



Australian Securities Exchange Limited
Company Announcements Office
Level 10
Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Dear Sir / Madam

Westgold Resources Limited
Off-market takeover bid for Aragon Resources Limited

In accordance with item 5 of section 633(1) of the *Corporations Act 2001* (Cth) (**Corporations Act**), please find **enclosed**, by way of service, a copy of the bidder's statement dated 21 February 2011 (**Bidder's Statement**) in respect of an off-market takeover bid under Chapter 6 of the Corporations Act by Westgold Resources Limited ABN 60 009 260 306, for all of the fully paid ordinary shares and issued options in Aragon Resources Limited ABN 63 114 714 662 (**Aragon**).

A copy of the Bidder's Statement has been lodged with the Australian Securities and Investment Commission and served on Aragon earlier today.

Yours faithfully

ANDREW CHAPMAN
COMPANY SECRETARY

Please direct enquiries to:
Telephone: (08) 9326 5700



Westgold Resources Limited

ACN 009 260 306

Bidder's Statement

in relation to the Offers by Westgold Resources Limited to acquire ALL of your shares
and ALL of your options in

Aragon Resources Limited

ACN 114 714 662

Consideration offered is:

- 1 Westgold Share for every 1 Aragon Share you own; and**
- 1 Westgold Option for every 1 Aragon Option you own**

This is an important document and requires your immediate attention. If you are in doubt as to how to deal with this document, you should consult your financial or other professional adviser immediately.

Legal Adviser



Important information

Bidder's Statement

This document is the Bidder's Statement dated 21 February 2011 from Westgold Resources Limited ACN 009 260 306 (**Westgold**) to Aragon Resources Limited ACN 114 714 662 (**Aragon**) in relation to an off-market bid for all Aragon Shares and Aragon Options.

A copy of this Bidder's Statement was lodged with ASIC and filed with ASX on 21 February 2011. Neither ASIC nor ASX nor any of their respective officers take any responsibility for the content of this Bidder's Statement.

Foreign registered shareholder

Shareholders should note that the consideration under the Offers include Westgold Shares, which are shares in an Australian public company listed on ASX. The Share Offer is subject to disclosure requirements in Australia which are different from those applicable in other countries. Subject to the paragraphs below, Aragon Shareholders whose address in Aragon's register of members is not in Australia or New Zealand will not be entitled to receive Westgold Shares on acceptance of the Share Offer (unless Westgold determines otherwise). Ineligible Foreign Shareholders who accept the Share Offer will receive a cash amount calculated in accordance with Section 8 of Annexure A of this Bidder's Statement. This Bidder's Statement does not constitute an offer to issue or sell, or the soliciting of an offer to buy, any securities referred to in this Bidder's Statement in any jurisdiction in which the issue of such securities would be unlawful.

The contents of this Bidder's Statement have not been reviewed by any regulatory authority (in Australia or otherwise). You are advised to exercise caution in relation to the Offers. If you are in any doubt about any of the contents of this Bidder's Statement, you should obtain independent professional advice.

Aragon Shareholders whose address in Aragon's register of members is in the United Kingdom may be entitled to receive Westgold Shares on acceptance of the Share Offer. This Bidder's Statement is only being distributed to and is only directed at persons in the United Kingdom who are qualified investors falling within Article 3(2) of the Prospectus Directive (2003/71/EC) or to fewer than 100 natural or legal persons in the United Kingdom who are not qualified investors. Persons to whom the foregoing does not apply should not rely on this document as the Share Offer is not being made to them.

Forward-looking statements

This Bidder's Statement may contain forward-looking statements, which include statements other than statements of historical fact. Such statements are subject to inherent risks and uncertainties in that they may be affected by a variety of known and unknown risks, variables and other factors, many of which are beyond the control of Westgold. Actual results, values, performance or achievements may differ materially from results, values, performance or achievements expressed or implied in any forward-looking statement.

None of Westgold, its Directors, officers or advisers, or any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Bidder's Statement will actually occur. Accordingly, you are cautioned not to place undue reliance on any forward-looking statements.

The forward-looking statements in this Bidder's Statement only reflect views held as at the date of this Bidder's Statement.

Value of Westgold Shares

The implied value of the Offers will vary with the market price of Westgold Shares. Further information on the implied value of the Offers is contained in this document. Before accepting the Offers, Aragon Shareholders and Aragon Optionholders should obtain current quotes for Westgold Shares from their stockbroker or other financial adviser.

Investment decision

This Bidder's Statement does not take into account the individual investment objectives, financial situation or particular needs of each Aragon Shareholder or Aragon Optionholder (or any other person). You may wish to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offers.

Information regarding Aragon

Any information in this Bidder's Statement concerning Aragon, Aragon's assets and securities has been prepared from public information and certain disclosures made by Aragon to Westgold for the purpose of the Offers. This

information has not been independently verified and, accordingly, Westgold makes no representations and warranties, express or implied, as to the accuracy of such information to the extent permitted by the Corporations Act.

Internet sites and email addresses

Westgold Resources Limited	www.westgold.com.au	admin@westgold.com.au
Aragon Resources Limited	www.aragonresources.com.au	admin@aragonresources.com.au

Privacy

Westgold has collected your information from the registers of Aragon for the purposes of making the Offers and, if accepted, administering your shareholding and/or optionholding in Aragon. Westgold and the share registry may disclose your personal information to their related bodies corporate and external service providers and may be required to disclose such information to regulators, such as ASIC. If you would like details of information about you held by Westgold, please contact Westgold at the address set out in the Corporate Directory.

Competent person's statement

The information in this Bidder's Statement that relates to Westgold's exploration results and mineral resources is based on information compiled by Mr Andrew Beckwith who is a full time employee of Westgold and a member of the Australian Institute of Mining and Metallurgy. Mr Beckwith has sufficient industry experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Beckwith consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration and production target statements

The information in this report that relates to exploration and production targets refers to targets that are conceptual in nature, where there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Production targets are currently conceptual in nature and relate to future production goals based on the current resources. Feasibility studies are currently underway to advance the economic evaluations.

There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets are also subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

ASX codes

Westgold Resources Limited: ASX:WGR

Aragon Resources Limited: ASX:AAG

Miscellaneous

All amounts are in Australian currency unless otherwise specified. All references to time are to Western Standard Time (**WST**) in Perth, Western Australia.

Chairman's Letter

21 February 2011

Dear Aragon Shareholder and Optionholder

On Monday 7 February 2011, Westgold announced its intention to make an off-market takeover offer for all your shares and options in Aragon with the goal to create a larger and more market relevant **gold company**.

You may also be aware Westgold has remained the largest single shareholder of Aragon since it was spun-out to explore Westgold's non-core Western Australian exploration assets in August 2007. Westgold has continued to provide significant financial and corporate support to Aragon since this time.

Twelve months ago Aragon's gold assets changed significantly with the purchase of the Central Murchison Gold Project through the acquisition of Fulcrum Pty Ltd. Over the last year Aragon has successfully advanced and expanded the gold resources and development potential of this project.

Aragon now faces the various challenges and uncertainties of re-development and the future funding requirements for the Central Murchison Projects, as does Westgold for the Rover 1 Project in the Northern Territory. Westgold believes that both companies would be in a stronger position to manage these challenges, and to attract suitable funding, by building a company with greater international market relevance for investors.

In order to build a company with greater market relevance, Westgold believes the time is now right to consolidate the assets of Aragon into Westgold to form a larger combined company, with stronger gold inventory and an expanded future development profile for the benefit of shareholders of both companies. This expanded group will have improved options for financing while decreasing the risks of development through project diversification and larger asset backing.

Shareholders of Aragon would also gain exposure to the significant potential for further exploration success at Westgold's greater Rover Project, which covers an unexplored area of nearly 14,000km². Westgold continues to drill test its third major mineralised system at the Explorer 142 copper gold prospect where significant high grade copper mineralisation has been intersected and is a larger magnetic target than Rover 1. Drilling of the many remaining untested regional copper gold targets is planned for 2011. Our exploration has also discovered a new style of lead-zinc mineralisation within the Rover Project, represented by the Explorer 108 lead-zinc-silver resource and provides added prospectivity.

Westgold's offer is made at significant market premiums to where Aragon was and has been trading on the market in recent times. On the day of the initial announcement the implied value of the share offer was a **35.4% premium** to the closing price and a **28.4% premium** to the 5-day VWAP of Aragon shares. Westgold firmly believes that given the size of its existing 20.13% shareholding, alternative offers are unlikely.

Our offer provides the opportunity to build a stronger gold company that will have the much sought after profile of a 3+ million ounce gold equivalent resource base, two development projects, a potential production profile which may put the company in the elite group of "plus 200,000 ounce gold producers" and significant growth potential.

Most importantly I encourage you to accept our offer and join with us in creating a larger company with local and international market relevance from which shareholder wealth can more easily be created.

Yours sincerely



Michael Atkins
Chairman

Westgold Resources Limited

Key dates

Bidder's Statement lodged with ASIC	21 February 2011
Scheduled date of the Offers	<##> 2011
Scheduled Closing Date of the Offers (unless extended)	<##> 2011

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1. Reasons why you should accept the Offers

Highlights

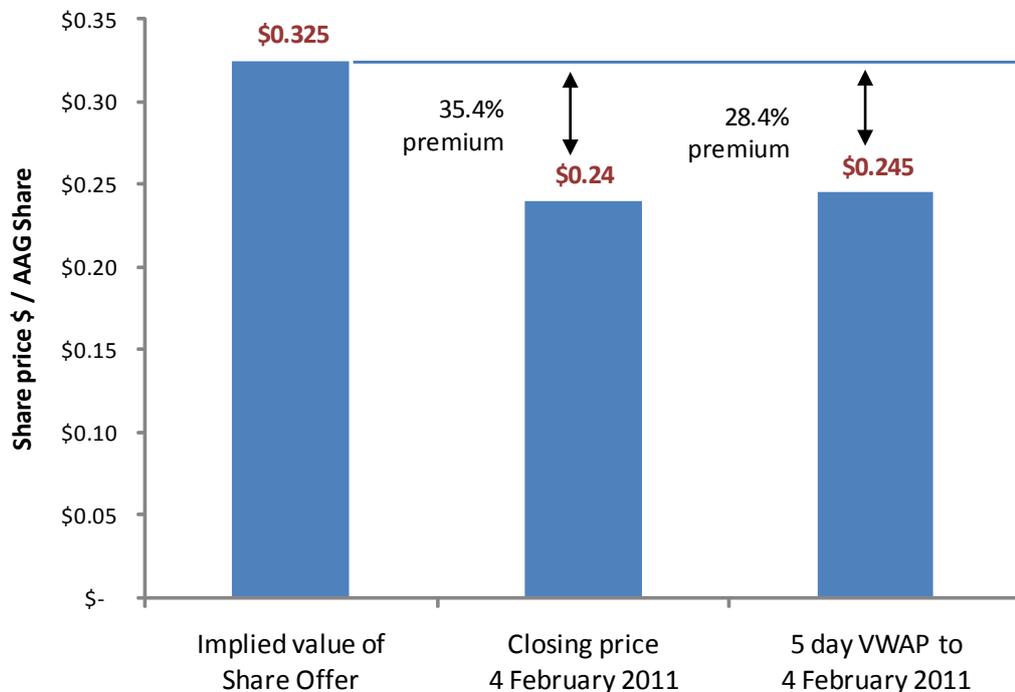
- The Offers are at an attractive premium to where Aragon has been trading.
- Westgold already holds 20.13% of Aragon and has long been a financial and technical supporter. It is unlikely another offer will emerge given Westgold's major shareholding.
- Together, Westgold and Aragon will create a larger and more diversified group with the ability of becoming a +200,000 ounce per annum gold producer in the future.
- A larger group with over 3Moz of Gold Equivalent resource would be domestically more market relevant and should attract a subsequent market re-rating.
- Resource and reserve assets will rank highly in terms of other ASX listed Australian gold resource companies and the Combined Group would become internationally relevant as a gold company.
- With diversification across two primary projects and a larger asset backing, the opportunity for funding potential future developments is higher.
- Westgold's assets are new virgin discoveries in a newly recognised iron-oxide copper gold (IOCG) province.
- Aragon's assets are historic goldmines that have the opportunity to be reopened due to significant recent gold price increases. The Combined Group should diminish the market stigma typically attached to the re-opening of mines.
- Aragon Shareholders will have the opportunity to share in the benefits of Westgold's project pipeline, future production potential and extensive under-explored gold and copper targets.
- The Combined Group will have a larger and stronger balance sheet, improved market liquidity, access to a larger spread of investors and bigger pool of risk capital for the development of Aragon's longer term assets.
- The Combined Group's expertise will enhance the development of Aragon's project portfolio, while reducing overall administrative costs.
- If the Offers fail, the Aragon Share price may fall back to pre-bid levels and the opportunities of a larger group may be lost.
- Aragon Shareholders should be entitled to tax rollover relief if Westgold achieves over 80% acceptance and the bid is successful.

- **Attractive premium**

Westgold is offering an attractive premium to the trading price of Aragon Shares immediately prior to the Announcement Date of the proposed Offers on ASX on 7 February 2011.

On 4 February 2011 (the last trading day prior to the Announcement Date), Westgold Shares closed at 32.5 cents and Aragon Shares closed at 24.0 cents. Based upon these respective closing share prices on 4 February 2011, the Share Offer of 1 Westgold Share for every 1 Aragon Share represents an implied offer price of 32.5 cents per Aragon Share, a **premium of 35.4%**, and values Aragon at approximately **\$76 million**.

Based on the volume-weighted average market price (**VWAP**) of Westgold Shares and Aragon Shares over the **5 trading days prior** to the Announcement Date, the Share Offer represents a **premium of 28.4%**.



The Option Offer is 1 Westgold Option for each 1 Aragon Option. The term to maturity and exercise price of the Westgold Options offered are the same as the Aragon Options held.

Westgold engaged Stantons International Pty Ltd (trading as Stantons International Securities) (**Stantons**) to value the existing Aragon Options and the Westgold Options offered pursuant to the Option Offer. The calculated premiums across 6 of the 8 tranches of Aragon Options currently on issue, representing 99.5% of the total value of Aragon Options on issue, range between 37% and 50%. The remaining two tranches of the Aragon Options, representing only 0.5% of the total Aragon Options on issue, range between 198% and 318%. Further information about the values of the Option Offer and implied premiums as determined by Stantons is provided in Annexure D.

- **Larger future potential production profile and lower financial risks**

Westgold has made a significant new high-grade iron-oxide-copper-gold (IOCG) discovery at Rover 1, near Tennant Creek in the Northern Territory. The initial total identified mineral resource estimate was above 1 million ounces Gold Equivalent. Elsewhere within the Rover Project, Westgold has made a lead-zinc-silver discovery and defined an initial resource at the Explorer 108 prospect and has recently announced significant drilling intercepts at the Explorer 142 prospect suggesting a further IOCG discovery. For its efforts in exploration expertise and application Westgold won the "Gold Mining Journal – Explorer of the Year" award for 2008.

Aragon has a package of tenements collectively referred to as the Central Murchison Gold Project which cover 3 historic gold production centres in Western Australia. The total identified mineral resource base is now approximately 2 million ounces of gold. These projects were mined up until 2005 with most closing in late 2003 when they became uneconomic at gold prices below A\$600/oz. Aragon's strategy is to re-start the projects where mining left off with economics being driven and supported by the now higher international gold prices.

Aragon's Central Murchison Gold Project has an initial reserve estimate from its underground mines of 614,000 ounces from its key underground projects at Big Bell and Great Fingall/Golden Crown deposits. These are closed historic mining operations which have since been inundated by groundwater with the mining reserves primarily existing as depth extensions beyond past mining infrastructure. As a consequence they will incur larger mine capital and pre-production costs to access and enable production to re-commence. Further on top of this Aragon has yet to define processing options or cost estimates for a processing plant if they decide to construct their own or secure alternative tolling arrangements.

Despite a year of extensive exploration, Aragon has not yet achieved any significant new discovery of open-pit ore to reduce the pre-production cost burden of the underground redevelopments, although this potential may still exist with further exploration efforts applied.

As a Combined Group, Westgold and Aragon will have a larger overall size and asset backing, a bigger market presence and relevance, future potential production from two primary areas and a diversification across metals, with a mixture of virgin mine development and mine re-opening. The Combined Group will have a potential production profile targeting 200,000 oz per annum. Production at this level would make the Combined Group comparable with other significant gold producers and attract higher levels of market interest.

The larger asset backing of the Combined Group will provide increased options for financing the development of Aragon's assets whereby debt security is expanded over the enlarged group.

- **Acceptance of the Offers will provide the opportunity to share the benefits of Westgold's project pipeline and future production potential**

Acceptance of the Offers will also provide the opportunity for Aragon Shareholders to benefit from the exciting development of the Rover-1 Gold-Copper Project, located south west of Tennant Creek in the Northern Territory,

with 1.04Moz of Gold Equivalent resources, a feasibility study underway and a resource update pending.

The previously announced Rover-1 scoping study (October 2010) concluded a positive and robust project and an immediate decision was made to complete a detailed feasibility study which is currently underway. The scoping concept is that of an underground operation with a single decline, a 400,000tpa processing facility. The 'base-case' model in the scoping study suggests robust project economics based on:

- an initial annual production target of 60,000oz pa AuEq (alternatively 35,000oz pa gold, 4,000tpa copper);¹
- estimated cash operating costs of A\$580/oz AuEq (alternatively \$185/oz after copper credits); and
- modelled net cash flow (pre-tax) of \$118 million.

