

8 April 2011



## WESTGOLD DECLARES ARAGON TAKEOVER OFFERS UNCONDITIONAL AND ACCELERATES PAYMENT TERMS

Dear Aragon securityholder,

As you are aware, on 7 February 2011 Westgold Resources Limited ("**Westgold**") announced off-market takeover offers in respect of the securities of Aragon Resources Limited ("**Aragon**"), extending to:

- all of the shares in Aragon ("**Share Offer**"); and
- all the options in Aragon ("**Option Offer**"),

(together, "**Offers**").

Aragon is pleased to announce that, on 7 April 2011, Westgold declared the Offers **unconditional**.

As at 6 April 2011, Westgold had a relevant interest in 83.3% of all Aragon shares (including the acceptances it received under the Share Offer). Given the level of Westgold's current holding in Aragon, and that the Offers are now unconditional, the Aragon Voting Directors<sup>1</sup> consider it unlikely that superior proposals for Aragon shares and options will emerge. The Share Offer has also surpassed the 80% acceptance level, which is one of the prerequisites for tax rollover relief for eligible accepting Aragon shareholders.

In addition, Westgold has announced it will accelerate payment terms in respect of the Share Offer so that Aragon shareholders who provide a valid acceptance of the Share Offer will receive their consideration **within five business days** of their acceptance being processed. Aragon shareholders who accepted the Share Offer before it was declared unconditional will be sent their consideration within five business days of 7 April 2011.

The payment terms in relation to the Option Offer have not been accelerated. Aragon optionholders who accept the Option Offer will receive their consideration in accordance with section 620 of the *Corporations Act 2011* (Cth), that is, by the end of whichever of the following periods ends earlier:

- 1 month after the offer is accepted, or, if the Option Offer is subject to a defeating condition, within 1 month after the Option Offer becomes unconditional; and
- 21 days after the end of the Option Offer period,

assuming that Westgold is given the necessary transfer documents with the acceptance.

Aragon securityholders who do not accept the Offers before the end of the Offer period (currently 27 April 2011) may have their Aragon shares and options compulsorily acquired by Westgold. If Westgold receives acceptances in respect of at least 90% of Aragon shares, it has stated its intention to compulsorily acquire the remainder. Similarly, if Westgold receives acceptances in respect of at least 90% of Aragon options, it would be able to compulsorily acquire the remaining options.

Aragon securityholders whose Aragon shares options are compulsorily acquired will receive their consideration later than if they accept the Offers before the end of the Offer period.

---

<sup>1</sup> Those directors of Aragon who considered it appropriate (given their independence from Westgold) to make recommendations to Aragon securityholders in respect of the Offers.

**Aragon Resources Limited**

ABN: 63 114 714 662

P: 08 9220 5600 | F: 08 9202 1050 | W: [www.aragonresources.com.au](http://www.aragonresources.com.au) | E: [admin@aragonresources.com.au](mailto:admin@aragonresources.com.au)

A: Level 3 - Hyatt Centre, 123 Adelaide Terrace, East Perth WA 6004 | PO Box 6383, Perth WA 6892



**THE ARAGON VOTING DIRECTORS UNANIMOUSLY RECOMMEND THAT REMAINING ARAGON SECURITYHOLDERS ACCEPT THE OFFERS.**

The key reasons why the Aragon Voting Directors recommend you accept the Offers (each in the absence of a superior proposal) are set out in Aragon's target's statement, dispatched to all Aragon securityholders on 21 March 2011.

If you do not accept the Share Offer, and Westgold does not acquire at least 90% of Aragon shares and therefore cannot proceed to compulsory acquisition, you will be a minority shareholder in Aragon. The possible implications of being a minority shareholder include:

- Westgold being in a position to control the composition of the Aragon Board and senior management, as well as the strategic direction of the company;
- the liquidity of your Aragon shares being significantly reduced, thereby exposing you to greater volatility in the price of your Aragon shares;
- if the number of Aragon shareholders falls below the level required to maintain an ASX listing, ASX suspending and / or de-listing Aragon. If this occurs, you will not be able to sell your Aragon shares on ASX; and
- a reduced likelihood of a subsequent takeover bid for Aragon securities from a party other than Westgold.

**Option Offer**

On 7 April 2011, ASX granted Aragon a waiver of Listing Rule 6.23.4 to the extent necessary to permit Aragon to amend, without shareholder approval, the terms and conditions of all Aragon options which are on their terms incapable of transfer, to permit their transfer to Westgold, on the conditions that:

1. both the Share Offer and the Option Offer have been declared unconditional; and
2. Westgold has acquired voting power in Aragon of at least 50.1%.

Each of the above conditions has now been satisfied.

In addition, the Aragon Board previously resolved (subject to the grant of the ASX waiver, and the fulfilment of any conditions attaching to it), to amend the terms of non-transferrable Aragon options so as to permit them to be transferred to Westgold under the Option Offer.

The effect of the above is that all Aragon optionholders are now able to accept the Option Offer.

The Offers are scheduled to close at 5.00pm (Perth, Western Australia time) on Wednesday, 27 April 2011.

An Acceptance Form was sent you together with Westgold's bidder's statement in relation to the Offers. If you require a replacement Acceptance Form, please contact the Westgold shareholder information line on 1300 019960 (toll free within Australia), or +61 280227902 (outside Australia).

All other shareholder questions should be directed to Aragon's Chief Executive Officer, Mr. Paul Benson.

**Enquiries:**

Paul Benson, Chief Executive Officer and Executive Director  
Fiona Van Maanen, Company Secretary  
Phone: +61 8 9220 5600  
Fax: +61 8 9202 1050

**Aragon Resources Limited**

ABN: 63 114 714 662

P: 08 9220 5600 | F: 08 9202 1050 | W: [www.aragonresources.com.au](http://www.aragonresources.com.au) | E: [admin@aragonresources.com.au](mailto:admin@aragonresources.com.au)  
A: Level 3 - Hyatt Centre, 123 Adelaide Terrace, East Perth WA 6004 | PO Box 6383, Perth WA 6892