



Norseman Gold Plc
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ASX: NGX

STATEMENT OF MINERAL RESOURCES 2014

The Directors of Norseman Gold Plc (the “Company”) announce the Company’s Statement of Mineral Resources as at 1 September 2014. In summary, the Company is reporting a total Resource of 2.1 million ounces of gold. No Reserves are reported.

Summary for Norseman	Open Pit – 1 September 2014			Underground – 1 September 2014			Total		
	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
Resource – Measured	5,000,000	0.80	130,000	400,000	17.9	230,000	5,400,000	2.1	360,000
Resource – Indicated	5,100,000	1.8	300,000	850,000	17.2	470,000	6,000,000	4.0	770,000
Resource – Inferred	3,300,000	2.4	250,000	1,200,000	18.1	700,000	4,500,000	6.6	950,000
Total Resource	13,000,000	1.6	670,000	2,400,000	18.1	1,400,000	16,000,000	4.1	2,100,000

Summary for Norseman	1 September 2014			31 March 2012			Variance %		
	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces	Tonnes	Grade (g/t)	Ounces
Resource – Measured	5,400,000	2.1	360,000	5,600,000	1.9	350,000	-4	10	-3
Resource – Indicated	6,000,000	4.0	770,000	6,800,000	5.2	1,100,000	-12	-23	-30
Resource – Inferred	4,500,000	6.6	950,000	9,900,000	6.1	1,900,000	-55	8	-50
Total Resource	16,000,000	4.1	2,100,000	22,000,000	4.8	3,400,000	-27	-14	-38

* Underground Resources use a marginal cut-off grade of 9g/t over approximately 0.7m and Open Pit Resources utilise a marginal cut-off grade of 0.7 – 1.0g/t in diluted models. A gold price of A\$1,700 per ounce has been used. (For cut-off grade definitions, see JORC Table 1.)

* Surface low grade stockpiles are included in the Open Pit Resources.

- * Mineral Resources are included on a 100% basis.
- * Rounding may result in apparent summation differences between tonnes, grade and contained metal content.
- * Resources are being reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code 2012").

STATEMENT OF MATERIAL CHANGES

Reserves

There are no Reserves being reported in 2014 due to the high mining costs and reduced gold price being currently experienced by the Australian gold mining industry. Reserves are being reviewed and the following activities are underway:

Mining Activities

1. Bullen
Trial Resue mining and a thorough examination of its applicability and other narrow vein selective mining methods are being carried out, specifically Remnant pillar mining is being carried out at Bullen West and St Pats. Mining of the Mararoa Reef from the 320RL is also underway. This operation is working on a weekly/monthly basis and will continue for as long as it is economic.
2. Harlequin
Currently mining the HV2 lode/vein. This vein was intersected in the Major Decline and was also previously mined by the Open Pit operation. Samples were taken of the HV2 vein from the Major Decline and the north wall of the HV1 pit indicating +30g/t gold with a true width of 250mm to 300mm. The lode / vein was exposed below the main haulage ramp and proved to be viable and a small pit was designed to mine it. It is expected that mining will be completed by the end of December.

Resources

There are 2 main reasons for the reduced ounces in the 2014 Resource compared with the 2012 Resource:

1. There has been a significant loss of tonnage in the 2014 Indicated category as a result of the increased cut-off grade applied for underground mining. This has however resulted in a much higher underground grade (17g/t). Whereas the 2004 JORC Code previously required "eventual economic extraction" without reference to any timeframe or costs for material to be placed in the Resource category, JORC 2012 now requires statement of a gold price and a current cost to arrive at a cut-off grade. In the past, large gold systems such as Norseman have continued to uncover high grade shoots which have prolonged mine life and the 2004 definition, resulting in the use of a lower cut-off grade, was applicable. The cut-off grade used for underground mining Resources in 2014 has been increased to 9g/t over an average width of approximately 0.7m to reflect the higher mining costs experienced in the period 2012-2014. The underground cut-off grade used includes mining costs, power, water, overheads, haulage and milling costs. It does not include the cost of development, cost of refurbishment to regain access to non-maintained areas, those areas under water or other capital costs. Resources are estimated using a A\$1,700 per ounce gold price. Where some areas have been deemed too difficult to now access because of current mining, they have been eliminated.
2. There has been a major decrease in the Inferred category of material. In the Crown Reef the extension distance has been reduced. There still exists potential for Resource in Hanging

Wall splays, other sub parallel structures as well as Remnant pillars and at depth in the Crown Reef. Under JORC 2012 some of this previously reported Resource has been placed in the Exploration Target category and is not being reported.

OTHER ACTIVITIES

1. North Royal
A feasibility study is underway to determine if the remaining pillars at the North Royal mine can be mined by Open Pit methods.
2. Crown Lode
A high level review is underway to determine the economics of Remnant pillar mining of the Crown Lode. Costing includes accessing the Crown Lode via the Bullen decline.
3. Cumberland
A costeaning program has been planned to test the surface expression of the multiple veins interpreted at Cumberland. The objective of this work would be to delineate economic gold mineralization that can be mined by Open Pit operations. The company is awaiting regulatory approvals before commencing this work.
4. Other Mainfield Lodes
A costeaning program has been planned to test the near surface grades along the major Mainfield Lodes and cross link structures. Costeaning would be carried out along the strike extent of the known lodes. The objective of this work would be to delineate economic gold mineralization that can be mined by Open Pit operations. The company is awaiting regulatory approvals before commencing this work.
5. Slippers Pit 5
A costeaning program has been planned to test the near surface grades of the North Royal / Princess Royal line of lode along the southern strike extent of Pit 5 towards the Slippers Pit. The objective would be to define a small Open Pit. The company is awaiting regulatory approvals before commencing this work.
6. Metallurgy
Metallurgical studies are underway to determine the viability of treating:
 - Phoenix Tails
 - North Royal Low-Grade Dump
7. Drilling
A drilling campaign has been designed to increase knowledge of Cobbler. Desk-top studies of both Cobbler and Maybell are underway to review their economic potential. If economic, additional drilling may be proposed to help up-grade the deposits.

The following sections of this announcement provide the details as required under JORC 2012 for the release under JORC Code 2012 and the ASX Listing Rules.

COMPETENT PERSONS STATEMENTS

Resources were either estimated or reviewed by Mr Jonathan Sharp BSc. MSc. (Hons), who is a Member of the Australasian Institute of Mining and Metallurgy, and was the Resource Geologist for the Company. Mr Sharp has over 15 years of Mining experience in a variety of mineral deposit styles and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Sharp consents to the information in this report being used and quoted by the company for reporting and other purposes in the context in which it appears.

The Mineral Resource inventory and Reserves statement included in this report has been independently reviewed and audited by Dr Spero Carras of Carras Mining Pty Ltd. Dr Carras has 35 years' experience in the field of vein gold evaluation and gold within banded iron formations. His association with the Norseman ore-bodies began in 1976. Dr Carras is a fellow of the Australasian Institute of Mining and Metallurgy and qualifies as a Competent Person as defined in the 2012 edition of the "Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves" and consents to the inclusion of the information in the form and context in which it appears.