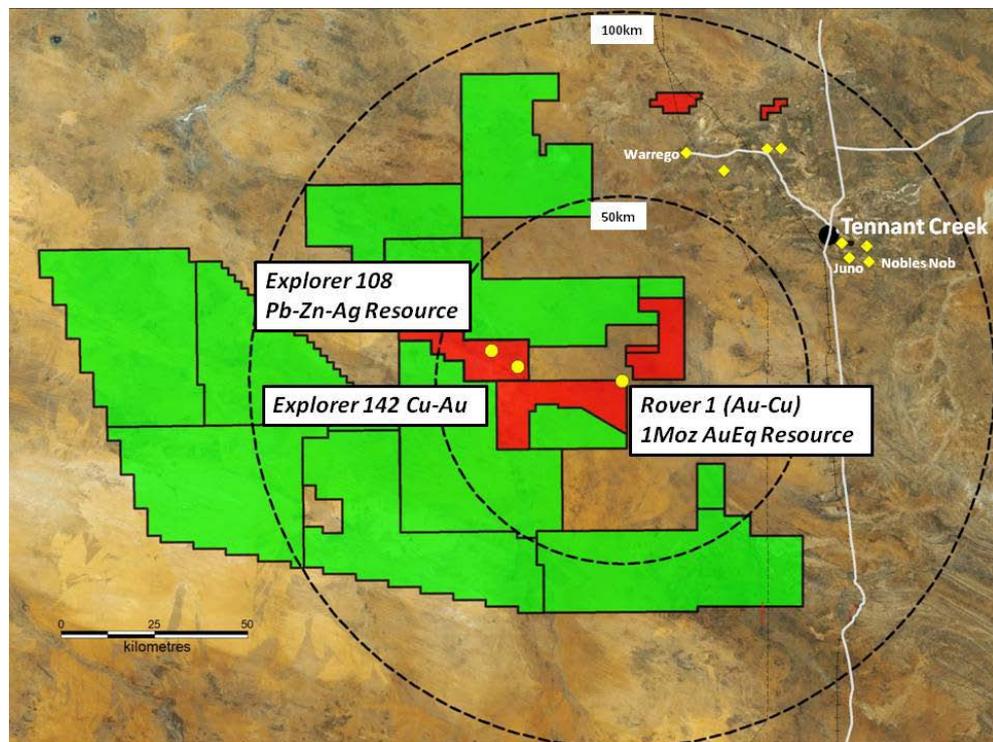
These figures are based on a base case scenario and were limited to the existing resource at the time and applied gold and copper prices generally lower than current spot prices: namely gold at US\$1100/oz (around US\$1395/oz at present) and copper at US\$7000/t (around US\$9800/t at present).

A significant amount of drilling has occurred at Rover 1 since the initial resource estimate and this new drilling provides many encouraging results beyond the current resource. Aragon Shareholders will gain exposure to the benefits associated with future resource upgrades.

In addition, Aragon Shareholders will gain exposure to the exploration upside at Rover on a number of "look alike" IOCG targets, including Explorer 142 (currently being drill tested) and additional base metals projects, including the Explorer 108 Pb-Zn-Ag resource and McArthur Basin joint venture.

¹ Production targets are currently conceptual in nature and relate to future production goals based on the current resources. Detailed feasibility studies are currently underway to advance the economic evaluations of the various deposits. While the Resources are adequate to support these production targets, these Resources are not Reserves and therefore it is uncertain whether they can be mined in an economically viable manner in order to achieve those targets. There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets are also subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

Rover- 1 Gold-Copper Project and surrounding exploration projects
 (Red granted tenements, green applications)



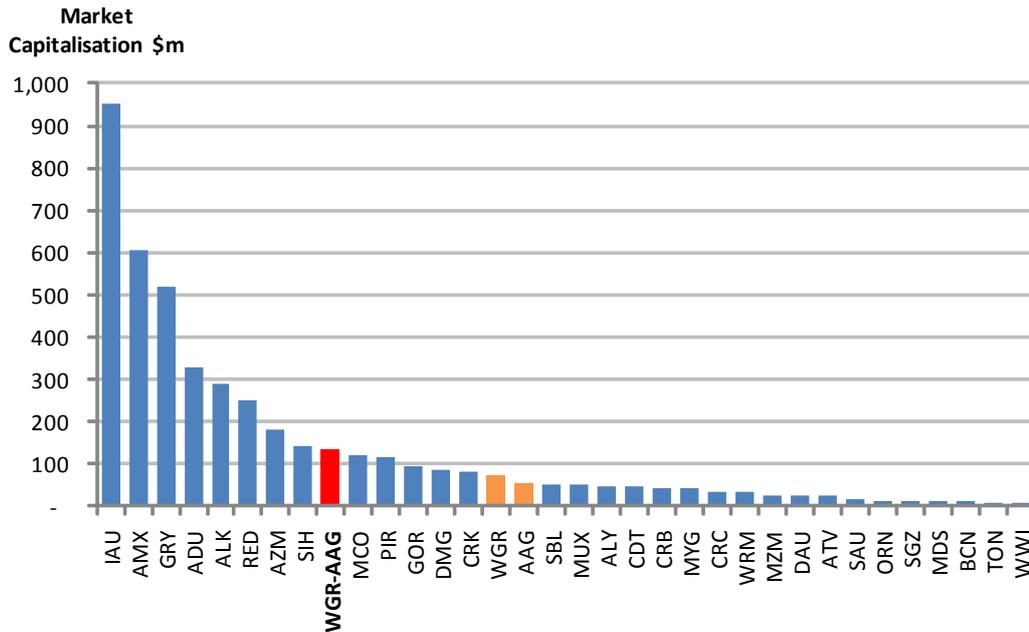
- **The Combined Group will provide a stronger balance sheet for the development of Aragon's assets**

Westgold, upon successful completion of the Takeover, will have:

- combined cash reserves of \$21.3 million based on 31 December 2010 financial accounts;
- an increased total identified Mineral Resource base of over 3Moz Gold Equivalent;
- an initial reserve base estimate of 0.614Moz contained gold when considering just the initial Aragon primary underground mine plans; and
- pro-forma market capitalisation of \$135 million² providing the Combined Group with greater significance in the market with expected benefits in access to capital and market liquidity.

The graph below shows how the Combined Group, under the assumed pro-forma market capitalisation of \$135 million, would compare with a select group of other ASX listed gold explorers.

² Based on 100% acceptance of the Share Offer and a Westgold Share price of 32.5 cents being the closing price of Westgold Shares on 4 February 2011.

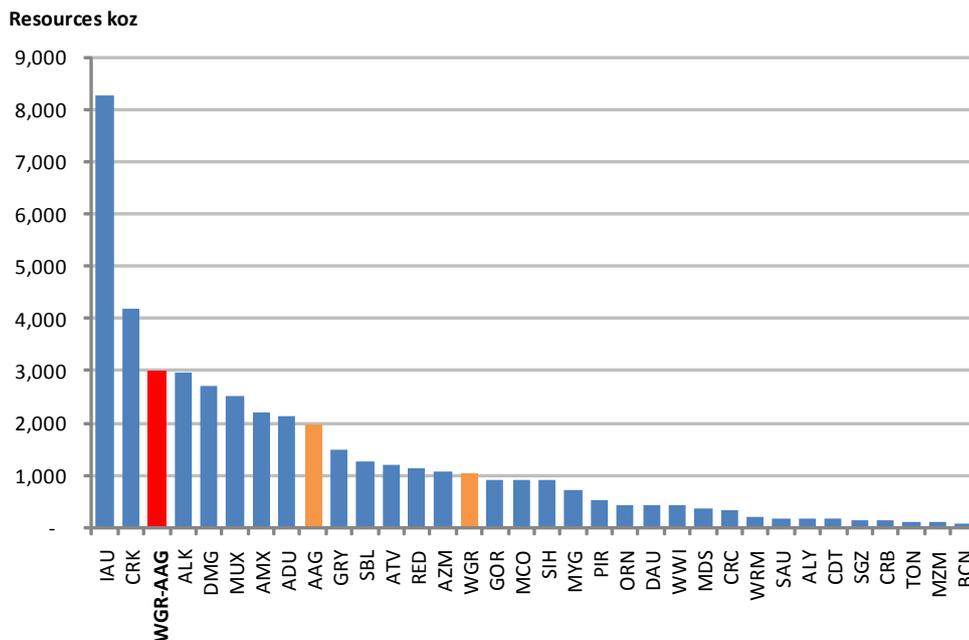


Market capitalisation of comparable selected gold explorers

Note: market capitalisation of comparable companies at 7 February 2011. Combined Group capitalisation calculated assuming 100% Share Offer acceptance, with undiluted 414 million Westgold Shares at 32.5 cents per Westgold Share.

- **Acceptance of the Offers will provide the Combined Group with highly significant and well ranked resource base**

The graph below shows how the Combined Group will rank based on total resources, when compared with a select group of other ASX listed gold explorers.



Resources of comparable selected gold explorers

- **Combined Aragon and Westgold expertise will enhance development of Aragon's project portfolio**

Aragon's projects will benefit from strengthened technical expertise across exploration, project development and mining by joining forces with Westgold. In addition, the larger Combined Group will provide:

- a simplified corporate structure and removal of cross-ownership issues;
- cost and resourcing efficiencies; and
- capacity for improved staff retention through greater career path growth and increased and varied activities.

- **The Aragon Share price may fall if the Offers do not succeed**

The Share Offer is at a substantial premium to the recent historical trading price of Aragon Shares on ASX prior to the Announcement Date of the proposed Takeover. If the Offers are not successful (and no alternative offer is made for your Aragon Shares and Aragon Options) then the Aragon Share price may fall.

- **You may be eligible for tax rollover relief**

If, as a result of the Share Offer, WGR become the holder of 80% or more of the voting shares in Aragon, Aragon Shareholders accepting the Share Offer may be entitled to scrip for scrip rollover relief. In summary, rollover relief means that the effective sale of your Aragon Shares will not crystallise a taxation event, and any potential tax liability will not accrue until such time as you sell your Westgold Shares. Aragon Shareholders should consult their professional advisers in regard to how accepting the Share Offer will affect their individual circumstances.

- **Key strategic and financial benefits**

Westgold believes that there are a number of key strategic and financial benefits that will arise from the successful acquisition of Aragon by Westgold for the benefit of Aragon Shareholders and Westgold Shareholders.

Aragon Shareholders and Westgold now have an exciting opportunity to create a "growth orientated" gold company with multiple development opportunities and excellent potential for new exploration discoveries.

Both companies have quality long-term assets, but with differing potential production timeframes. Aragon's potential production profile is based on longer-term underground production and short-term open pit potential. Westgold's potential production profile is medium-term production and significant potential for new discoveries.

Bringing the two companies together creates a stronger potential production profile in the same timeframe, with less financial risk for all shareholders.

The Combined Group will be targeting establishment of three long-life, high-grade underground mines, with potential to increase near-mine resources and for additional new regional discoveries.

Bidder's Statement**Reasons to Accept the Offers**

As previously stated, Westgold's goal is to become an Australian mid-tier producer within five years. Combining the development assets of Westgold with Aragon can achieve this goal.

A production target profile of 200,000 ounces (Gold Equivalent) per year would rank the Combined Group in the top ten Australian gold producers and would make the Combined Group more attractive to investors.

Westgold considers that Aragon Shareholders, Westgold Shareholders and potential new investors will all benefit from this proposed growth and production strategy.

2. How to accept the Offers

The Offers

The Offers, subject to the terms and conditions detailed in this Bidders Statement, comprise:

1 Westgold Share for every 1 Aragon Share; and

1 Westgold Option for every 1 Aragon Option.

Complete and return Acceptance Form

Complete and sign the enclosed Acceptance Form in accordance with the instructions provided in the Acceptance Form and return it in the reply paid envelope so that it is received before the end of the Offer Period.

Ineligible Foreign Shareholders

If you are an Ineligible Foreign Shareholder (as defined in Section 12.1) who accepts the Share Offer, then despite any other provision of the Share Offer, you will receive a cash amount for your Aragon Shares instead of Westgold Shares. Please refer to Section 11.16 for further information.

Last day to return Acceptance Form

The Offers close at 5.00pm WST on <##> 2011, unless extended by Westgold. Your Acceptance Form must be received before the end of the Offer Period.

Offer and acceptance enquiries

If you have any questions about how to accept the Offers please contact:

Westgold / Aragon Shareholder Information Helpline
In Australia: **1300 019 960** (toll free)
Outside Australia: **+61 2 8022 7902**

OR

Andrew Chapman
Company Secretary
Westgold Resources Limited
In Australia: (08) 9326 5700
Outside Australia: +61 8 9326 5700

3. Summary of the Offers

Bidder	Westgold is the company making the Offers to Aragon Shareholders. Refer to Section 5 for further details about Westgold.
Share Offer	<p>Westgold offers to acquire all of your Aragon Shares.</p> <p>You may only accept the Share Offer in respect of 100% (and not a lesser proportion) of the Aragon Shares you hold.</p> <p>The Share Offer extends to all Aragon Shares that are issued prior to the end of the Offer Period as a result of the exercise of Aragon Options.</p>
Option Offer	<p>Westgold offers to acquire all of your Aragon Options.</p> <p>You may only accept the Option Offer in respect of 100% (and not a lesser proportion) of the Aragon Options you hold.</p>
Share Offer consideration	You are offered 1 Westgold Share for every 1 Aragon Share you hold.
Option Offer consideration	<p>You are offered 1 Westgold Option for every 1 Aragon Option you hold on the basis set out in Annexure C.</p> <p>The terms of the Westgold Options offered are set out at Annexures C and E.</p>
Opening Date	The Offers open on <##> 2011.
Closing Date	Unless withdrawn or extended in accordance with the Corporations Act, the Offers are open until 5.00pm WST on <##> 2011.
Share Offer conditions	<p>The Share Offer is subject to the conditions set out in Section 9 of Annexure A of this Bidder's Statement.</p> <p>In summary, the Share Offer is subject to various conditions, including the following:</p> <p>(a) At or before the end of the Share Offer Period, Westgold having a Relevant Interest in at least 90% of all the Aragon Shares.</p> <p>(b) No Prescribed Occurrence (as set out in section 652C of the Corporations Act) in respect of Aragon occurring during the Offer Period.</p> <p>(c) During the Offer Period, no event, change or condition occurring that has, or could reasonably be expected to have, a material adverse effect on:</p> <p>(i) the business, assets, liabilities, financial or trading position, profitability or prospects of Aragon since the Announcement Date by an amount of \$1 million or more; or</p> <p>(ii) the status of any approvals, licences or permits from any Public Authority, taken as a whole, applicable to any licence or permit held by Aragon or which Aragon</p>

	<p>has agreed to acquire from a third party.</p> <p>(d) Except with the prior consent of Westgold, Aragon not agreeing to acquire or dispose of any asset for an amount greater than \$1 million, and not agreeing to enter into any agreement for the expenditure of more than \$1 million.</p> <p>(e) No person having or being entitled to rights or expressing or announcing an intention, as a result of any change of control event in respect of Aragon or any of its Subsidiaries or assets, to:</p> <p>(i) terminate or alter any contractual relations between any person and Aragon or its subsidiaries;</p> <p>(ii) require the termination, modification or disposal of any interest or asset, corporate body, joint venture or other entity; or</p> <p>(iii) accelerate or adversely modify the performance of any obligations of Aragon or any of its subsidiaries under any agreements, contracts or other legal arrangements.</p> <p>(f) Permission for admission to quotation for the Westgold Shares to be issued to Aragon Shareholders accepting the Share Offer being granted by ASX no later than 7 days after the end of the Offer Period.</p> <p>This is only a summary of the Share Offer conditions. See Section 9 of Annexure A of this Bidder's Statement for further details about the Share Offer conditions.</p> <p>Westgold may choose to waive any of the Share Offer conditions in accordance with the Share Offer set out in Annexure A of this Bidder's Statement.</p>
Option Offer conditions	<p>The Option Offer is subject to the Option Offer conditions set out in Section 7 of Annexure B of this Bidder's Statement.</p> <p>In summary, the Option Offer is subject to conditions, including the following:</p> <p>(a) At or before the end of the Option Offer Period, Westgold having a Relevant Interest in at least 90% of all the Aragon Shares.</p> <p>(b) At or before the end of the Option Offer Period, the Share Offer is, or has been declared unconditional in all respects.</p>
Further information	<p>The information in this Section 3 is a summary of the Offers only.</p> <p>You should read the entire Bidder's Statement and the separate Target's Statement which will be sent to you directly by Aragon in relation to the Offers before deciding whether or not to accept the Offers.</p> <p>The full terms of the Offers are set out in Annexure A and Annexure B of this Bidder's Statement.</p>

4. Frequently asked questions

How do I accept the Share Offer?	Complete the enclosed Share Acceptance Form and return it to the address specified.
How do I accept the Option Offer?	Complete the enclosed Option Acceptance Form and return it to the address specified.
When do I get my Westgold Shares (or, if applicable, net sale proceeds) or Westgold Options?	<p>If you accept an Offer, you will receive the consideration under the Offers within 1 month of the later of the date you accept, and the date the Offer becomes unconditional. In any event, assuming the conditions of the Offer you accept are satisfied or waived, you will be issued the consideration within 21 days of the end of the Offer Period.</p> <p>If you are an Ineligible Foreign Shareholder, you will receive the net sale proceeds of the sale by the Sale Nominee of the Westgold Shares you would have been entitled to. See Section 11.16 for details.</p>
Can the Offer Period be extended?	Yes, the Offer Period can be extended at Westgold's election, up to a maximum Offer Period of 12 months. Aragon Securityholders will be sent written notice for any extension, and the extension will be announced to ASX.
What if the conditions are not satisfied?	If any Offer closes with conditions remaining unsatisfied, that Offer will lapse, and your acceptance in relation to that Offer will be void. In other words, you will continue to hold your Aragon Shares or Aragon Options (unless you otherwise sell them). Westgold will inform you whether the conditions have been satisfied or waived during the Offer Period in accordance with its obligations under the Corporations Act.
Can I withdraw my acceptance?	<p>Under the terms of the Offers, once you have accepted the Offers you cannot withdraw your acceptance except where a withdrawal right arises under the Corporations Act.</p> <p>A withdrawal right will arise under the Corporations Act if the Offer remains subject to one or more conditions (set out in Section 9 of Annexure A or Section 7 of Annexure B of this Bidder's Statement) and, after you have accepted the Offer, Westgold varies the Offer in a way that postpones, for more than 1 month, the time by which Westgold needs to meet its obligations under the Offer.</p>
Can I sell my Aragon Shares on the market?	<p>Yes, but you may incur brokerage costs if you do.</p> <p>If you have already accepted the Share Offer in respect of your Aragon Shares, you will be unable to settle any subsequent sale of your Aragon Shares, subject to you being entitled to withdraw your acceptance – see "Can I withdraw my acceptance?" above.</p>

