

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

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Jinghe Chen

Non-Executive Chairman

Dianmin Chen

Managing Director

& Chief Executive Officer

Norton Gold Fields Limited (**Norton**) (ASX:NGF) refers to its announcement on 9 December 2014 regarding its acquisition of a relevant interest of 10.77% in Phoenix Gold Limited (**Phoenix**) (ASX:PXG) pursuant to, or as a result of, an agreement entered into for the purchase of 39,870,375 fully paid ordinary shares in Phoenix (**Agreement**) (**Announcement**).

Norton believes that the Announcement met with the relevant requirements of the *Corporations Act 2001*; however, out of an abundance of caution, and with no admission of liability, a copy of the Agreement is attached.

For further information please contact:

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ARGONAUT

Share sale agreement

Colonial First State Asset Management (Australia) Limited
ACN 114 194 311

(Seller)

and

Norton Gold Fields Limited
ACN 112 287 797

(Buyer)

Argonaut Capital Limited

Level 30, 77 St Georges Tce
Perth WA 6000 Australia
GPO Box 2553 Perth WA 6001

T +61 8 9224 6888

F +61 9225 5511

www.argonaut.com

Share sale agreement dated:

Parties **Colonial First State Asset Management (Australia) Limited ACN 114 194 311** of Ground Floor, Tower 1, 201 Sussex Street, Sydney NSW
(Seller)

and

Norton Gold Fields Ltd ACN 112 287 797 of Level 36, 2 The Esplanade,
Perth, WA 6000
(Buyer)

Recitals

- A. The Seller is an institutional fund manager and has the capacity to exercise control over the disposal of the Shares, which are held by one or more third parties. A reference to the Seller in this Agreement is a reference to those parties where applicable.
- B. The Seller wishes to sell the Shares and the Buyer wishes to buy the Shares on the terms and conditions of this agreement.

Operative provisions

1. Definitions and interpretation

1.1 Definitions

In this agreement:

ASIC means the Australian Securities and Investments Commission.

Broker means Argonaut Securities Pty Limited.

Business Day means a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally in Western Australia.

Buyer Warranties means the warranties set out in Schedule 2.

Company means Phoenix Gold Limited ABN 55 140 269 316.

Completion means the completion of the sale and purchase of the Shares in accordance with clause 5.

Completion Date means the day on which the Notice is provided by the Buyer to the Broker and Seller that the Condition has been satisfied, or, if there is not sufficient time to execute the Special Crossing on that day, the next Business Day.

Condition means the condition specified in clause 3.1.

Consideration means the Purchase Price Per Share, multiplied by the number of Shares, being \$3,309,241.13

Encumbrance means a mortgage, charge, pledge, lien, encumbrance, security interest, title retention, preferential right, trust arrangement, contractual right of set-off, or any other security agreement or arrangement in favour of any person, whether registered or unregistered.

End Date means 20 January 2015 or such other date agreed in writing between Seller and the Buyer.

GST has the meaning given in the GST Act.

GST Act means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).

Indemnified Losses means, in relation to any fact, matter or circumstance, all losses, costs, damages, expenses, penalties and other liabilities arising out of or in connection with that fact, matter or circumstance including all legal and other professional expenses on a solicitor-client basis incurred in connection with investigating, disputing, defending or settling any claim, action, demand or proceeding relating to that fact, matter or circumstance (including any claim, action, demand or proceeding based on the terms of this agreement).

Notice means a notice provided pursuant to clause 3.3.

Purchase Price Per Share means \$0.083.

Regulatory Authority means:

- (a) any government or local authority and any department, minister or agency of any government; and
- (b) any other authority, agency, commission or similar entity having powers or jurisdiction under any law or regulation or the listing rules of any recognised stock or securities exchange.

Shares means 39,870,375 ordinary shares in the capital of the Company.

Settlement means the settlement and transfer of the Shares from the Seller to the Buyer in accordance with the terms and conditions of the Trading Account on the Settlement Date.

Settlement Date means the date which is 3 Business Days after the Completion Date (T+3).

Special Crossing means a special crossing in the Shares as set out in the ASX Operating Rules and Procedures.

