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Company Announcements Office
Australian Securities Exchange
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Via E Lodgement

Definitive Agreement signed with WinterGarden Biosciences - Transaction on track

The Board of International Goldfields Limited (ASX: IGS) ("**IGS**" or "**the Company**") is pleased to confirm that a binding Definitive Agreement ("**DA**") has been signed with Jardin de Invierno SA, trading as WinterGarden Biosciences ("**WinterGarden**" or "**WG**"), for the acquisition by IGS of an 85% interest in WG (refer ASX announcement dated 1 May 2015).

With this important milestone now met, both groups will be moving to finalise the transaction as soon as practically possible, within the requirements of ASX and shareholder approvals. A timetable outlining the likely key regulatory events and transaction completion will be communicated to shareholders in due course.

Key terms of the transaction are:-

- Consideration to consist of:

- (a) IGS shares equal to the higher of:
 - (i) \$8,000,000 divided by the price at which the Purchaser issues Purchaser Shares to the public under the Equity Raising; and
 - (ii) the number of Purchaser Shares which represent 51% of the issued share capital of the Purchaser upon completion of the Acquisition and the Equity Raising, each on a post-Consolidation basis; and
- (b) options to acquire IGS shares representing 10% of the issued share capital of the Purchaser upon completion of the Acquisition and the Equity Raising exercisable at the price at which shares were offered to the public via the Equity Raising by an expiry date to be agreed and subject to performance hurdles and vesting conditions to be agreed by the Parties (acting reasonably and in good faith) and approved by ASX.

-WG to appoint three nominees to the IGS board, and for IGS to retain two board members on completion

-Key conditions of the agreement are:

-IGS raising a minimum of \$2,000,000 (or such other amount as required to meet the assets test admission criteria of the ASX), through the issue of Shares at a price to be determined by the IGS, with minimum net proceeds to the company of \$1,000,000 at completion of the Equity Raising.

BOARD

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Director

Travis Schwertfeger
Director

Jason brewer
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ASX CODE

IGS

-IGS having obtained all necessary shareholder approvals required by the Corporations Act (and any other applicable law or regulations) and the Listing Rules in relation to the Transaction, including any approvals required to re-comply with the admission and quotation requirements of the ASX,

As shareholders would be aware, WinterGarden is an emerging agriculture bioscience and biotechnology company based in Uruguay, with the aim of becoming one of the first companies in the world to legally harvest and produce non-synthetic cannabis products for the mass-market.

Uruguay is the first nation in the world to federally legalise research and development, as well as cultivation, sale and consumption of non-synthetic cannabinoids. Winter Garden, which possesses a plantation site, corporate headquarters and a laboratory in Uruguay, is able to take advantage of these new laws and regulations to become one of the first companies in the world to legally develop cannabis products.

Federal Uruguayan laws not only facilitate the legal use and research of cannabis, but also provision the use of cannabinoids containing a higher percentage of Tetrahydrocannabinol (THC), which is the psychoactive substance found within cannabis. Globally, growth and research on cannabis with a THC content of more than .03% is prohibited. This has altered every aspect of the plant to the point that it offers almost no useful research benefits. As a result, only synthetic plants can be utilised for research and these are ineffective and inadequate for both research as well as pharma-grade medical applications.

WinterGarden is seeking to grow, research and produce cannabis plants containing a THC content of approximately 1%. The higher THC content will assist Winter Garden to develop products that will provide clinical relief for a variety of neurological ailments. The ailments which could be improved by medicinal cannabis products are wide-ranging, from depression and post-traumatic stress disorder to anti-inflammation and neuropathic pain.

It has all required licences and infrastructure in place to enable this objective to be met.

With the Definitive Agreement now finalised both WinterGarden and IGS are now finalising strategic funding needs for Wintergarden and transaction completion. These discussions are at an advanced stage, and while they at this time are confidential and incomplete, IGS expects to finalise them in the coming weeks - at which time an announcement will be made.

Commenting on the signing of the Definitive Agreement, IGS Director, Mr David Tasker, said "We are pleased to have formally recognised this exciting transaction with WinterGarden and we now expect to build real momentum around the transaction as we rapidly move closer to completion. WinterGarden have operationally made significant strides forward in recent months, which we expect will gather further momentum with certainty surrounding the transaction and funding now occurring."

For and on behalf of the board



David Tasker
Director

FOR FURTHER INFORMATION, PLEASE CONTACT:

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