<p>Will I need to pay any brokerage or stamp duty if I accept the Offers?</p>	<p>You will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offers.</p> <p>If you are an Ineligible Foreign Shareholder who accepts the Share Offer, the Westgold Shares issued as consideration will be sold by the Sale Nominee, who will return the cash proceeds from the sale, less the expenses of the sale, to you.</p>
<p>What if I am a Foreign Shareholder?</p>	<p>Certain foreign holders of Aragon Shares will not be entitled to receive Westgold Shares on accepting the Share Offer. If you are such an Ineligible Foreign Shareholder and accept the Share Offer, you will receive the net cash proceeds of Westgold Shares sold through a Sale Nominee which you would otherwise have received (see Section 11.16). The Aragon Shareholders to which this applies are holders of Aragon Shares:</p> <ul style="list-style-type: none"> (a) whose address as shown in the register of members of Aragon is in a jurisdiction other than Australia, its external territories or New Zealand; and (b) the law of that jurisdiction makes it, in the reasonable opinion of Westgold, unlawful or too onerous for Westgold to make the Share Offer to that person and to issue them with Westgold Shares. <p>If you are an Aragon Shareholder whose address as shown in the register of members of Aragon is in the United Kingdom, you will be entitled to receive Westgold Shares on accepting the Share Offer if you agree to and, where applicable, comply with the requirements set out in Section 11.16 of this Bidder's Statement.</p>
<p>What are the tax implications of accepting the Offers?</p>	<p>You should consult your financial, tax or other professional adviser on the tax implications of acceptance, in light of your own particular circumstances. However, Section 9 contains a general summary of the major likely Australian tax consequences for Aragon Shareholders who accept the Share Offer and for Aragon Optionholders who accept the Option Offer.</p>
<p>Are there any risks in accepting the Offers?</p>	<p>If you accept the Offers, you will become a Westgold Securityholder. There are risks in holding Westgold Securities and these are set out in Section 10. You are already exposed to several of these risks, to varying degrees, as a result of holding Aragon Securities.</p>

5. Profile of Westgold

5.1 Overview of Westgold

Westgold is an Australian gold and copper company focused on the exploration and development of the Rover Project near Tennant Creek in the Northern Territory.

The Rover Project represents a major south western extension of the prolific Tennant Creek Goldfield, which has produced over 5Moz of gold and 0.5Mt of copper from a number of exceptional high grade past mines including Warrego 1.6Moz @ 7g/t Au, 174,000t Cu; White Devil 0.8Moz @ 15g/t Au and Juno 0.8Moz @ 56g/t Au.

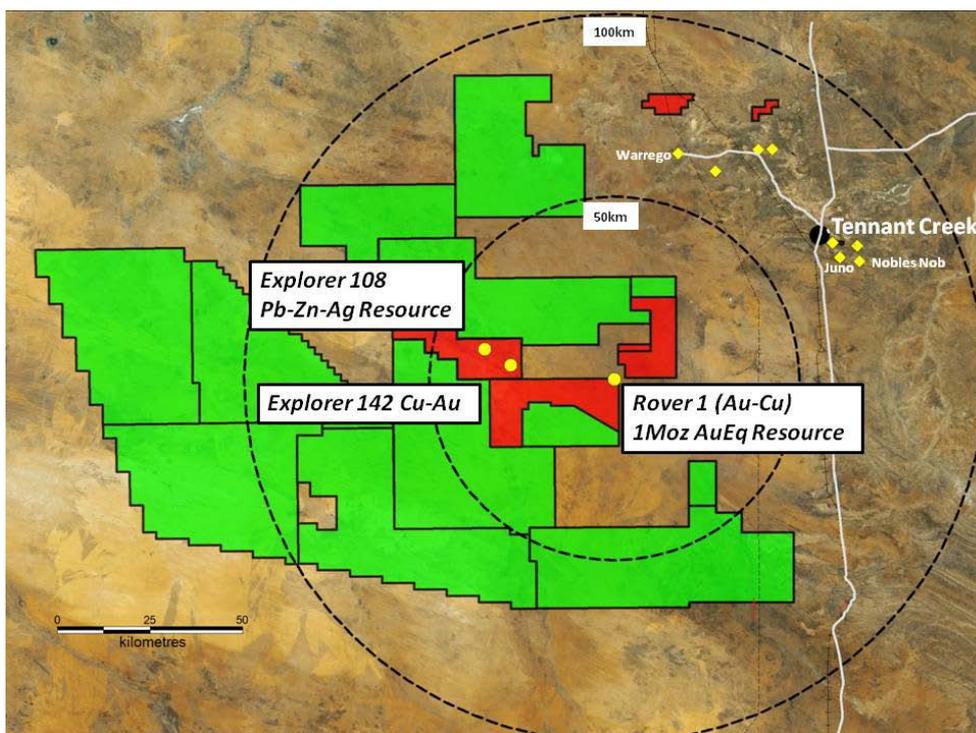
Westgold has established two 100% owned resources at the Rover Project and is currently drilling a third large mineralised system at the nearby Explorer 142 (Cu-Au) magnetic target. Extensive exploration upside remains at each deposit as they remain extensively open.

- **Rover 1 Au-Cu resource** – 1,037,600 Gold Equivalent ounces.
- **Explorer 108 Pb-Zn-Ag resource** – 170,900t Pb, 319,900t Zn, 5.59Moz Ag.

Westgold is currently advancing the development of the Rover 1 deposit, with detailed feasibility studies underway based on a recent positive scoping study. Current resource extension drilling is expected to be completed during this current quarter and a subsequent resource update anticipated following appropriate geological modelling thereafter.

The Explorer 108 Pb-Zn-Ag deposit demonstrates consistent high grade mineralisation along the basal contact margin, remains extensively open and is the first mineralisation of this style discovered in the region providing added prospectivity for further base metal deposits.

Westgold's Rover Gold-Copper Project (Red granted tenements, green applications)



Additional base metal exploration exposure is provided through the McArthur Basin Joint Venture (MBJV) covering approximately 900km² in the southern portion of the McArthur Basin in the Northern Territory. Minerals and Metals Group (MMG) is currently earning 60% equity in Westgold's tenements by sole funding exploration expenditure of \$3 million over a four year period.

In addition to its exploration projects, Westgold has maintained a major shareholding in Aragon since 2007 and currently has a 20.13% holding.

Westgold is listed on ASX (ASX Code: WGR) and has a market capitalisation of approximately \$74 million based on the Announcement Date closing price of Westgold Shares of 32.5 cents on 4 February 2011.

5.2 Rover 1 Au-Cu Deposit

Westgold commenced drilling in March 2008 and established the maiden JORC Mineral Resource estimate in February 2010. The Rover 1 resource comprises 5.3Mt at 6.1g/t Gold Equivalent for 1,037,600 Gold Equivalent ounces and includes internal high-grade gold and copper zones totalling 2.4Mt at 9.3g/t Gold Equivalent for 728,700 Gold Equivalent ounces.

Rover 1 – Total Mineral Resource Estimate (2.5g/t AuEq cut-off)

Classification	Tonnes	AuEq g/t	Au g/t	Ag g/t	Bi %	Co %	Cu %	AuEq Oz
Indicated	588,000	14.6	8.5	3.7	0.3	0.1	1.7	276,600
Inferred	4,742,000	5.0	1.3	2.0	0.1	0.1	1.0	761,000
Total	5,330,000	6.1	2.1	2.2	0.1	0.1	1.0	1,037,600

Rounding errors may occur

Rover 1 – Internal High-Grade Au & Cu Zones (2.5g/t Au or 1% Cu cut-offs)

Classification	Tonnes	AuEq g/t	Au g/t	Ag g/t	Bi %	Co %	Cu %	AuEq Oz
Indicated	588,000	14.6	8.5	3.7	0.3	0.1	1.7	276,600
Inferred	1,862,000	7.6	2.5	2.1	0.2	0.1	1.5	452,100
Total	2,450,000	9.3	4.0	2.5	0.2	0.1	1.5	728,700

Rounding errors may occur

Gold Equivalence

The Gold Equivalence calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces. The prices used in the calculation being US\$1100/oz Au, US\$7000/t Cu, US\$21.0/lb Co, US\$7.5/lb Bi and US\$15.0/oz Ag and approximate metal prices as at 18 February 2010.

The majority of the high grade Au mineralisation occurs within the plunging Jupiter Zone and to a lesser extent the Western Zone. These gold lodes can contain exceptional "bonanza gold grades" well in excess of +10g/t Au and regularly exceed 30g/t (1 ounce) on individual one metre sample basis within these important lodes.

The mineralisation is hosted in and along the margins of magnetite and hematite rich ironstone within deformed chlorite altered sediments of Proterozoic age. The Au-Cu deposits of the Rover Field are considered to be identical in character to the past mines of the nearby Tennant Creek Goldfield.

The magnetite rich ironstone host rock provides a direct geophysical target, allowing specific drill targeting. The dense hematite associated with the ironstones and chlorite alteration also allows gravity data to aid target selection. Westgold has

recently completed extensive and detailed gravity and helicopter supported magnetic surveys over the granted tenement areas. This data provides a wealth of untested regional targets similar to Rover 1.

5.3 Rover 1 positive scoping study

In October 2010, Westgold announced the details of a “base case” scoping study on Rover 1 which demonstrates the potential economic viability of the deposit as an underground mining operation with standalone processing plant.

The **key parameters** of the scoping study are:

- Underground mine development accessed via a single decline;
- 400,000 tonne per annum processing plant;
- Capital cost estimate of \$101 million, which is made up of:
 - Mine development (Pre-Production) \$20M
 - Processing plant and site infrastructure \$75M
 - Mine fixed plant and equipment \$6M
- Cash operating cost estimate \$580/oz;
- Production target of 60,000 ounces Gold Equivalent per annum:³
 - Targeting gold bullion and copper concentrate with additional co-product credits from cobalt and bismuth;
 - Production target of 35,000 ounces of gold and 4,000 tonnes of copper per annum; and
 - Gold and copper representing approximately 85% of the total revenue;
- Modelled net cash flow (before tax) of \$118 million; and
- Metal prices used – Au US\$1100/oz and Cu US\$7000/t.

Westgold has assessed the impact of a larger resource at Rover 1. Increases of 50% and 100% were modelled and returned a range of potential net cash flows (before tax) of between \$217 million and \$394 million respectively. Similarly, using current gold and copper prices of around US\$1350 (Au) and US\$9900t (Cu), the resultant net cash flow would increase significantly from the above \$118 million to above \$200 million for the “base case” scenario only.

Apart from higher grades, higher metal prices and the expected resource increases the scoping study demonstrates that improvements in metallurgical recoveries are also a strong driver of higher returns. Detailed metallurgical testwork to establish the optimal processing route for achieving higher recoveries is currently underway.

³ Production targets are currently conceptual in nature and relate to future production goals based on the current resources. Detailed feasibility studies are currently underway to advance the economic evaluations of the various deposits. While the Resources are adequate to support these production targets, these Resources are not Reserves and therefore it is uncertain whether they can be mined in an economically viable manner in order to achieve those targets. There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets are also subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

The Rover 1 resource remains open particularly down the main Jupiter plunge orientation and recent drilling results outside of the existing resource model include: 6m @ 78.7g/t Au; 9m @ 12.2g/t Au, 0.53% Cu including 5m @ 20.0g/t Au; 26m @ 0.43g/t Au, 2.3% Cu, 0.35% Bi and 12m @ 0.7g/t Au, 1.90% Cu, 0.58% Bi.

5.4 Rover 1 feasibility studies commenced

The objective for the coming 12 months is to finalise metallurgical test work and plant design and to advance statutory approvals to a point which will allow commencement of development at Rover 1 early in 2012. Westgold is actively assessing various options which may accelerate the production timeframe.

Other feasibility programs to be completed during 2011 include:

- baseline environmental surveys;
- geotechnical assessment for underground infrastructure positions; and
- groundwater dewatering and mine water requirements.

Detailed metallurgical evaluation of Rover 1 has already advanced with a comprehensive sampling programme submitted to the laboratory with testwork in progress.

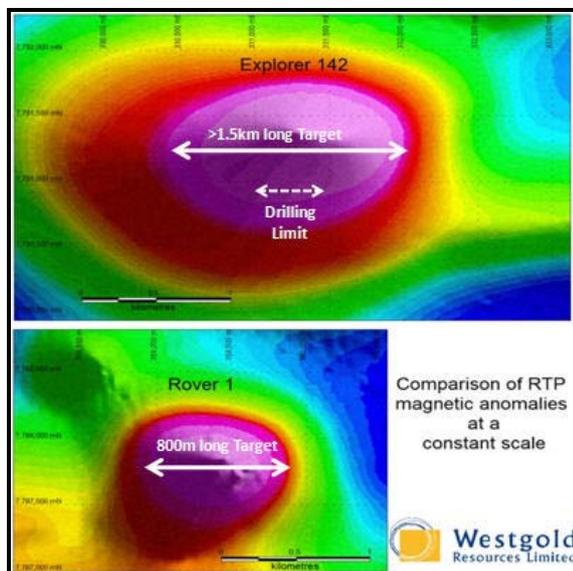
5.5 Explorer 142 Cu-Au System

Westgold continues to demonstrate the highly prospective nature of the Rover Field and the significant potential for further discoveries, with recent drilling results confirming Explorer 142 as another large IOCG system with high grade copper results and associated gold, bismuth and cobalt mineralisation.

“Explorer 142 represents another large IOCG discovery in the Rover Field”

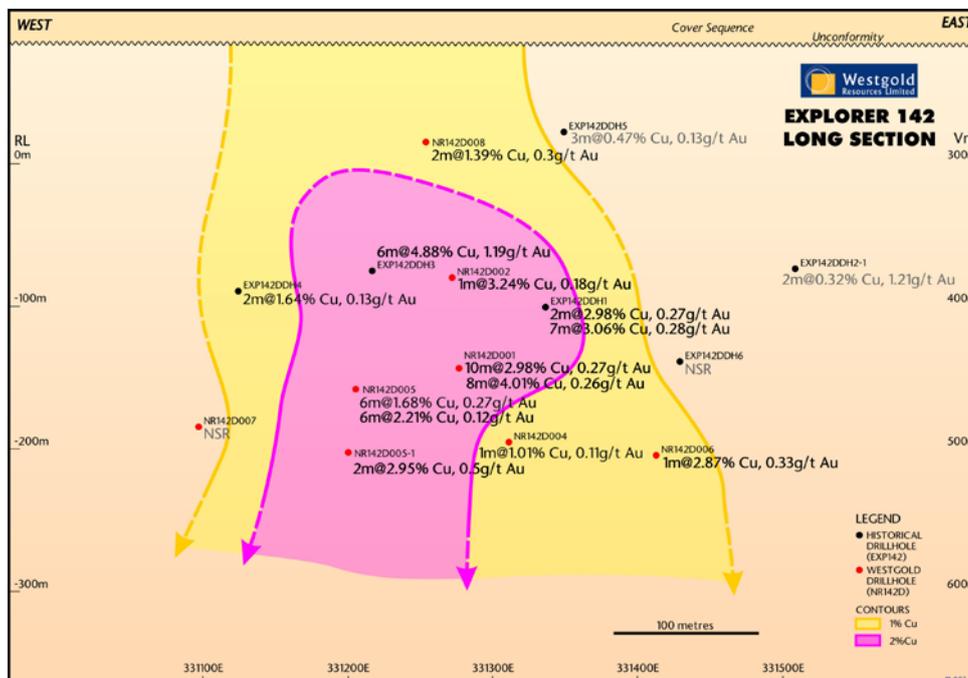
The Explorer 142 target is larger and of equal magnetic intensity to the Rover 1 deposit. The Explorer 142 anomaly is over 1.5 kilometres long, compared to the 800 metre long Rover 1 magnetic anomaly. Importantly drilling to date, including the limited historical drilling, has only tested approximately 30% of the most intense magnetic strike length providing scope to significantly add to the known mineralisation.

Explorer 142 Cu-Au magnetic target compared to Rover 1 magnetic target



Drilling to date has successfully defined a strong copper rich envelope (>1% Cu – yellow zone in diagram below) to an area of approximately 300 metres x 250 metres. This copper envelope is interpreted to be controlled in a steep near vertical plunge orientation within a prospective 30-40 metre wide and sub-vertical ironstone-chlorite alteration zone and remains open along strike and at depth.

Explorer 142 Long-section showing high grade copper zone



Internal to the mineralisation envelope is a higher grade core of >2% Cu copper mineralisation (purple zone in diagram above) that forms an interpreted steep west plunging “shoot” approximately 200 metres x 200 metres in size. This high grade copper mineralisation appears to be associated with the richest magnetite zones in the ironstone development, which is similar in many ways to the controls seen at Rover 1.