Trading Account means a trading account with the Broker for the purposes of conducting securities trading on its standard terms and conditions.

Seller Warranties means the warranties set out in Schedule 1.

1.2 General rules of interpretation

In this agreement headings are for convenience only and do not affect interpretation and, unless the contrary intention appears:

- (a) an obligation or a liability assumed by 2 or more persons binds them jointly and severally and a right conferred on 2 or more persons benefits them jointly and severally;
- (b) a word importing the singular includes the plural and vice versa, and a word of any gender includes the corresponding words of any other gender;
- (c) the word **including** or any other form of that word is not a word of limitation;
- (d) if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;

- (e) a reference to a **person** includes an individual, the estate of an individual, a corporation, an authority, an association or parties in a joint venture, a partnership and a trust;
- (f) a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- (g) a reference to a document (including this agreement) is to that document as varied, novated, ratified or replaced from time to time;
- (h) a reference to an agency or body; if that agency or body ceases to exist or is reconstituted, renamed or replaced or has its powers or function removed (**obsolete body**), means the agency or body which performs most closely the functions of the obsolete body;
- (i) a reference to a party, clause, schedule, exhibit, attachment or annexure is a reference to a party, clause, schedule, exhibit, attachment or annexure to or of this agreement, and a reference to this agreement includes all schedules, exhibits, attachments and annexures to it;
- (j) a reference to a statute includes any regulations or other instruments made under it (**delegated legislation**) and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;
- (k) a reference to \$ or **dollar** is to Australian currency; and
- (l) this agreement must not be construed adversely to a party just because that party prepared it or caused it to be prepared.

2. Payment of Consideration

On the Completion Date, payment of the Consideration by the Buyer in accordance with the terms and conditions of its Trading Account on Settlement will become binding and irrevocable.

3. Condition precedent

3.1 Condition

Clauses 2, 4 and 5 do not become binding on the parties and have no force or effect, and Completion must not take place, until the Treasurer of the Commonwealth of Australia has either:

- (a) provided written notice which is unconditional or subject only to conditions reasonably acceptable to the Buyer that there is no objection under the Foreign Acquisitions and Takeovers Act 1975 (Cth) ("**FATA**") or Australian foreign investment policy to the proposed acquisition by the Buyer of the Shares; or
- (b) becomes precluded from exercising any power to make any order under the Foreign Acquisitions and Takeovers Act 1975 (Cth) in relation to the proposed acquisition by the Buyer of the Shares.

3.2 Reasonable endeavours to satisfy Condition

Each party must use all reasonable endeavours to ensure that the Condition is satisfied as soon as practicable after the date of this agreement and in any event before the End Date.

3.3 Notice in relation to satisfaction of Condition

The Buyer must within 1 Business Day after becoming aware of the satisfaction of the Condition, notify the other party and the Broker in accordance with Clause 8 of the satisfaction of the Condition and provide reasonable evidence that the Condition has been satisfied.

3.4 No waiver of Condition

The Condition may not be waived.

3.5 Failure of Condition

A party is entitled to terminate this agreement by notice to the other party:

- (a) at any time before the End Date if the Condition has become incapable of satisfaction; or
- (b) at any time after the End Date if the Condition has not been satisfied before the End Date,

except where the Condition has become incapable of satisfaction or has not been satisfied as a direct result of a failure by the party seeking to terminate to comply with its obligations under clause 3.2.

3.6 Consequences of termination

If this agreement is terminated then:

- (a) the provisions of this agreement shall cease to have effect except for the provisions of clause 1 and clauses 7 to 12 which will survive termination; and
- (b) each party retains the rights it has against the others in respect of any breach of this agreement occurring before termination.

4. Sale and purchase of Shares

On the Completion Date the Seller must sell and the Buyer must buy the Shares via Special Crossing at the Purchase Price per Share, being in aggregate the Consideration, free from all Encumbrances and together with all rights attaching or accruing to the Shares on the Settlement Date.

5. Completion

5.1 Manner of Completion

As soon as practicable after the Notice has been given on the Completion Date:

- (a) the Buyer will instruct the Broker to buy from the Seller, and the Seller will instruct the Broker to sell to the Buyer, the Shares via Special Crossing as soon as practicable for the Consideration; and

- (b) the Parties will take such steps as are necessary to facilitate Settlement on the Settlement Date in accordance with the terms and conditions of their respective Trading Accounts.

