



BULLABULLING GOLD LIMITED TAKEOVER OFFER UPDATE

1 July 2014

About Norton

Norton Gold Fields Limited (ASX:NGF) is an established mid-tier gold producer.

In CY2013, Norton produced 172,739 ounces of gold from its open cut and underground operations at Paddington, near Kalgoorlie in Western Australia.

Norton's growth will come from optimising existing operations and acquiring and developing resources.

For more information, please visit our website.

www.nortongoldfields.com.au

Norton Gold Fields (ASX: NGF)

ACN: 112 287 797

Level 36, Exchange Plaza,

2 The Esplanade

Perth WA 6000

Australia

Phone +61 (0) 8 9263 9700

Fax +61 (0) 8 9263 9777

Jinghe Chen

Non-Executive Chairman

Dianmin Chen

Managing Director

& Chief Executive Officer

- **Norton's relevant interest in Bullabulling now at 41.35%**
- **Final Offer price will increase to 8 cents per Bullabulling Share free of any condition**
- **The acceptance of these Bullabulling shareholders emphasises the attractiveness of the Offer Price. The Offer period set to close at 5:00pm (AWST) on 16 July 2014**
- **Bullabulling Shareholders who do not accept the Offer prior to the Closing Date may be left as minority shareholders in a company over which Norton has control**

Norton Gold Fields Limited (**Norton**) advises of some important developments to its off-market takeover offer for all of the ordinary shares in Bullabulling Gold Limited (**Bullabulling**) (**Offer**).

FINAL OFFER PRICE WILL INCREASE TO 8 CENTS PER BULLABULLING SHARE

Norton's relevant interest in Bullabulling has reached 41.35%. This exceeds the minimum 30% required by 5:00pm (AWST) on 30 June 2014 to satisfy the increase in the Offer Price to 8 cents per Bullabulling Share.

The Offer Price will now increase to 8 cents per Bullabulling Share. There will be no further increase.

RECENT SUPPORT EMPHASISES ATTRACTIVENESS OF REVISED OFFER PRICE

Norton believes that the recent support for the Offer emphasises the attractiveness of the Offer Price. Norton considers that it is likely that a significant proportion of Bullabulling's remaining shareholders will now also accept the Offer at the higher Offer Price of 8 cents. As such, Norton considers that there is a real risk that shareholders who do not accept the Offer may become minority shareholders in a company that is controlled by Norton.

RECOMMENDATION TO ACCEPT

The directors of Norton strongly recommend that the remaining Bullabulling shareholders accept the Offer and reiterate the reasons set out in Norton's announcement of 16 June 2014:

- 1. Offer is at a significant premium:** The increase to the Offer Price to 8 cents per Bullabulling Share will represent a premium of 48% to the closing price of Bullabulling Shares on the ASX on 17 April 2014, immediately prior to the announcement of the Offer;
- 2. It is likely that following the end of the Offer Period Bullabulling's Share Price may decline back to pre-announcement levels:** The trading price of Bullabulling shares will continue to be subject to market volatility. The current trading price of Bullabulling is influenced by Norton's current Offer. Once the Offer closes, there is a real risk that the Bullabulling share price will fall to the pre-Offer trading levels of around 5.0-5.5 cents;
- 3. The Bullabulling Gold Project remains subject to significant risks and its development cannot be assured:** As notified by the Bullabulling Directors in the Second Supplementary Target's Statement date 6 June 2014, *"Investors are advised that, as there is no certainty that sufficient funding will be secured for the Bullabulling Gold Project, the economic viability of the project has not been established..."*;
- 4. Bullabulling Shareholders will be subject to dilution as Bullabulling requires significant funding to complete the Definitive Feasibility Study on the Bullabulling Gold Project:** In his Chairman's address at the Bullabulling Annual General Meeting on 27 May 2014 the Bullabulling Chairman, Mr Peter Mansell confirmed that the company needed to raise funds in the short term and periodically thereafter, acknowledging the dilutive impact this will have on Bullabulling Shareholder interests;
- 5. The ability of Bullabulling to secure necessary near term funding is questionable:** Bullabulling's ongoing viability will be dependent upon its ability to raise funds in the short term. Bullabulling will likely be reliant upon obtaining funding from equity capital markets and existing shareholders (including Norton) to provide financial support and this will likely be provided at a significant discount to the prevailing market price for Bullabulling Shares;
- 6. There is no evidence of any alternative or better offer for Bullabulling from another party:** Since Norton's Offer was announced on 17 April 2014 no alternative bidder has come forward;

7. The share market does not reflect the Bullabulling Director's opinion as to the value of Bullabulling Shares: Bullabulling's directors have advised you that the value of a Bullabulling Share is significantly higher than the price offered by Norton. This is not reflected by the market. Since the announcement of the Offer Bullabulling Shares have traded at prices only marginally higher than the 7 cents originally offered. This being largely based on speculation that Norton will increase its offer. It is Norton's view that the Bullabulling directors have presented Bullabulling Shareholders with an over inflated view of the value of Bullabulling Shares; and

8. This is Norton's best and final Offer.

Bullabulling Shareholders should be aware that under Australian takeover law as Norton will declare its final Offer Price to 8 cents per Bullabulling Share, the Offer Price cannot be increased.

Bullabulling shareholders are urged to act quickly or risk losing the value presented by Norton's Offer. There is no reason to delay your acceptance of the Offer.

If you have any questions about the Offer, please contact your broker or financial adviser, or call the shareholder information line on 1300 308 902 (for callers within Australia) or +61 2 8022 7092 (for callers outside Australia).

ON-MARKET ACQUISITIONS

Norton announces, in accordance with ASIC Market Integrity Rule 6.2.1 that it may purchase Bullabulling Shares on market (via its broker Argonaut Securities) for prices at or below 8 cents per Bullabulling Share.

For further information please contact:

Norton

Dianmin Chen
Chief Executive Officer
+61 8 9263 9700

RFC Ambrian Limited

Stephen Allen
Executive Director
+61 8 9480 2500

Media:

Cannings Purple

Michael Vaughan / Luke Forrestal
+61 422 602 720 / +61 411 479 144