Drilling during 2011 is planned to test for along strike and down dip extensions to the known mineralisation, particularly where adjacent strong magnetic sources are defined. Westgold believes that strong potential remains to define new plunging “shoots” elsewhere along the 1.5 kilometre strike length of the magnetic target which remains untested.

Westgold is initially targeting a 500,000 ounce Gold Equivalent resource at the Explorer 142 target. AngloGold Ashanti Australia Limited retains clawback rights at the Explorer 142 prospect.

Explorer 142 is only one of several identified magnetic targets which are of similar size and nature to Rover 1.

5.6 Explorer 108 Pb-Zn Ag resource

The Explorer 108 Pb-Zn-Ag deposit, is located approximately 40km west of Rover 1 and 10km northwest of Explorer 142 and was the first-ever JORC compliant resource in the Rover Field and was defined by Westgold.

Although lead, zinc and silver is known to occur in relatively low levels in the Tennant Creek Goldfield, there has never been any documented, sizeable or

potentially economic Pb-Zn-Ag mineralisation of this scale previously discovered in the regions.

Westgold commenced its first ever drilling campaign in the Rover Field during 2006, initially at Explorer 108, based on historical drilling results and potential for copper-gold mineralisation. This drilling was undertaken prior to the grant and obtaining access to the high priority Rover 1 Au-Cu area.

In early 2008 Westgold estimated an inferred JORC compliant resource comprising:

8.7Mt @ 5.6% Pb+Zn, 20g/t Ag, 0.3g/t Au

The deposit demonstrates consistent high grade mineralisation along the basal contact margin of an extensively brecciated dolomite unit and also in veining associated with vertical feeder structures along the axis of a regional fold. The higher grade core totals:

4.0Mt @ 8.2% Pb+Zn, 25g/t Ag, 0.3g/t Au

The deposit remains open and current JORC resource contains:

Lead	170,900 tonnes
Zinc	319,900 tonnes
Silver	5,587,300 ounces
Gold	70,900 ounces

The system shows extensive and intense chlorite-magnetite-sulphide rich alteration overprinting a dolomite rich breccia bound by felsic volcanic sediments. Drilling provides a lateral footprint to the known mineralisation of at least 500m x 300m and remains essentially open in all lateral directions and at depth.

Although no economic studies have been completed on the deposit to date, there is the potential for either a large tonnage-medium grade (~5%Pb+Zn) or smaller tonnage-high grade mine (>10% Pb+Zn), subject to sufficient resources being adequately defined.

Explorer 108 Resource estimate statement

Total inferred resource statement, at 2.5% Pb+Zn%

Class	Tonnes	Pb+Zn	Pb	Zn	Au	Ag	Cu	Pb Metal	Zn Metal	Au	Ag
	T	%	%	%	g/t	g/t	%	T	T	Oz	Oz
Measured	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-
Inferred	8,733,000	5.6	2.0	3.7	0.3	20	0.1	170,900	319,900	70,900	5,587,300
Total	8,733,000	5.6	2.0	3.7	0.3	20	0.1	170,900	319,900	70,900	5,587,300

Rounding errors may occur

Explorer 108 Resource estimate statement

Total inferred resource statement, at 5.0% Pb+Zn%

Class	Tonnes	Pb+Zn	Pb	Zn	Au	Ag	Cu	Pb Metal	Zn Metal	Au	Ag
	T	%	%	%	g/t	g/t	%	T	T	Oz	Oz
Measured	-	-	-	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-	-	-	-
Inferred	3,992,000	8.2	2.8	5.4	0.3	25	0.1	112,000	213,600	42,000	3,141,500
Total	3,992,000	8.2	2.8	5.4	0.3	25	0.1	112,000	213,600	42,000	3,141,500

Rounding errors may occur

Results of preliminary metallurgical testwork is very encouraging as it shows the deposit is highly amenable to a simple and proven crush and grind circuit followed by a sulphide flotation process. The initial testwork shows excellent recovery and liberation characteristics.

➤ **Mineralisation comprises:**

- Galena (Pb)
- Sphalerite (Zn)

➤ **High recoveries:**

- 80-88% for Zn
- 60-65% for Pb

➤ **High concentrate grades:**

- Zn concentrate >50%
- Pb concentrate >65%

➤ **No deleterious gangue minerals**

Fine grinding studies are likely to improve recoveries as the Pb and Zn minerals are generally coarse grained and recovery is dependent on particle separation only. The Company is currently working through the existing high grade resource and will examine potential mining parameters to determine the appropriate way forward on this deposit.

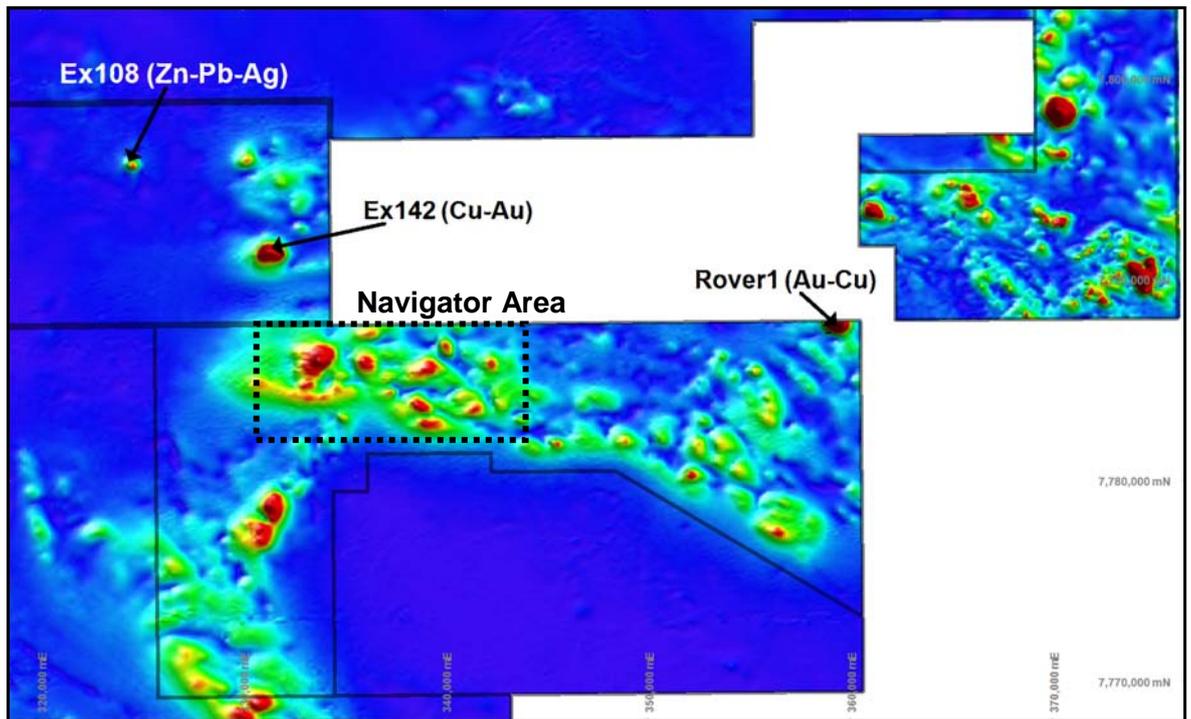
5.7 Exploration upside considered high

The Rover Project provides a large and dominant landholding in this new and extensively under explored extension of the IOCG related Tennant Creek Goldfield.

Numerous targets similar to Rover 1, Explorer 108 and Explorer 142 remain completely untested by any drilling. Westgold has acquired an extensive high quality aeromagnetic and gravity datasets to aid target selection.

Detailed modelling and evaluation of the magnetic and gravity data is underway with specific drill locations currently being determined.

Magnetic targets throughout the Rover Project

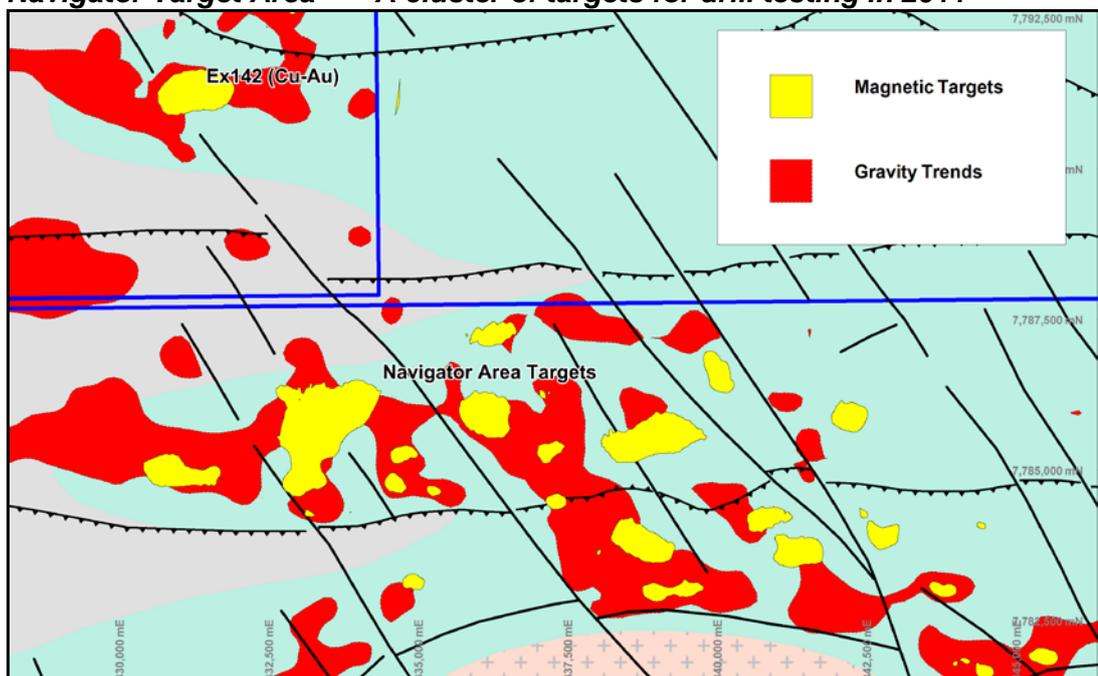


The Navigator target area, located approximately 5km south of Explorer 142, is just one area within the greater tenement package and forms a cluster of similar intense magnetic and associated gravity anomalies dissected by a series of regional controlling structures emanating from the large granite intrusive body to the south.

Drilling of initial targets is expected to commence late in the March quarter at the end of the wet season.

This drilling is part of the overall focus to test priority tier 1 (potential to host over 1Moz AuEq) magnetic anomalies for similar prospective magnetite rich ironstones that host the gold and copper mineralisation at Rover 1 and Explorer 142.

Navigator Target Area A cluster of targets for drill testing in 2011



5.8 McArthur Basin joint venture

The McArthur Basin Joint Venture includes 14 tenements covering approximately 900km² in the southern portion of the McArthur Basin in the north of the Northern Territory.

The McArthur Basin hosts one of the world's largest Pb-Zn deposits, the McArthur River Mine and is also considered highly prospective for large scale copper deposits similar to the Mt Isa Belt in western Queensland.

Minerals and Metals Group (MMG) is earning into the joint venture tenements and may initially earn 60% equity in the tenements upon sole funding exploration expenditure of \$3 million over a 4 year period. MMG has the right to increase equity to 80% by sole funding further exploration expenditure to the commencement of a pre-feasibility study.

5.9 Aboriginal freehold lands and AngloGold clawback rights

The Rover project is located on Aboriginal freehold lands and exploration and mining requires the consent of the traditional Aboriginal owners. Westgold currently operates under a number of approved exploration deeds that also outline the mining guidelines for future mining. Westgold will require final approval to mine from the traditional owners in alignment with normal statutory approval processes.

The Company has made a concerted effort to earn the respect and trust of the local traditional owners and also believes Westgold is also well regarded in return. Westgold is the first company to obtain access and complete any modern exploration drilling on the Rover Project tenements for a period of approximately 25 years.

Additionally, a number of tenements within the Rover Project are subject to an option to joint venture (clawback right) held by AngloGold Ashanti Australia Limited (AngloGold).

The AngloGold clawback right has been extinguished over both of the Explorer 108 and Rover 1 deposits and an associated 12km² and 20km² area of interest associated with each respective deposit.

Westgold's tenure spans 13,915km² throughout the Rover and Tennant Creek Fields, whilst AngloGold still retain clawback rights to 1,485km² within the Rover Field only. To date AngloGold has elected not to clawback on Explorer 108 (Pb-Zn-Ag) and the Rover 1 (Au-Cu) deposits from within the AngloGold clawback areas.

5.10 Directors of Westgold

Profiles of the Westgold Directors, as at the date of this Bidder's Statement, are set out below.

Michael Atkins
Non-Executive
Chairman

Mr Atkins is a Fellow of the Institute of Chartered Accountants in Australia, and was a founding partner of a national Chartered Accounting practice from 1979 to 1987. Since 1987 he has acted as Executive Director of, and been involved in the executive management of several publicly listed resources companies with operations in Australia, USA, South East Asia and Africa. He was Managing Director of Claremont Petroleum NL and Beach Petroleum NL during 1990 and 1991 during their reconstruction, and then remained as a non executive Director until 1995. He was also founding Executive Chairman of Gallery Gold NL in 1993 until 1998, and remained a Non-Executive Director until 2000.

He is currently a Director of Corporate Finance for Patersons Securities Limited, a national stockbroking and financial services firm. Prior to that he was Chairman of Montagu Capital Ltd, the holding company for Montagu Stockbrokers Pty Ltd. He is currently the Non-Executive Chairman of Legend Mining Limited and Azumah Resources Limited.

Andrew Beckwith
Managing Director

Mr Beckwith is a geologist (BSc in Applied Geology) with over 25 years experience in the Australian exploration and mining industry.

Mr Beckwith is the current Managing Director of Westgold, having been appointed in January 2008 and previously held the position of Exploration Manager with the Company since 2006.

He has undertaken various exploration roles with AngloGold Ashanti Australia, Acacia Resources, Helix Resources, Normandy NFM and BP Minerals and is a Member of the Australasian Institute of Mining and Metallurgy and the Society of Economic Geologists.

Peter Cook
Non-Executive
Director

Mr Cook is a Geologist (BSc in Applied Geology) and Mineral Economist (MSc Min. Econ). In recent years he has been the Managing Director of Hill 50 Limited, the Chief Executive Officer of Harmony Gold Australia Pty Ltd, the Managing Director of Abelle Limited and the Chairman of Metals Exploration Limited. He has considerable experience in the fields of exploration and project and corporate management of mining companies.

He is currently the Chairman of Metals X Limited, Aragon Resources Limited and Pacific Nuiguni Limited, and a Non-Executive Director of Kingsrose Mining Limited.

**Paul Cmrlec
Non-Executive
Director**

Mr Cmrlec holds a Bachelor of Mining Engineering degree from the University of South Australia. Mr Cmrlec specialises in underground mining engineering and has held a number of operational and planning roles, including the position of Underground Manager at several Western Australian gold mines. He was previously the Group Mining Engineer for Harmony Gold Australia and is currently the Group Mining Engineer for Metals X Limited.

His recent experience includes the general management of major feasibility studies for the Wafi Copper-Gold deposit in Papua New Guinea, and the Wingellina Nickel-Cobalt deposit in the Central Musgraves region of Western Australia. Direct liaisons with Traditional Landowners, their representatives and government stakeholders have been a key requirement in both of these roles.

He is currently a Non-Executive Director of Pacific Niugini Limited.

**Warren Hallam
Non-Executive
Director**

Mr Hallam is a Metallurgist and Mineral Economist with over 25 years experience across a range of businesses and commodity markets. Notably Mr Hallam brings to Westgold both his extensive commercial experience and his involvement with the development and commissioning of processing plants specifically within the gold industry.

Mr Hallam's commercial acumen and technical expertise compliments the current skill set of the Westgold board.

In recent years Mr Hallam has been the Managing Director of Metals Exploration Limited, an Executive Director of Metals X Limited and is currently the Managing Director of Westgold's major shareholder, Metals X Limited.

5.11 Financial performance

This Section contains a summary of Westgold's financial performance extracted from the Company's management accounts as at 31 December 2010. Further information on Westgold is contained in the Company's 2010 Annual Report which is available from the website www.westgold.com.au.

Westgold Resources Limited
Unaudited Statement of Comprehensive Income
for the half-year ended 31 December 2010

	2010 \$
Other income	-
Depreciation and amortisation expense	(99,604)
Salaries and employment benefit expenses	(355,105)
Administration expenses	(476,918)
Other expenses	(8,287)
Share based payments expense	(151,408)
Exploration expenditure written off	(139,492)
Results from operating activities	(1,230,814)
Finance income	330,678
Net finance income	330,678
Loss before income tax	(900,136)
Income tax expense	-
Net loss for the period attributable to equity holders of the Company	(900,136)
Other comprehensive income	
Net change in fair value of available-for-sale financial assets	3,353,181
Other comprehensive income for the period, net of income tax	3,353,181
Total comprehensive income for the period attributable to equity holders of the Company	2,453,045

Westgold Resources Limited
Unaudited Statement of Financial Position
as at 31 December 2010

	2010
ASSETS	\$
CURRENT ASSETS	
Cash and Cash Equivalents	6,907,099
Other Receivables	28,958
	6,936,057
TOTAL CURRENT ASSETS	6,936,057
NON-CURRENT ASSETS	
Other Receivables	111,140
Other Investments	12,663,000
Property, Plant and Equipment	903,094
Deferred Exploration and Evaluation Expenditure	32,137,391
	45,814,625
TOTAL NON-CURRENT ASSETS	45,814,625
TOTAL ASSETS	52,750,682
LIABILITIES	
CURRENT LIABILITIES	
Trade and Other Payables	1,532,746
Provisions	140,245
	1,672,991
TOTAL CURRENT LIABILITIES	1,672,991
TOTAL LIABILITIES	1,672,991
NET ASSETS	51,077,691
EQUITY	
Issued Capital	113,384,013
Reserves	4,822,128
Accumulated Losses	(67,128,450)
	51,077,691
TOTAL EQUITY	51,077,691

Westgold Resources Limited
Statement of Changes in Equity
for the half-year ended 31 December 2010

	Issued capital \$	Other reserve \$	Option reserve \$	Accumulate d losses \$	Total Equity \$
As at 1 July 2010	113,384,013	598,788	718,751	(66,228,314)	48,473,238
Loss for the period	-	-	-	(900,136)	(900,136)
Fair value change in the available-for-sale financial asset to other comprehensive income	-	3,353,181	-	-	3,353,181
Total comprehensive income for the period	-	3,353,181	-	(900,136)	2,453,045
<i>Transactions with owners recorded directly in equity</i>					
Share based payment	-	-	151,408	-	151,408
As at 31 December 2010	113,384,013	3,951,969	870,159	(67,128,450)	51,077,691

5.12 Information about Westgold Securities

 (a) **Westgold Shares**

As at 16 February 2011, Westgold had 227,933,846 Westgold Shares on issue. Further information about Westgold Shares is provided in Section 11.5.