5.2 Title and risk

Ownership of and risk in the Shares will pass from the Seller to the Buyer on Settlement.

6. Warranties

6.1 Seller Warranties

The Seller warrants to the Buyer that each Seller Warranty is true and correct as at the date of execution of this agreement and as at the time immediately prior to Completion and the Settlement Date.

6.2 Buyer Warranties

The Buyer warrants to the Buyer that each Buyer Warranty is true and correct as at the date of execution of this agreement and as at the time immediately prior to Completion and the Settlement Date.

6.3 Reliance

The parties acknowledge that the Buyer has entered into this agreement in reliance on the Warranties.

6.4 Indemnity for breach of Warranty

Without limiting any other remedy available to a Party, each Party must pay to the other on demand the amount of any Indemnified Loss suffered or incurred by that Party's breach of this Agreement or of a Warranty made by it under this Agreement.

6.5 Adjustment

Any payment made to the Buyer for a breach of a Warranty may be treated as an adjustment in the Consideration of the Shares.

7. GST

7.1 Interpretation

The parties agree that:

- (a) except where the context suggests otherwise, terms used in this clause 7 have the meanings given to those terms by the GST Act (as amended from time to time);
- (b) any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause 7; and
- (c) any consideration that is specified to be inclusive of GST must not be taken into account in calculating the GST payable in relation to a supply for the purpose of this clause.

7.2 Reimbursements and similar payments

Any payment or reimbursement required to be made under this agreement that is calculated by reference to a cost, expense, or other amount paid or incurred will be limited to the total cost, expense or amount less the amount of any input tax credit to which an entity is entitled for the acquisition to which the cost, expense or amount relates.

7.3 GST payable

If GST is payable in relation to a supply made under or in connection with this agreement then any party (**Recipient**) that is required to provide consideration to another party (**Supplier**) for that supply must pay an additional amount to the Supplier equal to the amount of that GST at the same time as other consideration is to be provided for that supply or, if later, within 5 Business Days of the Supplier providing a valid tax invoice to the Recipient.

7.4 Variation to GST payable

If the GST payable in relation to a supply made under or in connection with this agreement varies from the additional amount paid by the Recipient under clause 7.3 then the Supplier will provide a corresponding refund or credit to, or will be entitled to receive the amount of that variation from, the Recipient. Any ruling, advice, document or other information received by the Recipient from the Australian Taxation Office in relation to any supply made under this agreement shall be conclusive as to the GST payable in relation to that supply. Any payment, credit or refund under this paragraph is deemed to be a payment, credit or refund of the additional amount payable under clause 7.3.

8. Notices

8.1 How notice to be given

Each communication (including each notice, consent, approval, request and demand) under or in connection with this agreement:

- (a) may be given by personal service, facsimile or email;
- (b) must be in writing and in English (or accompanied by a certified translation into English);
- (c) must be addressed as follows (or as otherwise notified by that party to each other party from time to time):
 - (i) if to the Seller to its relevant representatives:
via email: wfarwerck@colonialfirststate.com.au; and
tcanham@colonialfirststate.com.au
 - (ii) if to the Buyer :
via email: rjones@nortongoldfields.com.au
Fax number: +61 (0) 8 9263 9777
 - (iii) if to the Broker:
via email: argonaut.ecm@argonaut.com
- (d) must contain a statement that it is a Notice provided under this Agreement; and

- (e) be delivered by email to the specified email address or (where applicable) sent by fax to the number, of the addressee, in accordance with clause 8.1(c).

8.2 When notice taken to be received

Each communication (including each notice, consent, approval, request and demand) under or in connection with this agreement is taken to be received by the addressee:

- (a) (in the case of fax) at the time in the place to which it is sent equivalent to the time shown on the transmission confirmation report produced by the fax machine from which it was sent;
- (b) (in the case of delivery by email) at the time marked as sent on the sender's email client box, except in the case an automated out of office reply has been received in which case notice is deemed not to have occurred; and
- (c) (in the case of delivery by hand) on delivery,

but if the communication would otherwise be taken to be received on a day that is not a working day or after 5.00 pm, it is taken to be received at 9.00 am on the next working day ("working day" meaning a day that is not a Saturday, Sunday or public holiday and on which banks are open for business generally, in the place to which the communication is posted, sent or delivered).

