pay, interest on any dividend.

Stellar Articles

Dividends

Stellar may by ordinary resolution declare that out of profits available for distribution there be paid dividends to members in accordance with their respective rights and priorities, but no dividend shall exceed the amount recommended by the directors.

The Stellar Articles allow the Stellar Board to pay to the members such interim dividends as appear to them to be justified by the profits of Stellar available for distribution.

Stellar may, on the recommendation of the Stellar Board, by ordinary resolution satisfy a dividend by the distribution of specific assets.

No dividend payable in respect of a share shall bear interest as against the company.

Uncertificated Shares

The NWF Constitution provides that if NWF's securities are CHESS approved securities and held in uncertificated mode, NWF is not required to issue share certificates. Instead, the Company will allot CHESS approved securities and enter such securities into the shareholders' uncertificated holding in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules.

The Stellar Articles provide that Stellar may issue shares which do not have certificates, permit existing shares to be held without certificates and permit any shares held without certificates to be transferred without an instrument of transfer, in each case in dematerialised form pursuant to the Regulations.

Transfer and Registration of Shares

The NWF Constitution allows a member to transfer a share by:

- (i) a duly conducted market transfer; or
- (ii) a written document.

A transfer by written document must be in any usual or common form or in any other form that the Directors approve. This transfer must:

- (i) be executed by or on behalf of both the transferor and the transferee unless it is a sufficient transfer of marketable securities within the meaning of the Australian Corporations Act;
- (ii) be delivered to NWF's registered office;
- (iii) be accompanied by the share certificate (if any), or evidence as the NWF board may require to prove the title of the transferor and his or her right to transfer the shares; and
- (iv) be marked with payment of any stamp duty payable.

The Stellar Articles allow shareholders to transfer shares held in certificated form by an instrument of transfer of any usual form or in any other form which the Stellar Board may approve. The instrument of transfer must be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee.

The Stellar Board may refuse to register any transfer of shares all or any of which are not fully paid.

The Stellar Board may also refuse to register any transfer of shares:

- (i) which are held in certificated form, unless the instrument of transfer is duly stamped (if required) and lodged at the registrar's office (or such other place as the Stellar Board have specified) accompanied by the certificate for the share to which it relates and such other evidence as the Stellar Board may reasonably require;

Provision

**Transfer and
Registration of Shares
(continued)**

NWF Constitution

NWF may refuse to register a transfer of shares where the ASX Listing Rules permit NWF to do so or require NWF to do so, or where the transfer is a transfer of restricted securities that would or might be in breach of the ASX Listing Rules or any escrow agreement entered into pursuant to the ASX Listing Rules.

If the NWF board refuses to register a transfer, NWF must give the lodging party notice of the refusal and the reasons for it.

Stellar Articles

- (ii) which are held in certificated form, unless the instrument of transfer is in respect of only one class of share;
- (iii) in the event that the proposed transfer is in favour of more than four transferees; and
- (iv) which are held in uncertificated form, in the circumstances set out in the Regulations.

If the Stellar Board refuses to register a transfer of a share, it shall within two months after the date on which the transfer was lodged with Stellar (or, in the case of shares held in uncertificated form, the date on which the operator instruction was received) send to the transferor and the transferee notice of the refusal.

Election of Directors

The NWF Constitution provides that the NWF board may appoint a person to be a director at any time except during a general meeting and any director so appointed shall automatically retire at the next general meeting and is eligible for re-election at that meeting. NWF may also appoint directors by ordinary resolution at a general meeting.

The NWF board may decide the number of directors, which must be at least 3 and no greater than 9 (unless the Company resolves otherwise by ordinary resolution).

At each general meeting, one third (or the nearest whole number, rounded upwards) of directors, excluding the managing director, must retire and are eligible for re-election.

The Stellar Articles provide that, unless otherwise determined by ordinary resolution of the Stellar Shareholders, the number of directors shall not be less than two nor more than eight in number.

At each annual general meeting, any director who has been appointed by the Stellar Board since the last annual general meeting or who held office at the time of the two preceding annual general meetings and who did not retire at either of them, shall retire from office.

Stellar may re-elect the retiring director or elect some other person eligible for election (whether to fill a vacancy or as an additional director) at the meeting by ordinary resolution.