 (b) **Westgold Options**

As at 16 February 2011, Westgold had 4,075,000 unquoted Westgold Options on issue, as detailed below:

Number	Exercise Price	Expiry
750,000	\$0.35	30 March 2011
750,000	\$0.45	30 March 2011
875,000	\$0.45	22 January 2012
250,000	\$0.45	8 November 2012
150,000	\$0.45	25 August 2013
500,000	\$0.65	5 October 2014
800,000	\$0.48	25 March 2015

5.13 Westgold Shareholders

As at 16 February 2011, there were 2,217 Westgold Shareholders and the top 10 Westgold Shareholders were:

Westgold Shareholder	Westgold Shares	
	Number	Percentage
Metals X Limited ¹	72,915,636	31.99%
Fitel Nominees Limited	9,566,721	4.20%
Mr Andrew Francis Beckwith ²	9,125,000	4.00%
Merrill Lynch (Australia) Nominees Pty Limited <Berndale A/C>	8,055,576	3.53%
Bell Potter Nominees Ltd <BB Nominees A/C>	6,161,860	2.70%
Whittingham Securities Pty Limited	5,800,000	2.54%
Kurraba Investments Pty Ltd	4,700,000	2.06%
Mr Anthony Richard Martin	4,250,000	1.86%
Ms Sabina Marie Schlink <Hensman Family A/C>	2,850,000	1.25%
Mr Charles Brian Marheine & Mrs Barbara Jean Marheine <B Marheine Bulk Haulage PL SF A/C>	2,400,000	1.05%
Total	125,824,793	55.18%

Notes

- Peter Cook is the current Chairman, Warren Hallam is the Managing Director and Paul Cmrlec is the Group Mining Engineer for Metals X Limited, which is the largest Westgold Shareholder.
- Andrew Beckwith holds 6,425,000 Westgold shares in his own name and 2,700,000 in the name of Penand Pty Ltd <Beckwith Super Fund A/C>.

5.14 Trading in Westgold Shares

Westgold Shares are quoted on ASX.

Set out below is a table showing relevant trading prices of Westgold Shares on ASX:

Comparative trading period price of Westgold Shares	Price of Westgold Shares
Highest trading price in the 4 months prior to the date this Bidder's Statement was lodged with ASIC	\$0.465
Lowest trading price in the 4 months prior to the date this Bidder's Statement was lodged with ASIC	\$0.275
Closing trading price on the last trading day before the Announcement Date	\$0.325
Last available closing price of Westgold Shares traded on ASX prior to the date this Bidder's Statement was lodged with ASIC	\$0.29

5.15 Changes to capital

Outlined below is the capital structure of Westgold assuming completion of the Offers.

The actual number of Westgold Shares and Westgold Options on issue will depend upon the number of acceptances of the Share Offer and Option Offer.

The tables assume that, between the Announcement Date and the end of the Offer Period, no Westgold Options and no Aragon Options are exercised.

Westgold Shares	Number assuming 90% acceptance	Number assuming 100% acceptance
Westgold Shares presently on issue	227,933,846	227,933,846
Westgold Shares issued under the Share Offer	167,485,325	186,094,805
Total	395,419,171	414,028,651

If 100% of Aragon Shareholders as at the date of this Bidder's Statement accept the Share Offer, Aragon Shareholders will become entitled to approximately 40.1% of the total issued share capital of Westgold, on an undiluted basis.

The following table shows the number of Westgold Options which will be on issue following completion of the Offers:

Westgold Options	Number Assuming 90% acceptance	Number assuming 100% acceptance
Westgold Options presently on issue ¹	4,075,000	4,075,000
Westgold Options issued under the Option Offer ²	21,982,500	24,425,000
Total	26,057,500	28,500,000

Notes

- In various classes as set out in Section 5.12.
- In various classes as summarised in Annexure C.

5.16 Effect on substantial shareholders of Westgold post completion of the Takeover Bid

The acquisition of Aragon Shares and the issue of Westgold Shares under the Share Offer will affect the substantial shareholders of Westgold. Based on current shareholdings known to Westgold, the table below summarises the expected substantial shareholders of Westgold on completion of the Share Offer assuming no Westgold Options are exercised and 100% acceptance of the Share Offer.

Name	Number of Westgold Shares held post completion of the Takeover Bid	Current Relevant Interest (%)	Relevant Interest following completion of the Takeover Bid (%)
Metals X Limited	93,187,494	31.99%	22.5%

5.17 Further information on Westgold

As a company whose shares are quoted on ASX, Westgold is a disclosing entity and, as such, is subject to regular reporting and disclosure obligations. Copies of all documents lodged with ASIC in relation to Westgold may be obtained for a fee from, or inspected at, an office of ASIC.

As permitted by ASIC Class Order 01/1543, this Bidder's Statement contains statements which are made, or based on statements made, in documents lodged with ASIC or ASX.

The Class Order permits certain statements to be included in this Bidder's Statement without the consent of the person to whom the statement was attributed where the statement was made in a document lodged with ASIC or ASX.

Pursuant to the Class Order, Westgold will provide a copy of the documents referred to below, free of charge, to any person who asks for them during the Offer Period:

- (a) Westgold's 2010 Annual Report containing the financial statements for the period ended 30 June 2010 (being the latest annual financial report containing the financial statements for a financial year most recently lodged with ASIC in relation to Westgold before the date of this Bidder's Statement); and
- (b) all documents and announcements used to notify ASX of information relating to Westgold under the provisions of the Listing Rules since lodgement of its 2010 audited Annual Financial Report, being the documents set out in Section 11.4 of this Bidder's Statement.

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules or in the Bidder's Statement that Aragon Shareholders and Aragon Optionholders and their professional advisers would reasonably require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of Westgold; and
- (b) the rights and liabilities attaching to the Westgold Shares to be issued pursuant to the Share Offer and to the Westgold Options to be issued pursuant to the Option Offer.

6. Profile of Aragon

6.1 Disclaimer

This overview of Aragon and all financial information concerning Aragon contained in this Bidder's Statement has been prepared by Westgold using publicly available information adjusted where considered appropriate by Westgold based on Westgold's industry knowledge and expertise.

The information in this Bidder's Statement concerning Aragon has not been independently verified. Westgold does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of this information.

The primary sources of information about Aragon used by Westgold were as follows:

- (a) publicly released information in relation to Aragon; and
- (b) Westgold's own knowledge and industry experience.

Further information relating to Aragon is expected to be included in Aragon's Target's Statement.

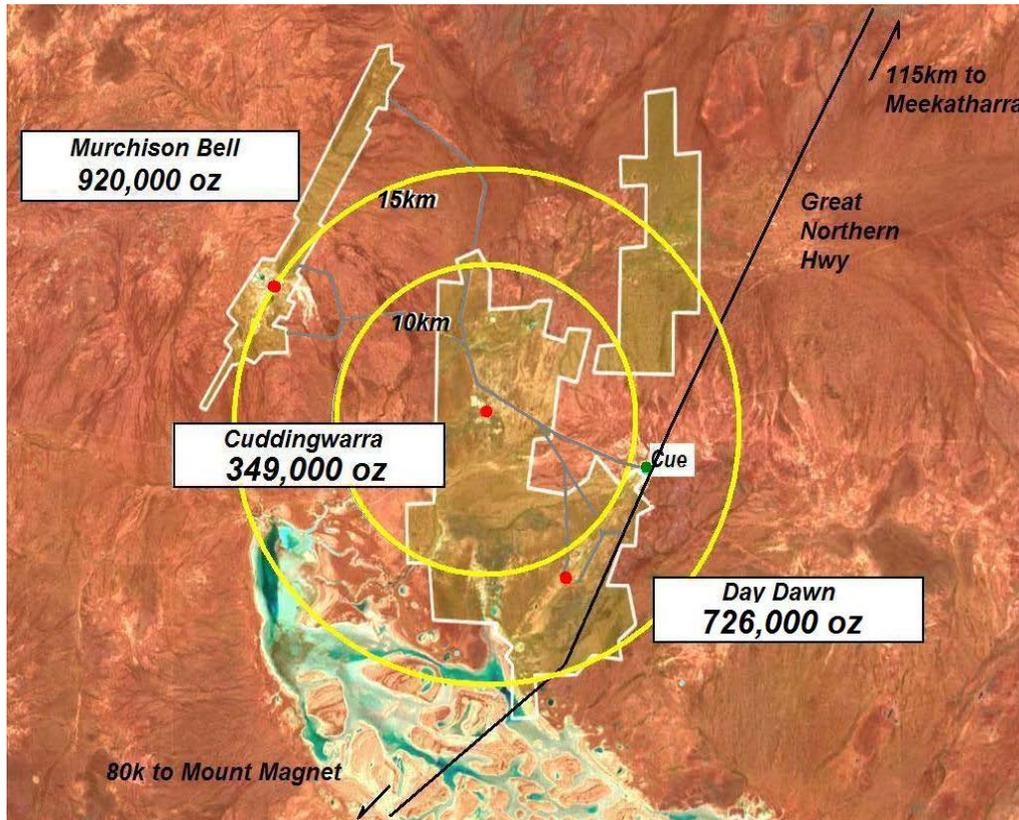
6.2 Overview of Aragon's activities

Aragon is a Western Australian-based gold explorer in which Westgold has maintained a major shareholding since 2007.

Aragon is focused on the exploration and development of gold mining operations at the Central Murchison Gold Project in the Murchison Goldfield of Western Australia near the township of Cue.

Aragon has a stated development strategy targeting 100,000oz annual gold production for a minimum of 10 years from multiple open-pit and underground mines utilising a central processing facility. The proposed underground developments are based on extensions of proven high grade underground mines that historically produced over 5 million ounces from 3 significant goldfields.

Aragon's Central Murchison Gold Project



6.3 Aragon Mining Reserves and Mineral Resources

Aragon has progressively advanced the Central Murchison Gold Project from a resource base of 1.5Moz gold to the current 2.0Moz gold over the past 12 months. Aragon has established an initial Mining Reserve estimate of 614,000 ounces for the first phase of its planned underground mining developments at Big Bell and Day Dawn (Great Fingall and Golden Crown mines) and is continuing further detailed mining studies and exploration activities in the region.

Central Murchison Gold Project Mining Reserve table
Probable Mining Reserve estimates

Deposit	Tonnes	Grade (g/t Au)	Ounces
Big Bell Underground ¹	2,895,000	4.2	390,000
Golden Fingall Underground ²	878,000	8	224,000
Total	3,773,000	5.1	614,000

Notes

1. Mining recoveries of 85% with 20% dilution has been applied at Big Bell.
2. Mining recoveries of 80% with 10% dilution has been applied at Golden Fingall. There is a 49% joint venture interest claim over the Great Fingall deeps from 500 metres below surface. The current total resource included in this area is approximately 927,000 tonnes @ 9.1g/t Au for 271,000 ounces.

Central Murchison Gold Project Resource table

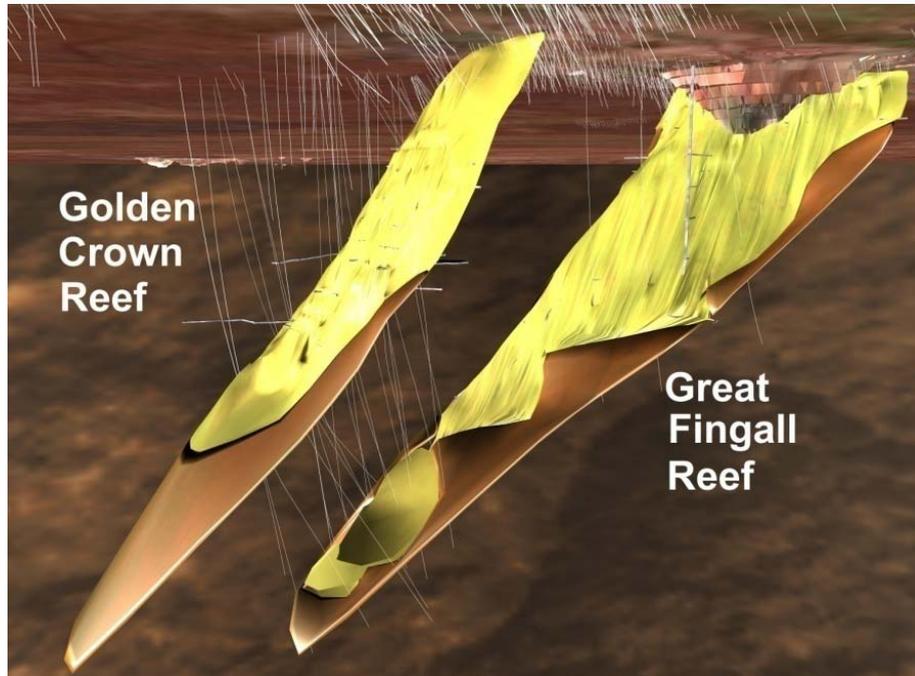
Mining Centre/ Deposit	Measured			Indicated			Inferred			Total Resource		
	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz
Murchison Bell												
1600W/Shocker				415	2.5	33,000	359	3.2	37,000	774	2.8	70,000
Big Bell*				5,153	4.5	747,000	7	4.9	1,200	5,161	4.5	748,000
Fender				71	4.1	9,000				71	4.1	9,000
North Fender				385	1.7	21,000	578	1.6	30,000	963	1.7	51,000
Sub-total				6,024	4.2	810,000	944	2.2	68,200	6,969	3.9	878,000
Cuddingwarra												
Black Swan				222	3.5	25,000	1	1.3		223	3.5	25,000
Black Swan South				315	3.5	35,000	1,816	3.8	224,000	2,131	3.8	259,000
Chieftain				50	3.1	5,000	75	3.4	8,000	125	3.3	13,000
City of Chester				28	2.3	2,000	82	2.4	6,000	110	2.4	8,000
City of Sydney	4	1.6		62	2.1	4,000				65	2.0	4,000
Golden Gate				65	3.0	6,000	1	2.6		66	3.0	6,000
Rheingold							89	3.8	11,000	89	3.8	11,000
Rheingold South	23	3.3	3,000	82	3.6	10,000	96	3.4	11,000	202	3.5	23,000
Sub-total	27	3.0	3,000	824	3.3	87,000	2,160	3.7	260,000	3,011	3.6	349,000
Day Dawn												
3210				50	3.3	5,000				50	3.3	5,000
Golden Crown*				551	9.6	169,000	91	5.4	16,000	642	9.0	185,000
Great Fingall				349	1.9	21,000	1,500	1.4	67,000	1,849	1.5	88,000
Great Fingall*				1,034	10.2	340,000	271	6.5	56,000	1,305	9.4	396,000
Kinsella	1	2.9		54	3.1	5,000				55	3.1	6,000
Mt Fingall							30	3.1	3,000	30	3.1	3,000
Rubicon	19	2.9	2,000	50	2.3	4,000	12	1.3		80	2.3	6,000
South Fingall				36	2.8	3,000	28	3.1	3,000	65	3.0	6,000
Try Again	1	1.8		12	3.2	1,000	178	3.1	17,000	192	3.1	19,000
Yellow Taxi				80	2.4	6,000	15	2.9	1,000	94	2.5	7,000
Yellow Taxi South							37	4.3	5,000	37	4.3	5,000
Sub-total	21	2.8	2,000	2,216	7.8	554,000	2,162	2.5	168,000	4,399	5.1	726,000
Sub Total In situ	47	3.3	5,000	9,064	4.98	1,451,000	5,266	2.9	496,200	14,379	4.23	1,953,000
Stockpiles												
Great Fingall				108	1.0	3,000				108	1.0	3,000
Fingall Sands				34	1.2	1,000				34	1.2	1,000
Stockpiles				142	0.9	4,000				142	0.9	4,000
TOTAL	47	3.3	5,000	9,206	4.9	1,455,000	5,266	2.9	496,200	14,521	4.2	1,957,000

(* denotes underground resource)

The information relating to the above resource and reserve tables for the Central Murchison Gold Project is based on Aragon's December 2010 "Quarterly Activities and Cashflow Reports" released by Aragon to the Australian Securities Exchange on the 28 January 2011.

6.4 The Central Murchison Gold Project

The Central Murchison Gold Project comprises three proven goldfields: Day Dawn (Great Fingall / Golden Crown), Murchison Bell and Cuddingwarra.