9. Announcement

The Buyer agrees to make an announcement enclosing a Form 603 – Notice of Initial Substantial Holder in accordance with Part 6C.1 of the Corporations Act promptly after the execution of the Agreement substantially in the form of Schedule 3, and, subject to the law, the Listing Rules of ASX Limited or any requirement of any government, regulatory or exchange authority, no other announcement will be made by a Party with respect to this Agreement or the transaction(s) contemplated by it without the consent of the other Party such consent not be unreasonably withheld or delayed

10. Entire agreement

This agreement constitutes the entire agreement between the parties in relation to its subject matter including the sale and purchase of the Shares and supersedes all previous agreements and understandings between the parties in relation to its subject matter.

11. General

11.1 Trading Account

Nothing in this Agreement shall affect the rights and obligations, including to pay brokerage, in accordance with each of the Seller's and the Buyer's Trading Account with the Broker.

11.2 Amendments

This agreement may only be varied by a document signed by or on behalf of each party.

11.3 Assignment

A party cannot assign or otherwise transfer any of its rights under this agreement without the prior consent of each other party.

11.4 Consents

Unless this agreement expressly provides otherwise, a consent under this agreement may be given or withheld in the absolute discretion of the party entitled to give the consent and to be effective must be given in writing.

11.5 Counterparts

This agreement may be executed in any number of counterparts and by the parties on separate counterparts. Each counterpart constitutes an original of this agreement, and all together constitute one agreement.

11.6 Costs

Except as otherwise provided in this agreement, each party must pay its own costs and expenses in connection with negotiating, preparing, executing and performing this agreement.

11.7 Further acts and documents

Each party must promptly do all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by another party to give effect to this agreement.

11.8 Stamp duties

The Buyer:

- (a) must pay all stamp duties and any related fines and penalties in respect of this agreement, the performance of this agreement and each transaction effected by or made under this agreement; and
- (b) is authorised to apply for and retain the proceeds of any refund due in respect of stamp duty paid under this clause.

11.9 Waivers

Without prejudice to any other provision of this agreement, the parties agree that:

- (a) failure to exercise or enforce, or a delay in exercising or enforcing, or the partial exercise or enforcement of, a right, power or remedy provided by law or under this agreement by a party does not preclude, or operate as a waiver of, the exercise or enforcement, or further exercise or enforcement, of that or any other right, power or remedy provided by law or under this agreement;
- (b) a waiver given by a party under this agreement is only effective and binding on that party if it is given or confirmed in writing by that party; and
- (c) no waiver of a breach of a term of this agreement operates as a waiver of another breach of that term or of a breach of any other term of this agreement.

12. Governing law and jurisdiction

12.1 Governing law

This agreement is governed by the laws applying in Western Australia.

12.2 Jurisdiction

Each party irrevocably:

- (a) submits to the non exclusive jurisdiction of the courts of Western Australia, Commonwealth courts having jurisdiction in that state and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought at any time relating to this agreement; and
- (b) waives any objection it may have now or in the future to the venue of any proceedings, and any claim it may have now or in the future that any proceedings have been brought in an inconvenient forum, if that venue falls within clause 12.2(a).

Schedule 1 Seller Warranties

1. Seller

1.1 Capacity and authorisation

The Seller is an institutional fund manager validly existing under the laws of Australia who acts as the agent for underlying clients whose assets are usually held by third party custodians, has the legal right and full corporate power and capacity to execute, deliver and perform its obligations under this agreement and has obtained all necessary authorisations and consents and taken all other actions necessary to enable it to do so. The Seller enters into this Agreement only as agent of its underlying clients and not as principal and is not subject to this Agreement in its capacity as principal.

1.2 Valid obligations

This agreement constitutes (or will when executed constitute) valid legal and binding obligations of the Seller and is enforceable against the Seller in accordance with its terms.