Removal of Directors

The office of a director automatically becomes vacant if the director:

- (i) is removed by an ordinary resolution of shareholders or pursuant to any other provision of the Australian Corporations Act;
- (ii) becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (iii) becomes prohibited from being a Director by reason of any order made under the Australian Corporations Act;
- (iv) becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;

The office of a director shall be vacated if the director:

- (i) resigns his office by notice in writing given to the company;
- (ii) becomes bankrupt or makes any arrangement or composition with his creditors generally or applies to the court for an interim order under section 253 of the Insolvency Act 1986 in connection with a voluntary arrangement under that Act;
- (iii) is admitted to hospital in pursuance of an application for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1984;

Provision

**Removal of Directors
(continued)**

NWF Constitution

- (v) resigns his or her office by notice in writing to NWF;
- (vi) is absent for more than 6 months, without permission of the NWF board, from meetings of the NWF board held during that period.

Stellar Articles

- (iv) is subject to an order made by a court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
- (v) in the written option given to the company of a registered medical practitioner who is treating him, has become physically or mentally incapable of acting as a director and may remain so for more than three months;
- (vi) has been absent from meetings of the Stellar Board for more than six consecutive months without permission of the Stellar Board and his alternate director (if any) has not during such period attended in his place, and the Stellar Board resolves that his office be vacated; or
- (vii) becomes prohibited by law from being a director; or
- (viii) ceases to be a director by virtue of any provision of the Companies Acts or pursuant to the Stellar Articles.

**Conflicts of interest of
Directors**

Pursuant to the NWF Constitution and the Australian Corporations Act, a director must give the NWF board notice of any material personal interest in a matter that relates to the affairs of NWF.

No director shall be disqualified by his or her office from contracting with NWF whether as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of NWF in which any director shall be in any way interested be avoided or prejudiced on that account, nor shall any director be liable to account to NWF for any profit arising from any such contract or agreement by reason only of such director holding that office or of the fiduciary relationship thereby established.

A director who has a material interest in a matter that is being considered at a meeting of the NWF board must not vote on the matter and must not be present while the matter is being considered at the meeting, except where the material interest is an interest that the director has as a shareholder of NWF and in common with the other shareholders of NWF or where a resolution has been passed in accordance with the Corporations Act, in which cases the Director may be present but may not vote.

Under the Stellar Articles, provided that a director has disclosed to the Stellar Board the nature and extent of his interest (direct or indirect) in relation to a transaction or arrangement with Stellar, the director shall, amongst other things, not be accountable to Stellar for any benefit which he derives from such transaction or arrangement. Except in certain circumstances as set out in the Stellar Articles, a Stellar Director cannot vote at a meeting or committee of the Stellar Board on any resolution concerning a matter in which he has directly or indirectly an interest which is material. A Stellar Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

The Stellar Articles provide the Stellar Board with the power to authorise by passing a resolution:

- (i) a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of Stellar; and/or

Provision

Conflicts of Interest of Directors (continued)

NWF Constitution

Stellar Articles

- (ii) a director to accept or continue in any office, employment or position in addition to his office as a Stellar Director, including the manner in which a conflict of interest arising out of such office, employment or position may be dealt with.

The interested director and any other director who has a similar interest must not be counted in the quorum in the meeting and shall not vote on the resolution.

Indemnification of Officers and Directors

The NWF Constitution requires that, subject to the Australian Corporations Act, NWF must indemnify every director, principal executive officer and secretary of NWF against a liability incurred to third parties or costs and expenses incurred in defending civil or criminal proceedings (provided that judgement is given in favour of the officer or the officer is acquitted).

The Stellar Articles include a provision entitling every director, secretary or other officer of the company or any associated company to be indemnified by Stellar against all costs, charges, expenses, losses and liabilities incurred by him in relation to the affairs of Stellar.

The Stellar Articles also provide the Stellar Board with the power to purchase and maintain insurance for any director, officer or employee of the company or any associated company.

Quorum of the Board

The quorum for a NWF board meeting is two directors and a quorum must be present for the whole meeting.

Under the Stellar Articles, the quorum may be fixed by the Stellar Board and, unless so fixed, shall be two directors.

Voting Rights of Directors

A resolution of the board must be passed by a majority of votes cast by directors entitled to vote on the resolution.

In the case of an equality of votes, the chairman shall have a second or casting vote. However, the chairman will have no casting vote where only two directors are competent to vote on the question.

The Stellar Articles provide that questions arising at a meeting shall be determined by a majority of votes. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

A resolution in writing signed by all the directors will be as valid and effective as a resolution passed at a board meeting duly convened and held.

Board Remuneration

The NWF board may fix the remuneration of each executive director.

The maximum aggregate remuneration for NWF's non-executive directors is approved by shareholders in a general meeting and may not consist of a commission/percentage of profits or operating revenue.