Day Dawn (Great Fingall / Golden Crown) has the following key attributes:

- Historic production 1.6Moz @ 10.5g/t Au:
 - Great Fingall – 1.9Mt @ 19.5g/t (1.2Moz);
 - Golden Crown – 648Kt @ 13.8g/t (288Koz);
- Resource of 4,399,000t @ 5.1g/t Au for 726,000oz Au; and
- Reserve estimate of 878,000t @ 8.0g/t Au for 224,000oz Au;

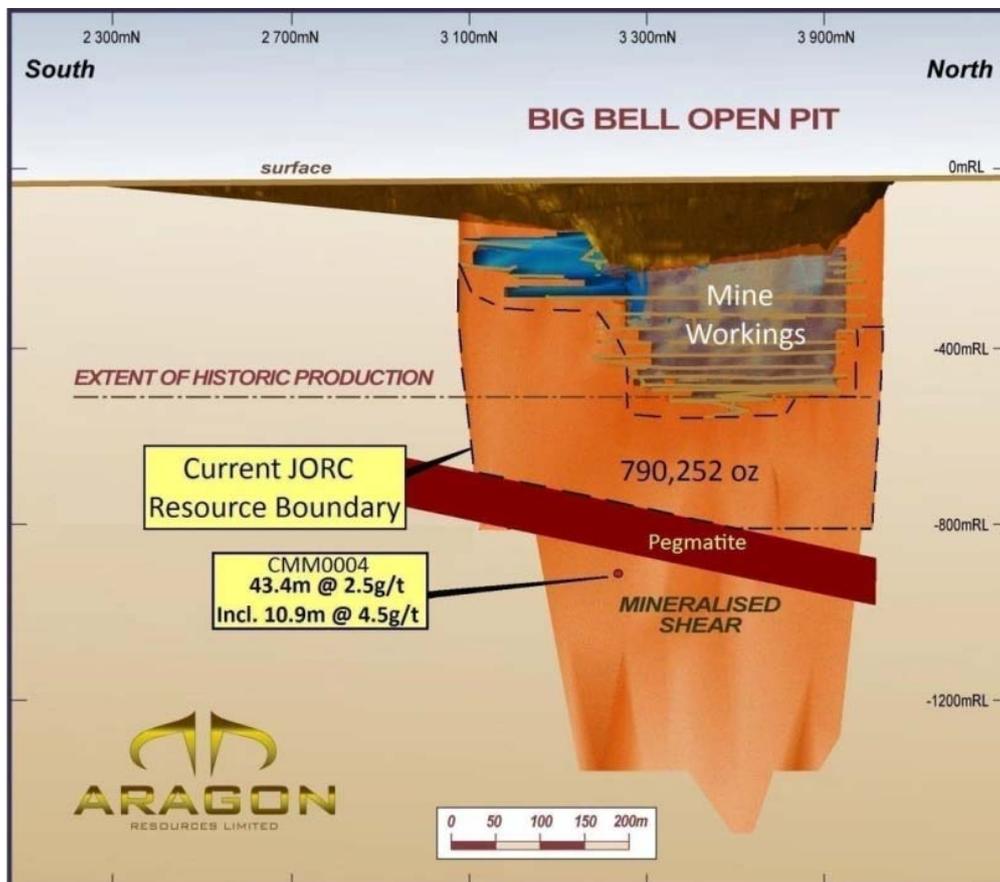
The mineralisation occurs as high grade gold extensions of quartz reefs below previous mining. Exploration in this goldfield is targeting repetitions of similar quartz reefs along the host Great Fingall Dolerite and Aragon reports encouraging drilling results from Trenton to the south of Golden Crown.



The Murchison Bell Goldfield (Big Bell, Fender and Shocker) comprises:

- Historic production of 2.6Moz Au;
- Resource (JORC) of 6,969,000t @ 3.9g/t Au for 878,000oz Au; and
- Reserve estimate (Big Bell U/G only) of 2,895,000t @ 4.2g/t for 390,000oz Au.

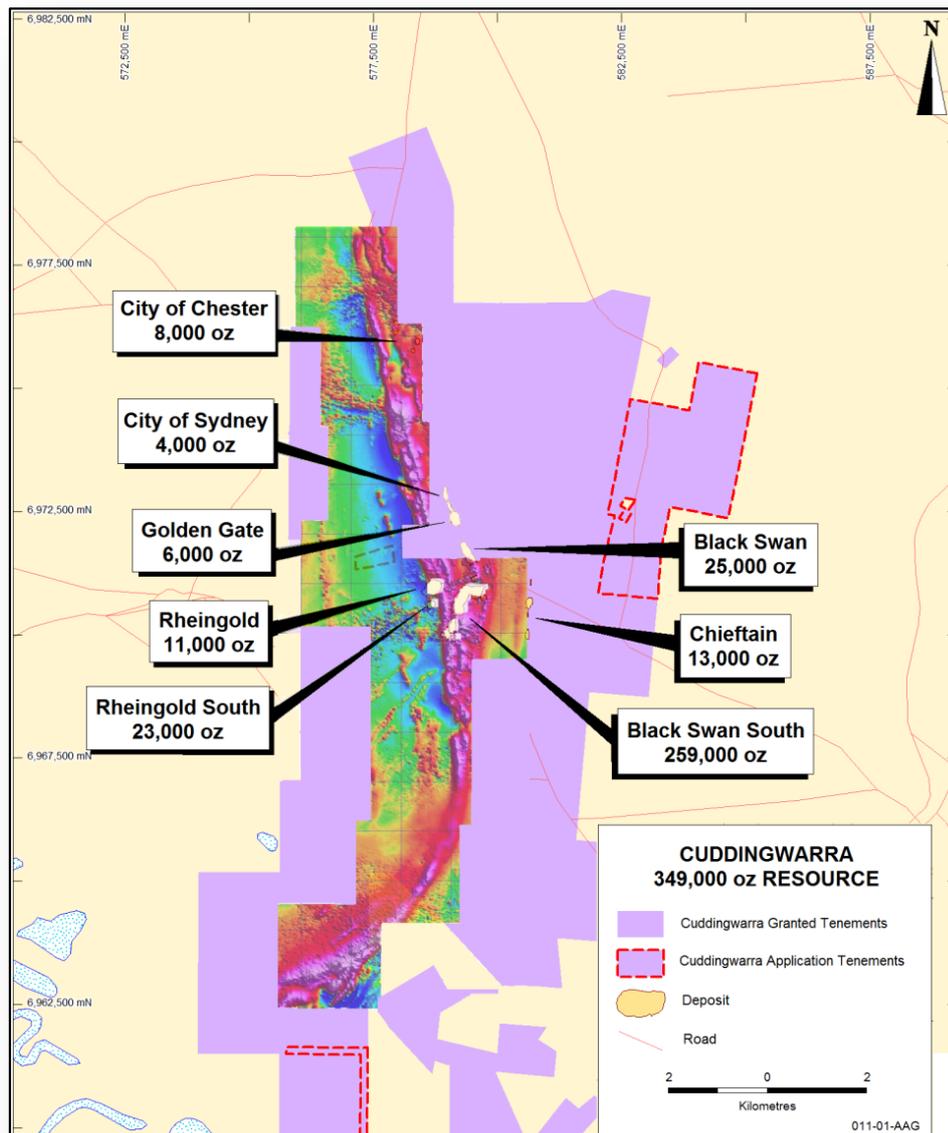
High grade gold mineralisation at Big Bell has been identified to a depth of 1500m, with potential remaining as extensions along strike in areas previous under explored and/or at depths below previously mined open pits.



The Cuddingwarra Goldfield (Black Swan, City of Chester, Rheingold and other deposits) comprises:

- Historic open pit production of 800,000 oz;
- Resource (JORC) of 3,011,000 tonnes at 3.6g/t for 349,000oz Au; and
- Open pit optimisation studies are currently underway on the existing near surface resources located in the Cuddingwarra project area.

Cuddingwarra Goldfield



Additional potential remains to drill test for deeper and higher grade extensions beneath existing open pits. Exploration continues targeting potential for new large tonnage near surface discoveries along the 20km of Cuddingwarra Shear zone which is considered substantially under explored with a number of recent encouraging results.

The Central Murchison Gold Project has established infrastructure and is easily accessed via the Great Northern Hwy, 660km from Perth.

The Central Murchison Gold Project is considered by Aragon to have the potential to provide annual gold production of at least 100,000oz over a significant mine life (over 10 years). The project will require significant capital to develop the main underground mines of Big Bell, Great Fingall and Golden Crown and to establish a centralised processing facility however potential third party tolling milling options may exist (although the validity of such options are unknown to Westgold at the present time).

6.5 Directors of Aragon

As at the date of this Bidder's Statement, the Aragon Directors are:

Peter Cook	Non-Executive Chairman
Paul Benson	Executive Director / Chief Executive Officer
Benjamin Pollard	Non-Executive Director
Brian Thomas	Non-Executive Director

6.6 Information about Aragon Securities

(a) Aragon Shares

As at 16 February 2011 Aragon had 232,994,805 Aragon Shares on issue.

(b) Aragon Options

As at 16 February 2011 Aragon had 24,425,000 unquoted Aragon Options on issue, as shown below:

Number	Exercise Price	Expiry
1,250,000	\$0.30	31 May 2011
100,000	\$0.30	1 July 2011
2,500,000	\$0.21	30 November 2012
650,000	\$0.21	30 November 2013
400,000	\$0.22	24 August 2014
1,000,000	\$0.20	7 January 2013
1,025,000	\$0.32	11 January 2014
17,500,000	\$0.20	31 December 2013

6.7 Further information on Aragon

Aragon maintains a website, www.aragonresources.com.au, which contains further information about Aragon and its operations.

Aragon Securityholders may obtain or inspect a copy of documents lodged with ASIC at an office of ASIC. In addition, on request to Westgold and free of charge, Aragon Securityholders may obtain a copy of, or inspect, any documents referred to in this Bidder's Statement which have been lodged with ASIC.

7. Profile of the Combined Group

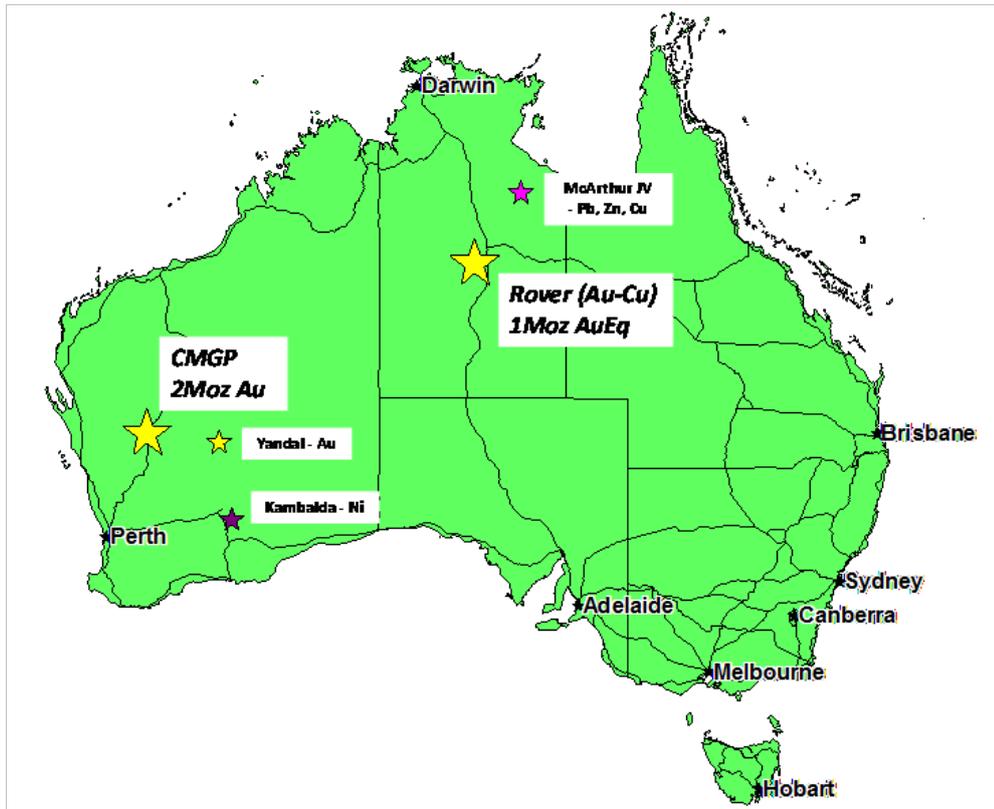
7.1 Overview

Following completion of the Offers, the Combined Group will have the following key attributes:

- potential to develop three underground mines with the capacity to deliver production and achieve the corporate goal of an annual production target of 200,000oz AuEq within 5 years;⁴
- 3.0Moz AuEq resource base with potential for increases;
- 0.6Moz Au reserve with potential for increases;
- pro-forma combined market capitalisation of \$135 million;⁵
- combined cash reserves of \$21 million;
- pipeline of advanced and near term development projects in both Western Australia and the Northern Territory;
- stronger balance sheet and increased liquidity plus the potential to access new investors and capital for the development the assets;
- diversity from the added mix of gold, copper and other base metals plus an investment in phosphate;
- extensive exploration upside ranging from greenfields targets to near-mine resource extension targets throughout the portfolio;
- simplified corporate structure with removal of cross ownership and directorships issues;
- efficiencies in cost and resourcing with a larger Combined Group; and
- ability to better and more rapidly explore the resulting high quality exploration portfolio.

⁴ Production targets are currently conceptual in nature and relate to future production goals based on the current resources. Detailed feasibility studies are currently underway to advance the economic evaluations of the various deposits. While the Resources are adequate to support these production targets, these Resources are not Reserves and therefore it is uncertain whether they can be mined in an economically viable manner in order to achieve those targets. There remains at present insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production rates. These production targets are also subject to the completion of all necessary feasibility studies, environmental approvals, financing arrangements, execution of relevant agreements and timely project construction.

⁵ Based on 100% acceptance of the Share Offer and a Westgold Share price of 32.5 cents being the closing price of Westgold Shares on 4 February 2011.

Project Locations

Combined Group pro-forma snapshot

Company	Aragon	Westgold	Combined Group
Ticker	AAG	WGR	WGR
Shares on issue ¹	232,994,805	227,933,846	414,028,651
Shares held by Metals X Limited ¹	20,271,858 (8.70%)	72,915,636 (31.99%)	93,187,494 (22.51%)
Share Price ²	\$0.240	\$0.325	\$0.325
Options on issue ¹	24,425,000	4,075,000	28,500,000
Market capitalisation ³ (\$m)	\$55.9	\$74.1	\$134.6
Cash ⁴ (\$m)	\$14.4	\$6.9	\$21.3
Debt ⁴ (\$m)	-	-	-
Reserves (Moz)	0.6	-	0.6
Resources (Moz AuEq)	2.0	1.0	3.0
Landholding (km ²)	334	16,159	16,493

Notes

1. As at the day before the date of this Bidder's Statement.
2. Calculated as at 4 February 2011, the day prior to the Announcement Date. Combined Group share price assumed the same as Westgold Share price.
3. Calculated as at 4 February 2011, the day prior to the Announcement Date. Combined Group market capitalisation is pro-forma based upon WGR share price on 4 February 2011 multiplied by total shares on issue in the Combined Group.
4. As at 31 December 2010.
5. Based upon results from concept study and mining studies for Westgold and Aragon respectively for the Rover Project and Central Murchison Gold Project respectively.

7.2 Westgold's strategy for the Combined Group

Westgold intends to pursue a near term (1 to 5 years) development strategy for gold and copper production from the Combined Group's current resource and reserve base while continuing exploration to identify additional resource and reserve increases plus new discoveries throughout the exploration portfolio.

The development strategy will include the following:

- An initial detailed review of Aragon's assets with the focus on establishing a detailed development, funding and implementation plan across the combined projects including evaluation of any potential short term (1 to 2 years) open pit mining and third party toll treating opportunities;
- Finalise feasibility studies and obtain appropriate statutory mining approvals for the fast tracking of any early development and cashflow opportunities;
- Establish short term open pit mines to create the earliest possible cashflows;
- Commence construction followed by mining and processing of the Company's first significant long life underground mine; and
- Continue to establish the next two long term mines in accordance with the development plan.

Currently there is no specific timing of the various proposed developments. This timing will need to be fully evaluated as the feasibility studies will provide more detailed information on each deposit.

Westgold considers the intended development and application of resultant future production/cashflow from both the Rover and Central Murchison projects would enhance and support the on-going development of the longer term opportunities within both regions, providing greater funding flexibility and substantial financial benefits to all shareholders of the Combined Group while building a larger, more robust and valuable company with less financial risk.

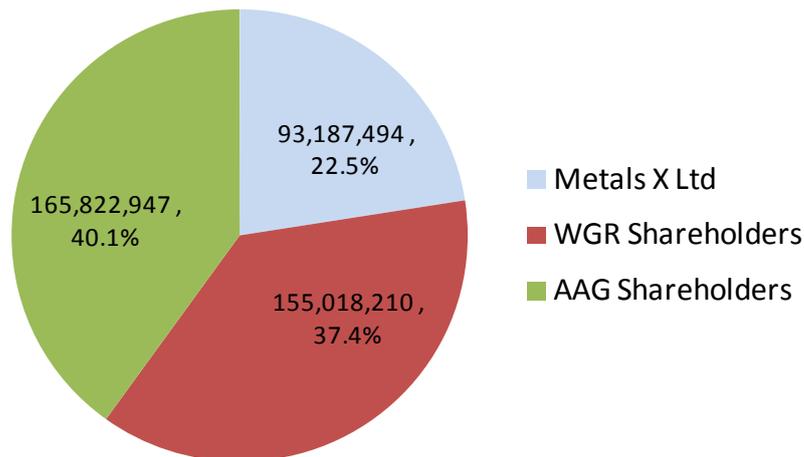
Westgold also considers that based on the current financial evaluations released by both Westgold and Aragon, the three main underground developments of Rover 1, Big Bell and Great Fingall/Golden Crown have the potential to support the goal of achieving 200,000oz AuEq production within a 5 year timeframe.