1.3 Breach or default

The execution, delivery and performance of this agreement by the Seller does not and will not result in a breach of or constitute a default under:

- (a) any agreement to which the Seller is party;
- (b) any provision of the constitution of the Seller; or
- (c) any law or regulation or any order, judgment or determination of any court or Regulatory Authority by which the Seller is bound.

1.4 Solvency

None of the following events has occurred in relation to the Seller:

- (a) a receiver, receiver and manager, liquidator, provisional liquidator, administrator or trustee is appointed in respect of the Seller or any of its assets or anyone else is appointed who (whether or not an agent for the Seller) is in possession, or has control, of any of the Seller's assets for the purpose of enforcing a charge;
- (b) an event occurs that gives any person the right to seek an appointment referred to in paragraph (a);
- (c) an application is made to court or a resolution is passed or an order is made for the winding up or dissolution of the Seller or an event occurs that would give any person the right to make such an application;
- (d) the Seller proposes or takes any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them;
- (e) the Seller is declared or taken under any applicable law to be insolvent or the Seller's board of directors resolves that the Seller is, or is likely to become at some future time, insolvent; or
- (f) any person in whose favour the Seller has granted any Encumbrance becomes entitled to enforce any security under that Encumbrance or any floating charge under that Encumbrance crystallises.

2. Shares

2.1 Ownership

The Seller is an institutional fund manager and has the capacity to deliver or arrange the delivery of the Shares to the Buyer, and has the capacity to fulfil all other obligations with respect to the Shares under this agreement.

2.2 Third party rights

There is no Encumbrance, option, right of pre-emption, right of first or last refusal or other third party right over any of the Shares.

Schedule 2 Buyer Warranties

1. Buyer

1.1 Regulatory Approval

The Buyer is a Foreign Government Investor as that term is defined in the FATA and has made the relevant application to the Foreign Investment Review Board in order to satisfy clause 3.1.

1.2 No Takeover

The Buyer has no present intention to make a takeover offer for the Company, whether by way of scheme of arrangement, on or off market takeover bid, or otherwise, within a period of three months after Settlement, provided that this provision does not apply where the Buyer seeks to acquire the Company's shares for an amount below the Purchase Price Per Share.

1.3 Valid obligations

This agreement constitutes (or will when executed constitute) valid legal and binding obligations of the Seller and is enforceable against the Buyer in accordance with its terms.

Schedule 3 Announcement

[On Buyer Letterhead]

[date]

Norton Gold Fields Limited (**Norton**) (ASX:NGF) announces that it has acquired a relevant interest of 10.77% in Phoenix Gold Limited (**Phoenix**) (ASX:PXG) in accordance with section 608(8(a)(i) pursuant to, or as a result of, an agreement entered into for the purchase of 39,870,375 fully paid ordinary shares in Phoenix (**Agreement**).

Under the Agreement, the shares are to be purchased at the price of \$0.083 per share via a special crossing to be executed by Argonaut Securities Pty Limited, subject to the satisfaction of certain conditions in the Agreement prior to 20 January 2015, or as agreed between the parties.

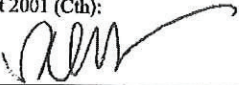
Norton wishes to make clear that it has no present intention to make a takeover offer for the remaining shares in Phoenix which it does not already own or control, however reserves the right to revisit this position in the future.

A Form 603 - Notice of Initial Substantial Shareholding including key terms of the Agreement has been lodged with Phoenix and is attached to the announcement.

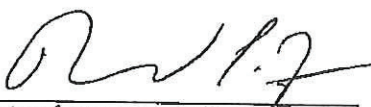
Norton signoff

Executed as an agreement.

Executed by Norton Gold Fields Ltd in accordance with section 127 of the Corporations Act 2001 (Cth):


Signature of director

DIARRIN CHOU
Full name of director

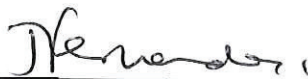

Signature of company secretary/director

RICHARD JONES
Full name of company secretary/director

Executed by Colonial First State Asset Management (Australia) Limited in accordance with section 127 of the Corporations Act 2001 (Cth):


Signature of director

M. HAZBERGER
Full name of director


Signature of company secretary/director

J. FERNANDES
Full name of company secretary/director