NWF provides details of the remuneration of directors in the remuneration report which forms part of its Annual Report.

Adoption of NWF's remuneration report must be proposed as an ordinary resolution at NWF's annual general meeting. This resolution is advisory only.

The Stellar Board may set the ordinary remuneration of the Stellar Directors for their services, provided that no Stellar Director shall be entitled to a fee in excess of £100,000 per annum unless otherwise approved by ordinary resolution. In the case of an executive director, such fees (if any) are payable to him in addition to his remuneration by way of salary, commission, profit participation or otherwise as an executive director.

Provision

**Board Remuneration
(continued)**

NWF Constitution

Stellar Articles

The Stellar Board may also determine any additional remuneration to be paid to the Stellar Directors, which may be paid by way of salary, commission, participation in profits or otherwise.

Stellar prepares and submits a directors' remuneration report annually at the annual general meeting for approval by its shareholders. Approval of the directors' remuneration report is proposed as an ordinary resolution and the vote is an advisory one.

**Calling Special or
General Meetings of
Shareholders**

The NWF Constitution provides that the NWF board, or a director, may convene a meeting of members.

In accordance with the Australian Corporations Act, the Board must also convene a meeting of members:

- (i) on the request of members with at least 5 per cent. of the votes that may be cast at the general meeting; or
- (ii) by order of the a court on application of any director or member (where it would be impracticable to call the meeting any other way); and
- (iii) when required to call an annual general meeting in accordance with the Australian Corporations Act.

Members with at least 5 per cent. of the votes that may be cast at a general meeting may themselves call and arrange to hold a meeting at their own expense.

The Stellar Articles provide that the Stellar Board may convene general meetings of shareholders.

One or more shareholders representing at least 5 per cent. of the paid up capital of Stellar carrying voting rights have the right to requisition the holding of a general meeting.

The Stellar Articles provide that on the requisition of members, the Stellar Board will proceed to convene a general meeting for a date not more than 28 days after the date of notice convening the meeting.

Record Date

NWF may determine a specified time for the purpose of deciding who members of NWF are, and how many shares they hold in relation to a particular meeting. That specified time must be no more than 48 hours before the meeting.

If a poll is demanded, the percentage of votes that members have is to be worked out as at the midnight before the poll is demanded.

For the purposes of determining which persons are entitled to attend or vote at a general meeting and how many votes such persons may cast, Stellar may specify in the notice convening the meeting a time, being not more than 48 hours before the time fixed for the meeting (and for this purpose no account shall be taken of any part of a day that is not a working day), by which a person must be entered on the register of members of Stellar in order to have the right to attend or vote at the meeting.

Notice Provisions

The NWF Constitution and Australian Corporations Act requires that at least 28 days' notice of a meeting of members must be given individually to each member, director and the auditor.

The Stellar Articles require that an annual general meeting must be called by at least 21 clear days' notice in writing. All general meetings must be called by at least 14 clear days' notice in writing.

Provision

Shareholder Proposals

NWF Constitution

Pursuant to the Australian Corporations Act:

- (i) members with at least 5 per cent. of the votes that may be cast at a general meeting of NWF may call, and arrange to hold, a general meeting with the expenses of calling and holding the meeting to be borne by those members;

and

- (ii) members of NWF may also give NWF notice of a resolution that they propose to move at a general meeting. If NWF has been given such a notice, that resolution must be considered at the next general meeting that occurs more than two months after the notice is given. Such a notice may be given by members with at least 5 per cent. of the votes that may be cast on the resolution.

Stellar Articles

Pursuant to the 2006 Act:

- (i) members of Stellar representing at least 5 per cent. of the paid-up share capital of Stellar can require Stellar to call a general meeting; and
- (ii) members of Stellar can require resolutions to be put before an annual general meeting. Such a request must be made by either:
 - a member or members holding at least 5 per cent. of the total voting rights (excluding voting rights attached to any treasury shares) of all the members who have a right to vote on the resolution being requisitioned; or
 - at least 100 members with the right to vote on the resolution being requisition and each holding, on average, at least £100 of paid-up share capital.

Quorum at Shareholder Meetings

The NWF Constitution provides that the quorum for a meeting of members is two voting members (being a member who has the right to be present and vote on at least one item of business to be considered at the meeting).

Each individual present may only be counted once towards a quorum. If a member has appointed more than one proxy or representative, only one of them may be counted towards a quorum.

Under the Stellar Articles, two members present in person or by representative (in the case of a corporate member) or by proxy and entitled to vote on the business to be transacted at the meeting.