Westgold also considers each project area has substantial exploration potential to establish further future resources and reserves with added exploration.

The administration of the Combined Group would be assisted by streamlining and removal of any duplication of administration services; however, Westgold considers most functions of the two companies would remain similar and continue to operate from the existing Perth office. Field operations would essentially remain unchanged except where future development activities would require additional staffing and infrastructure are required.

7.3 Shareholdings

- On completion of the Share Offer, assuming no Westgold Options are exercised and 100% acceptance of the Share Offer, the Merged Entity will have a total of 414,028,651 shares on issue; and
- Westgold Shareholders, including Metals X Limited, will hold 59.9% and Aragon Shareholders 40.1% of the Merged Entity. Metals X Limited, as Westgold's major shareholder, will hold 22.5% of the Combined Group.



Ownership of the Combined Group (assuming 100% acceptance and no dilution through exercise of Aragon Options or Westgold Options).

7.4 Changes to the Westgold Board

Following completion of the Takeover, Westgold intends to invite two directors of Aragon to join its Board, including the current Aragon CEO.

7.5 Managing Director

Mr Beckwith will remain with Westgold as Managing Director under the current terms and conditions of his employment contract.

7.6 Financial information

Overview

This Section contains an unaudited statement of financial position for Westgold and Aragon, with the relevant information extracted from the internal management accounts of both companies as at 31 December 2010.

The unaudited pro-forma statement of financial position of the Combined Group presents the Westgold Group's financial position as at 31 December 2010 as if Westgold had acquired 100% of Aragon on that date. Acquisition accounting entries have been based on the terms of the Offers and the assumptions set out in at the end of the statement of financial position in order to arrive at an unaudited pro-forma consolidated statement of financial position for the Combined Group as at 31 December 2010.

Westgold will undertake a comprehensive assessment of the fair value of the assets and liabilities acquired after completion of the Offers.

The unaudited pro-forma statement of financial position is indicative only. Westgold has drawn its own conclusions based on the known publicly available information. If the factors, circumstances, assumptions or other information should prove to be different to that described, the conclusions may change accordingly.

Note that the purchase consideration of \$64,746,387 consists of 1 new Westgold Share for every 1 Aragon Share and 1 new Westgold Option for every 1 Aragon Option resulting in the issue of 186,094,805 new Westgold Shares and 24,425,000 new Westgold Options.

This Section should be read in conjunction with Section 8 of this Bidder's Statement, which provides details of Westgold's current intentions regarding Aragon.

Unaudited pro-forma Combined Group balance sheet if Westgold acquires 100% of Aragon as at 31 December 2010

	2010 \$
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	17,846,846
Other Receivables	133,641
Prepayments	<u>51,822</u>
TOTAL CURRENT ASSETS	<u>18,032,309</u>
NON-CURRENT ASSETS	
Other Receivables	3,460,810
Other Investments	-
Property, Plant and Equipment	1,307,662
Deferred Exploration and Evaluation Expenditure	<u>98,405,144</u>
TOTAL NON-CURRENT ASSETS	<u>103,173,616</u>
TOTAL ASSETS	<u>121,205,925</u>
LIABILITIES	
CURRENT LIABILITIES	
Trade and Other Payables	1,954,036
Provisions	<u>194,993</u>
TOTAL CURRENT LIABILITIES	<u>2,149,029</u>
NON-CURRENT LIABILITIES	
Provisions	<u>3,232,818</u>
TOTAL NON-CURRENT LIABILITIES	<u>3,232,818</u>
TOTAL LIABILITIES	<u>5,381,847</u>
NET ASSETS	<u>115,824,078</u>
EQUITY	
Issued Capital	173,864,825
Reserves	4,934,522
Accumulated Losses	<u>(62,975,269)</u>
TOTAL EQUITY	<u>115,824,078</u>

Notes

- Assumes that Westgold acquires 100% of Aragon Shares and Aragon Options.
- Based on the unaudited management accounts of both Westgold and Aragon as at 31 December 2010.
- The Westgold Shares to be issued have been valued at 32.5 cents (the closing price of Westgold Shares on the last trading day prior to the Announcement Date) and the Westgold Options have been valued in accordance with valuations determined by independent financial adviser Stantons. Information about the valuations is contained in Annexure D.
- Total purchase consideration for Aragon Shares and Aragon Options of \$64,746,387, based on 100% acquisition of 186,094,805 Aragon Shares currently not held by Westgold at 32.5 cents per share for \$60,480,812 consideration, and 100% acquisition of 24,425,000 Aragon Options for total \$4,265,575 consideration.

5. The above does not take into account and events occurring after 31 December 2010. This includes the Aragon announcement dated 12 January 2011 stating that it had sold its interest in Territory Phosphate Pty Ltd to Rum Jungle Limited for cash and Rum Jungle shares which settled on 9 February 2011.
6. Westgold is assumed to be the acquirer for the purposes of Australian Accounting Standards and is required to consolidate Aragon. Australian Accounting Standard AASB 3 requires that all business combinations are accounted for using the purchase method. This involves assigning fair values at the settlement date to identifiable assets, liabilities and contingent liabilities, including intangible assets assumed.
7. The excess of the purchase consideration over the net assets and liabilities acquired has been attributed to exploration and evaluation expenditure.

7.7 Financial outlook for the Combined Group

This Bidder's Statement does not include any financial forecasts or projections for revenue or profit in relation to Westgold, Aragon or the Combined Group.

Westgold considers that the inclusion of financial forecasts would be speculative and potentially misleading for Aragon Securityholders given:

- (a) Westgold's and Aragon's assets are principally undeveloped exploration projects;
- (b) development is subject to inherent risks associated with material grades and quantities, mining and process equipment availability, the granting of production licenses, extraction and logistics costs; and
- (c) the future market prices for gold, copper, bismuth, cobalt, uranium, nickel and phosphate are inherently uncertain.

8. Intentions of Westgold

8.1 Approach and intentions of Westgold

Sections 8.2 to 8.6 set out the intentions of Westgold on the basis of facts and public information concerning Aragon which are known to Westgold at date of this Bidder's Statement. However, Westgold will only reach final decisions in light of material facts and circumstances at the relevant time.

Accordingly, the statements set out in these Sections are statements of current intentions only and may vary as new information becomes available or circumstances change.

8.2 Intentions upon acquisition of 90% or more of the Aragon Shares and 90% of the value of all Aragon Securities

This Section describes Westgold's intentions if Westgold acquires a Relevant Interest in 90% or more of the Aragon Shares and in total 90% of the value of all Aragon Securities on issue at the end of the Offer Period. If this was to occur, Westgold will be entitled to proceed to compulsory acquisition of the outstanding Aragon Shares and any other Aragon Securities on issue which it is entitled to compulsorily acquire in accordance with Part 6A.1 of the Corporations Act.

Westgold intends (based on the information currently available to it) to implement its strategy for the Combined Group as set out in Section 7.2 and to implement its intentions as set out below.

(a) **Compulsory acquisition**

Westgold intends to proceed with the compulsory acquisition of any Aragon Shares not acquired under the Share Offer and any other Aragon Securities on issue which it is entitled to compulsorily acquire in accordance with the Corporations Act.

(b) **Review of Aragon operations and assets**

Westgold intends to conduct an immediate review of Aragon's operations on both a strategic and financial level to determine mechanisms for improving the performance and realise any potential operational and financial synergies.

The detailed outcome of the review is not able to be determined at this stage, although it is likely to involve some, or all, of the following:

- (i) targeting the development of Aragon's near surface exploration projects to enable production as soon as practicable;
- (ii) identifying and assessing the prospectivity or exploration potential of Aragon's assets and how best to assign resources to undertake further detailed exploration;
- (iii) understanding any existing material third party contractual arrangements; and
- (iv) eliminating duplication of functions where it is economical to do so.

The key objective of this review will be to ascertain the potential for fast tracking development of Aragon's exploration projects and to establish the

operating and cost synergies from the incorporation of the Aragon team and operations into the Westgold operating structure.

(c) **Employees**

Subject to the outcome of its review, it is Westgold's intention to integrate Aragon's management team into Westgold as a specialist gold resources business.

Westgold will make decisions regarding senior management positions following the general operation review referred to above, and will implement those decisions through its nominee directors.

Westgold will seek to retain operational experience inherent in Westgold's and Aragon's existing staff. However, where Westgold decides there is duplication, the role will be filled by the best candidate in the opinion of the Westgold management. Westgold will consider whether there are opportunities elsewhere in the Combined Group for those employees whose positions may become redundant as part of the combining of management groups.

As a result of the implementation of these intentions, it is possible that certain operational functions will become redundant. Some redundancies may occur as a result, however, the incidence, extent and timing of such actions cannot be predicted in advance. If redundancies do occur, the relevant employees will receive benefits in accordance with their contractual and other legal entitlements.

It should be recognised that the growing of Westgold's business will require additional resources with the specific skills of the current Aragon team to be assessed against future requirements.

8.3 Intensions upon acquisition of more than 50% but less than 90% of the Aragon Shares

On completion of the Share Offer, Westgold may hold a sufficient number of Aragon Shares to exercise control over the management and operations of Aragon, but may not be entitled to compulsorily acquire all outstanding Aragon Shares.

If Westgold acquires less than 90% of the Aragon Shares on issue, Westgold may declare the Share Offer free of the minimum 90% acceptance Share Offer condition (refer to Section 9(a)(i) of Annexure A of this Bidder's Statement). If Westgold acquires more than 50.1% of the Aragon Shares on issue then Aragon Securityholders should be aware that, if they do not accept the Offers, they may become a "locked-in" minority after the end of the Offer Period.

Westgold's specific intentions under this situation are as follows:

(a) **Directors**

Westgold will seek the appointment of its nominees as Aragon Directors. No decision has been made as to the identity of these directors. Westgold has not made any decision about whether Aragon Directors will be retained on the Board.

If Westgold's nominees are appointed as Aragon Directors, Westgold will be seeking that its nominees implement the intentions set out in Section 8.2 (based on the information currently available to it). It should be noted that Westgold expects that each of its nominees to the Aragon Board will exercise their own independent judgement and skill when it comes to the

operational, financial and business decisions relating to Aragon. Westgold's only influence will be through its position as a majority shareholder in Aragon.

(b) **Financing**

Under this scenario, Aragon will remain responsible for raising capital to undertake exploration and development work. This may lead to a dilution of remaining Aragon Shareholders as new capital is introduced into Aragon. To avoid further dilution, remaining Aragon Shareholders may also be required to contribute to the capital needs of Aragon to make available sufficient funding to facilitate development plans and future exploration.

(c) **Dividends**

Westgold expects that as Aragon is still an exploration company, dividends will not be available from operating profits of Aragon for the foreseeable future.

(d) **Review of Aragon operations and assets**

Westgold intends, through its nominee directors on the Aragon Board, to conduct an immediate review of Aragon's operations on both a strategic and financial level to determine mechanisms for improving the performance and return to Aragon Shareholders and realise any potential operational and financial synergies.

The detailed outcome of the review is not able to be determined at this stage, although it is likely to involve some, or all, of the following:

- (i) targeting the development of Aragon's exploration projects to enable production as soon as practicable;
- (ii) identifying and assessing the prospectivity or exploration potential of Aragon's assets and how best to assign resources to undertake further detailed exploration;
- (iii) understanding any existing material third party contractual arrangements; and
- (iv) eliminating duplication of functions where it is economical to do so.

The key objective of this review will be to ascertain the potential for fast tracking development of Aragon's exploration projects and to establish the operating and cost synergies from the incorporation of the Aragon team and operations into the Westgold operating structure.

(e) **Employees**

The status of Aragon's existing employees will be considered as part of the review outlined in Section 8.3(d) above. Westgold intends, through its nominee directors, to seek to retain operational experience inherent in Aragon's existing staff and cooperate with the existing Aragon employees to develop Aragon's assets. However, it is possible that Westgold may consider that certain operational functions may be redundant and, if so determined by the Aragon Board, some redundancies may occur as a result. The incidence, extent and timing of such actions cannot be predicted in advance.

8.4 Intentions upon acquiring less than 50.1% of the Aragon Shares

If, at the end of the Offer Period, Westgold holds less than 50.1% of the Aragon Shares, the Offers will not proceed unless the defeating condition of the Offers that Westgold hold at least 90% of the Aragon Shares is waived.

If the condition is waived, Westgold intends (based on the information currently available to it) to seek to pursue its intentions as set out in Section 8.3 above.

8.5 Other intentions

Except for the changes and intentions set out in this Section 8 and subject to the outcome of the review, it is the present intention of Westgold (based on the information presently available to it) to:

- (a) continue to hold the key assets of Aragon and maintain its business in substantially the same manner as it is presently being conducted;
- (b) not make any major changes to the business or assets of Aragon and not redeploy any of the fixed assets of Aragon; and
- (c) continue the employment of Aragon's key employees.

8.6 Limitations in giving effect to intentions

The ability of Westgold to implement the intentions set out in this Section 8 will be subject to the legal obligations of the Westgold Directors to have regard to the interests of Westgold and all Westgold Shareholders, and the requirements of the Corporations Act and the Listing Rules relating to transactions between related parties. Westgold will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

9. Australian tax implications

The following is intended only as a general guide to the income tax position under current Australian income tax law and administrative practice as at the date of this document. Income tax is a complex area of law and the income tax implications for an Aragon Shareholder may differ from those detailed below, depending on the Aragon Shareholder's particular circumstances. As these statements are of a general nature only it is recommended that Aragon Shareholders obtain their own independent professional advice in respect of the Australian income tax implications.

The following is an overview of the likely Australian income tax implications as a consequence of the Takeover for an Australian tax resident Aragon Shareholder who holds their Aragon Shares on capital account.

The following may not apply to certain Aragon Shareholders, such as dealers in securities, Aragon Shareholders who hold shares on revenue account or as trading stock, insurance companies and collective investment schemes. In addition, the following may not apply to Aragon Shareholders who acquired their shares as a result of an employment arrangement. Such persons may be subject to special rules or assessed as ordinary income on any gain on the disposal of their Aragon Shares for Westgold Shares.

The following may also not apply to non-Australian tax resident Aragon Shareholders. The Australian income tax implications for non-Australian resident Aragon Shareholders are complex and will depend upon their own specific circumstances. Non-Australian tax resident Aragon Shareholders may also have tax implications in their country of residence.

9.1 Capital gains tax

The transfer of Aragon Shares to Westgold pursuant to the Takeover will trigger a capital gains tax (**CGT**) event for an Aragon Shareholder. The income tax implications for an Aragon Shareholder will depend on whether the Aragon Shareholder chooses to obtain scrip for scrip roll-over relief under Subdivision 124-M of the Income Tax Assessment Act 1997 (**ITAA 1997**) in relation to the disposal of their Aragon Shares. Broadly, an Aragon Shareholder may choose to obtain scrip for scrip roll-over relief where they:

- (a) hold their Aragon Shares on capital account;
- (b) acquired their Aragon Shares on or after 20 September 1985; and
- (c) where they would, apart from the application of the rollover, make a capital gain from the disposal of their Aragon Shares.

9.2 Where scrip for scrip rollover relief is chosen

Where the above conditions are met, Aragon Shareholders who wish to obtain scrip for scrip roll-over relief must choose to obtain the roll-over relief.

Where scrip for scrip roll-over relief is chosen, any capital gain arising from the disposal of Aragon Shares will be disregarded and deferred until a CGT event occurs in respect of the Westgold Shares acquired by the Aragon Shareholder under the Takeover. The CGT cost base and reduced cost base of each Westgold Share received will be determined by apportioning, on a reasonable basis, the cost base and reduced cost base of the Aragon Shares disposed of pursuant to the Takeover.

For Aragon Shareholders who can apply the discount capital gains tax rules in Division 115 of the ITAA 1997 and who choose scrip for scrip roll-over, their Westgold Shares will be taken to have been acquired at the time their Aragon Shares were originally acquired for the purposes of applying the CGT discount rules.

Where a capital loss arises, the Aragon Shareholder will not be eligible to obtain scrip for scrip roll-over.

9.3 Where scrip for scrip rollover is not chosen

Where scrip for scrip roll-over relief is not chosen, Aragon Shareholders will make a capital gain equal to the market value of the Westgold Shares they are entitled to less the CGT cost base of their Aragon Shares. In determining an Aragon Shareholder's capital gain, the market value of the Westgold Shares should be determined using the market value of those shares on the date the Aragon Shareholder ceases to have ownership of their Aragon Shares.

Aragon Shareholders may be entitled to concessional CGT treatment under Division 115 of the ITAA 1997. This will depend upon their individual circumstances.

For Aragon Shareholders whose reduced cost base is greater than the market value of the Westgold Shares they are entitled to, the Aragon Shareholder may realise a capital loss.

Where scrip for scrip roll-over relief is not chosen, the cost base of the Westgold Shares will be equal to their market value, as determined on the date the Westgold Shares are allotted or issued.

Where scrip for scrip roll-over relief is not chosen, the acquisition date of the Westgold Shares for CGT purposes will be the date on which the Westgold shares are allotted or issued to the Aragon Shareholders.

9.4 Replacement options

For the avoidance of doubt, the income tax implications for an Aragon Optionholder are the same as the income tax implications for an Aragon Shareholder, as set out above.

10. Risk factors

10.1 Overview

If the Offers become unconditional, Aragon Securityholders who accept the Offers will become Westgold Shareholders and Westgold Optionholders respectively. In those circumstances, Aragon Securityholders will:

- (a) continue to be exposed to the risks associated with the investment in Aragon as a result of their indirect interest in Aragon through Westgold;
- (b) be exposed to the risks which are specific to an investment in Westgold; and
- (c) be exposed to additional risks relating to the Offers and the Combined Group.

