

NORTON EXERCISES RIGHT TO MINE OPTION

5 August 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.

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- **Norton exercises option to proceed with mining of Phoenix's Mick Adams-Kiora and Wadi Projects**
- **Further supplements Norton's vision to increase production and reduce costs**

Norton Gold Fields Limited (**ASX: NGF**) (**Norton**) is pleased to announce that it has notified Phoenix Gold Limited (**ASX: PXG**) (**Phoenix**) of its exercise of the option to enter into mine and treat agreements in respect of Phoenix's Mick Adams-Kiora and Wadi Projects (**Projects**).

Pursuant to the Option for Licence to Mine and Ore Sale Agreement*, on delivery of the option notice, Norton will proceed with negotiations with Phoenix with a view to concluding the terms by which the parties could develop and mine the Projects.

Norton's Managing Director, Dr Dianmin Chen commented "We welcome the potential contribution the Projects could make to Norton's vision to increase annual production to 300,000 oz of gold in the near to medium term and to our strategy to focus on cost reduction and deliver value to shareholders. Seen in the context of the recent agreement with Excelsior Gold Ltd (**ASX: EXG**) (see EXG announcement dated 18 June 2014) Norton is well positioned as a long term player in WA's gold industry."

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* For a detailed summary of the agreement, please refer to the Solicitor's Report within Phoenix's Prospectus dated 20 October 2010 and announced by PXG to the ASX on 1 November 2010.