Voting Rights of Shareholders

The NWF Constitution provides that at a general meeting a resolution put to a vote must be decided on a show of hands unless a poll is duly demanded.

A poll may be demanded by:

- (i) the chairman of the meeting;
- (ii) at least five members entitled to vote on the resolution; or
- (iii) members entitled to cast at least 5 per cent. of the votes that may be cast on the resolution on a poll.

On a show of hands, every individual present who is a member, or a proxy, attorney or representative of a member, entitled to vote has one vote (however if a member has appointed two proxies, neither of those proxies may vote). On a poll, every member present has one vote for every fully paid share held and (subject to certain restrictions) a vote equal to the proportion which the amount paid on each partly paid share bears to the total issue price of the share.

The Stellar Articles provide that at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless the company's intention to call a poll on the resolution is stated in the notice of the general meeting or a poll is duly demanded. A poll may be demanded by:

- (i) the chairman of the meeting;
- (ii) at least five members present in person or by proxy and entitled to vote on the resolution;
- (ii) any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote on the resolution; or

Provision

Voting Rights of Shareholders (continued)

NWF Constitution

If an equal number of votes is cast for and against a resolution at a meeting of members, the chairman has a casting vote.

Stellar Articles

- (iv) a member or members present in person or by proxy holding shares in Stellar conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Every member who is present in person or by representative or by proxy shall have one vote on a show of hands, and on a poll every member present in person or by representative or by proxy shall have one vote for each share of which he is the holder.

If an equal number of votes is cast for and against a resolution at a meeting of members, whether on a show of hands or a poll, the chairman is entitled to a casting vote.

Adjournment of Shareholder Meetings

The chairman of a meeting of members at which a quorum is present may with the consent of the meeting (and must if directed by ordinary resolution of the meeting) adjourn it to another time and place. The only business that may be transacted at a meeting resumed after an adjournment is the business left unfinished immediately before the adjournment.

The chairman of a meeting at which a quorum is present may with the consent of the meeting (and must if so directed by the meeting) adjourn the meeting from time to time (or indefinitely) and from place to place.

The chairman of a meeting may, without the consent of the meeting, adjourn a meeting if it appears to him that:

- (i) it is likely to be impracticable to hold or continue that meeting because of the number of members wishing to attend who are not present; or
- (ii) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting; or
- (iii) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

No business shall be transacted at any adjourned meeting except business left unfinished at the meeting from which the adjournment took place.

Provision

Disclosure of Interests in shares

NWF Constitution

Australian law provides that any person who holds a substantial holding in NWF must provide notice to NWF and the ASX if they begin or cease to have a substantial holding in NWF, or if they have a substantial holding where there is a movement of at least 1 per cent. in their holding. A person will generally have a substantial holding where that person and their associates have a relevant interest in at least 5 per cent. of the voting shares of NWF.

Australian law also entitles NWF, amongst other things, to direct a member to disclose details regarding each person who has an interest in any of that person's NWF shares.

Under the ASX Listing Rules, NWF must provide notice to ASX regarding any relevant interest (or contractual rights/benefits) to which a director of NWF (or a party under their control) is entitled.

Stellar Articles

Under the AIM Rules and the Disclosure and Transparency Rules, a person must notify Stellar, and Stellar must issue a notification on a Regulatory Information Service, if that person's shareholding reaches, exceeds or falls below 3% and each further 1% threshold up to 100%.

Stellar must also issue a notification on a Regulatory Information Service of any dealings in its shares by Stellar Directors.

English law provides that Stellar may, by notice in writing under section 793 of the 2006 Act, require a person whom Stellar knows or reasonably believes to be or to have been within the three preceding years, interested in its issued voting share capital to:

- (i) confirm whether this is or is not the case; and
- (ii) if this is the case, to give further information that it requires relating to his or her interest and any other interest in Stellar's shares of which he or she is aware.

The disclosure must be made within a reasonable period as specified in the relevant notice which may be as short as one or two days.

The Stellar Articles contain provisions which allow Stellar to disenfranchise and restrict the rights attaching to shares where the recipient fails to comply with a section 793 notice.

Corporate Governance

The ASX Corporate Governance Council has released the ASX Corporate Governance Principles and Recommendations.

NWF has reported on the extent to which it meets these standards in its most recent Corporate Governance Statement released to ASX on 29 September 2017.

The UK Corporate Governance Code does not apply to Stellar as a company listed on AIM.

However, Stellar complies with the UK Corporate Governance Code and the Quoted Companies Alliance Corporate Governance Guidelines as far as is appropriate, having regard to the size and nature of Stellar.