These risks are explained in detail below. Aragon Securityholders should read this Bidder's Statement carefully and consult their professional advisers before deciding whether to accept the Offers. By accepting the Share Offer, Aragon Shareholders will be investing in Westgold while Aragon Optionholders who accept the Option Offer will be swapping their exposure to Aragon for exposure to the Combined Group.

The business activities of Westgold are subject to various risks that may impact on the future performance of Westgold. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, while others can be covered by insurance but some are outside the control of Westgold and cannot be mitigated or insured against.

Note that an investment in Westgold carries no guarantee with respect to the payment of dividends, return of capital or price at which Westgold Shares will trade and should be considered speculative. The principal risk factors include, but are not limited to, the following.

10.2 Specific risks of the Combined Group

The following risks have been identified as being key risks specific to an investment in the Combined Group. These risks have the potential to have a significant adverse impact on the Combined Group and may affect the Combined Group's financial position, prospects and price of its listed securities.

Reliance on key personnel

The Combined Group's success depends to a significant extent upon its key management personnel, as well as other management and technical personnel including sub-contractors. There can be no assurance that there will be no detrimental impact on the Combined Group if one or more of these employees cease their employment.

Permit and tenement applications

The Combined Group cannot guarantee that those permit and tenement interests which as at the date of this Bidder's Statement are applications for permits or tenements will ultimately be granted in whole or in part.

Liquidity

There is no guarantee that there will be an ongoing liquid market for Westgold Shares. Accordingly, there is a risk that, should the market for Westgold Shares become illiquid, Westgold Securityholders will be unable to realise their investment in Westgold.

Traditional owner approvals

The Rover Project is located on Aboriginal freehold lands and exploration and mining requires the consent of the traditional Aboriginal owners. Westgold currently operates under a number of approved exploration deeds that also outline the mining guidelines for future mining. Westgold will require final approval to mine from the traditional owner's representative body in alignment with normal statutory approval processes.

Although the Company has made a concerted effort to earn the respect and trust of the local traditional owners and believes Westgold is well regarded in return, there is no assurance it will be granted the requisite approvals.

10.3 Industry risks for the Combined Group

Exploration and development

There can be no assurance that any exploration or development activity in regard to the Combined Group's properties, or any properties that may be acquired in the future, will result in the discovery or exploitation of an economic resource.

Mineral exploration, development and mining/extraction may be hampered by circumstances beyond the control of the Combined Group.

Exploration risks

Exploration is a high risk activity that requires large amounts of expenditure over extended periods of time. The Combined Group's exploration activities would be subject to all the hazards and risks normally encountered in the exploration of minerals, including climatic conditions, hazards of operating vehicles and plant, risks associated with operating in remote areas and other similar considerations. Conclusions drawn during exploration and development are subject to the uncertainties associated with all sampling techniques and to the risk of incorrect interpretation of geological, geochemical, geophysical, drilling and other data.

Resource estimates

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates may change. Accordingly, the actual resources may materially differ from these estimates and assumptions and no assurances can be given that the resource estimates and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans, which may, in turn, affect the Combined Group's operations and ultimately its financial performance and value.

Operational and technical risks

The operations of the Combined Group may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades

and/or resources in exploration and mining, operational and technical difficulties encountered in mining and extraction, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical or recovery problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

Commodity price fluctuations

In the event of exploration and development success, any future revenue derived through any future sales of valuable minerals exposes the potential income of the Combined Group to commodity price risks. Commodity prices fluctuate and are affected by numerous factors beyond the control of the Combined Group. These factors include world demand for commodities, forward selling by producers and the level of production costs in major commodity-producing regions. Moreover, commodity prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, commodities.

Exchange rate fluctuations

International prices of most commodities are denominated in United States dollars, whereas the income and expenditure of the Combined Group, whilst operating on Australian projects, will be in Australian currency, exposing the Combined Group to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar, subject to any currency hedging the Combined Group may undertake.

Environmental risks

The operations and activities of the Combined Group are subject to State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Combined Group's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. Such impact can give rise to substantial costs for environmental rehabilitation, damage, control and losses. Further, if there are environmental rehabilitation conditions attaching to the mining tenements of the Combined Group, failure to meet such conditions could lead to forfeiture of these tenements.

Tenure and native title risks

Interests in exploration and mining tenements in Australia are governed by State legislation and are evidenced by the granting of leases or licences. Each lease or licence is for a specific term and carries with it annual expenditure and reporting conditions as well as other conditions requiring compliance. These conditions include the requirement, for exploration licences, for reduction in the area held under licence from time to time unless it is considered that special circumstances apply. Consequently the Combined Group could lose title to, or its interest in, its tenements if licence conditions are not met or if expenditure commitments are not met.

It is possible that, in relation to tenements in which the Combined Group has an interest or may acquire such an interest, there may be areas over which legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Combined Group to obtain the consent of any relevant land owner, or to progress from the exploration phase to the development and mining phases of the operation, may be adversely affected.

It is possible that there will exist on the Combined Group's Australian mining tenements, areas containing sacred sites or sites of significance to Aboriginal people subject to the provisions of the *Aboriginal Heritage Act 1972 (WA)* and the *Northern Territory Aboriginal Sacred Sites Act 1989 (NT)*, or areas subject to the *Native Title Act 1993 (Cth)* in Australia. As a result land within the tenements may be subject to exploration, mining or other restrictions as a result of claims of Aboriginal heritage sites or native title.

Joint venture partners and contractors

The Combined Group would rely significantly on strategic relationships with other entities and also on a good relationship with regulatory and government departments and other interest holders. The Combined Group would also rely on third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed and the Combined Group could be adversely affected by changes to such relationships or difficulties in forming new ones.

Competition

The Combined Group will compete with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial and other resources than the Combined Group and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Combined Group can compete effectively with these companies.

10.4 General investment risks

The business activities of the Combined Group will be subject to various general economic and investment risks that may impact on the future performance of the Combined Group. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Combined Group and cannot be mitigated. There are a number of general economic and investment risk factors that apply to companies generally and may include economic, financial, market or regulatory conditions.

General economic conditions

Economic conditions, both domestic and global, may affect the performance of the Combined Group. Factors such as fluctuations in currencies, commodity prices, inflation, interest rates, supply and demand and industrial disruption may have an impact on operating costs and share market prices. The Combined Group's future possible revenues and share price can be affected by these factors, all of which are beyond the control of the Combined Group.

Equity market conditions

Securities listed on the stock market, and in particular securities of mining and exploration companies, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of

changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

Changes in government policy and legislation

Any material adverse changes in relevant government policies or legislation of Australia may affect the viability and profitability of the Combined Group, and consequent returns to investors. The activities of the Combined Group will be subject to various federal, state and local laws governing prospecting, development, production, taxes, labour standards and occupational health and safety, and other matters.

Future capital requirements

The continued operations of the Combined Group are dependent on its ability to obtain financing through debt and equity financing, or generating sufficient cash flows from future operations. There is a risk that the Combined Group may not be able to access capital from debt or equity markets for future projects or developments, which could have a material adverse impact of the Combined Group's business and financial condition.

Other

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Combined Group.

10.5 Risks relating to the Offers

Issue of Westgold Securities as consideration

Aragon Securityholders are being offered specific quantities of Westgold Shares and Westgold Options (as the case may be) as consideration under the Offers. As a result, the value of the consideration will fluctuate depending upon the market value of Westgold Shares. Accordingly, the market value of the Westgold Securities at the time you receive them may vary significantly from their market value on the date of your acceptance of the Offers.

Rollover relief

A condition of the Offers is that the level of acceptance must result in Westgold obtaining a relevant interest in at least 90% of all Aragon Shares. Westgold reserves the right to waive this condition.

If the minimum acceptance condition is varied or reduced below 80%, Westgold may not acquire the number of Aragon Shares sufficient to bring its total interest in Aragon to at least 80% of the voting shares, in which case scrip-for-scrip CGT rollover relief will not be available to holders of Aragon Shares.

Sale of Westgold Shares

Under the Share Offer, Westgold will issue a significant number of new Westgold Shares. Some Aragon Shareholders may not intend to continue to hold their Westgold Shares and may wish to sell them. There is a risk that this may adversely impact on the price of and demand for Westgold Shares.

Acquisition of less than 90% of Aragon Shares

It is possible that Westgold could acquire less than 90% of all of the Aragon Securities on issue under the Offers, which would prevent Westgold compulsorily acquiring all remaining Aragon Securities. The existence of a minority interest in Aragon may have an impact on the operations of the Combined Group, although this impact will depend upon the ultimate level of Aragon ownership acquired by Westgold.

Merger integration

Integrating Westgold and Aragon may produce some risks, including the integration of management, information systems and work practices. Furthermore, there is no guarantee that any synergy benefits or costs savings will be achieved on time or at all.

Due diligence

In preparing the information relating to Aragon contained in this Bidder's Statement, Westgold has relied on publicly available information relating to Aragon and information provided to Westgold as part of its due diligence. Risks may exist in relation to Aragon (which will affect the Combined Group) of which Westgold is unaware. If any material risks are known to the Aragon Directors, they must be disclosed in the Target's Statement to be issued by Aragon.

11. Additional information

11.1 Westgold's interest in Aragon Shares

Immediately before this Bidder's Statement was lodged with ASIC and as at the date immediately before the first Offer is sent, Westgold and its Associates had the following Relevant Interest in, and voting power in relation to, Aragon Shares:

Class of Securities	At date of this Bidder's Statement	At date first Offer is Sent
Aragon Shares	46,900,000 (20.13%)	46,900,000 (20.13%)
Aragon Options	Nil	Nil

11.2 Acquisitions of Aragon Securities by Westgold and its Associates during the last 4 Months

Westgold has made the following acquisitions of Aragon Shares during the 4 months preceding the date of this Bidder's Statement:

Date Acquired	Number Acquired	Price Paid¹
22 October 2010	150,000	\$0.293667
25 October 2010	115,000	\$0.298043
26 October 2010	85,000	\$0.311471
27 October 2010	450,000	\$0.307967
26 November 2010	6,100,000	\$0.24

Notes

- Other than the acquisition on 26 November 2010 which was via a placement conducted by Aragon, all acquisitions were made by Westgold on-market. The prices indicated for the on-market acquisitions are the average of the prices paid on a particular day.

Westgold and its Associates have not made any further acquisitions or disposals of Aragon Securities in the 4 months prior to the date of this Bidder's Statement.

11.3 Collateral benefits

During the period of 4 months before the date of this Bidder's Statement, neither Westgold nor any Associate of Westgold gave, or offered to give or agreed to give, a benefit to another person that was likely to induce the other person, or an Associate of that person, to:

- accept the Offers; or
- dispose of their Aragon Shares or Aragon Options,

and which is not offered to all holders of Aragon Shares under the Share Offer or all holders of Aragon Options under the Option Offer.

11.4 Westgold is a disclosing entity

Due to the fact that Westgold is offering Westgold Shares as consideration for the acquisition of Aragon Shares under the Share Offer and Westgold Options as consideration for the acquisition of Aragon Options under the Option Offer, the Corporations Act requires that this Bidder's Statement must include all information

that would be required for a prospectus for an offer of Westgold Shares and Westgold Options under sections 710 to 713 of the Corporations Act.

Westgold is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all disclosing entities, Westgold is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of Westgold's Securities.

Westgold Shares have been quoted on the official list of ASX during the 3 months prior to the date of this Bidder's Statement, and the Westgold Options to be issued are options to acquire Westgold Shares. For this reason, Westgold is only required to disclose information in this Bidder's Statement that would usually be required in a “transaction specific prospectus”.

In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issues of securities on Westgold and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company unless such information has not previously been disclosed to ASX.

Having taken such precautions and having made such enquiries as are reasonable, Westgold believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Bidder's Statement which required Westgold to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Bidder's Statement, other than that which is considered necessary to make this Bidder's Statement complete.

Westgold, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to Westgold (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Bidder's Statement and the Closing Date:
 - (i) the annual financial report most recently lodged by Westgold with ASIC;
 - (ii) any half year financial report lodged with ASIC by Westgold after the lodgement of the annual financial report referred to in paragraph (i) and before the lodgement of this Bidder's Statement with ASIC; and
 - (iii) any documents used to notify ASX of information relating to Westgold during that period in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with ASIC in relation to Westgold can be inspected at the registered office of Westgold during normal office hours.

Westgold has lodged the following announcements with ASX since the lodgement of the 2010 audited financial statements:

Date Lodged	Description of Document
07/02/2011	AAG: Initial Response to WGR Takeover Offer
07/02/2011	Westgold Announces Takeover Offer for Aragon
03/02/2011	New High Grade Gold Lode – Rover 1
31/01/2011	31 December 2010 Quarterly Report
20/01/2011	Drilling Resumes at Rover
23/12/2010	Securities Trading Policy
20/12/2010	New High Grade Results Enhance Rover 1
06/12/2010	Westgold's Third Discovery in the Rover Field
30/11/2010	Mines and Money London 2010 Presentation
25/11/2010	Constitution
24/11/2010	Results of Meeting
24/11/2010	Annual General Meeting Presentation
23/11/2010	AAG: Aragon Completes \$7.29M Placement
16/11/2010	Bonanza Gold Intercept at Rover 1 Western Zone
29/10/2010	30 September 2010 Quarterly Report and 5B
20/10/2010	Westgold Retains 100% of Rover 1
18/10/2010	Notice of Annual General Meeting/Proxy Form
14/10/2010	Annual Report to shareholders
13/10/2010	Rover 1 Jupiter Extension Confirmed
11/10/2010	Rover 1 Scoping Study Results
08/10/2010	Boardroom Radio Broadcast 2010 Resources Rising Stars
28/09/2010	Resources Rising Stars Presentation
23/09/2010	Mining the Territory Presentation September 2010
20/09/2010	McArthur Basin Joint Venture With Minerals and Metals Group
20/09/2010	Significant Mineralised Ironstone Intersected at Rover 1

11.5 Information about Westgold Shares

The Westgold Shares to be issued pursuant to the Share Offer will, from their date of issue, rank equally in all respects with existing Westgold Shares on issue. The rights attaching to the Westgold Shares arise from a combination of Westgold's constitution, statute and general law. A summary of the rights attaching to the Westgold Shares is set out below:

(a) **General meetings**

Westgold Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of Westgold.

Subject to the Corporations Act, Westgold Shareholders are not entitled to convene, or require the Westgold Directors to convene, a general meeting.

(b) **Voting rights**

Subject to the Listing Rules and any rights or restrictions for the time being attached to any class or classes of Westgold Shares, at general meetings of Westgold Shareholders or classes of Westgold Shareholders:

- (i) each Westgold Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, each Westgold Shareholder or a proxy, attorney or representative of a Westgold Shareholder has one vote; and
- (iii) on a poll, each Westgold Shareholder or a proxy, attorney or representative of a Westgold Shareholder has one vote in respect of each fully paid Westgold Share held by them, but in respect of partly paid Westgold Shares, shall have a fraction of a vote equivalent to the proportion which the amount paid (not including credit) is of the total amounts paid and payable.

In the case of equality of votes on a show of hands or a poll the chair of the meeting has a casting vote, in addition to any vote to which the chair may be entitled as a Westgold Shareholder or as a proxy, attorney or properly appointed representative of a Westgold Shareholder.

(c) **Dividend rights**

The Westgold Directors may from time to time declare a dividend to be paid to Westgold Shareholders entitled to a dividend.

Subject to the rights or restrictions attached to a class of Westgold Shares and the Corporations Act, the Company may pay dividends on Westgold Shares as the Westgold Directors resolve, but only to the extent that the Company's assets exceed its liabilities by at least the amount of the dividend to be paid, it is fair and reasonable to Westgold Shareholders as a whole and the payment of a dividend does not materially prejudice the Company's ability to pay its creditors.

When declaring a dividend, the Westgold Directors may direct payment of the dividend to be made wholly or in part by the distribution of specific assets or documents of title (including, amongst other things, paid up Westgold Shares), and may fix the value for distribution of such assets.

(d) **Winding-up**

If Westgold is wound up, the liquidator may, with the authority of a special resolution, divide among the Westgold Shareholders in kind the whole or any part of the property of Westgold, and may for that purpose set such value as the liquidator considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Westgold Shareholders or different classes of Westgold Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Westgold Shareholder is compelled to accept any Westgold Shares or other securities in respect of which there is any liability.

(e) **Transfer of Westgold Shares**

Subject to the Company's constitution, Westgold Shares may be transferred in accordance with the Corporations Act, the Listing Rules and the ASTC Settlement Rules.

The Westgold Directors may decline to register any transfer of Westgold Shares where permitted or required to do so by the Listing Rules and the ASTC Settlement Rules, or where the transfer is in breach of the Listing Rules or any escrow agreement relating to restricted securities entered into by the Company under the Listing Rules.

(f) **Future increase in capital**

Subject to the Corporations Act, the Listing Rules and the Company's constitution, the Westgold Directors may issue such number of Westgold Shares, either as ordinary Westgold Shares or of a named class, and with such rights or restrictions, as the Directors in their absolute discretion determine.

(g) **Variation of rights**

Under section 246B of the Corporations Act, Westgold may, with the sanction of a special resolution passed at a meeting of Westgold Shareholders, vary or abrogate the rights attaching to Westgold Shares.

If at any time the Company's share capital is divided into different classes of Westgold Shares, subject to sections 246B and 246E of the Corporations Act, the rights attached to any class (unless otherwise provided by the terms of issue of the Westgold Shares of that class), whether or not Westgold is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued Westgold Shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the Westgold Shares of that class.

11.6 Terms and conditions of Westgold Options

The terms and conditions of the various classes of Westgold Options to be offered under the Option Offer are set out in Annexures C and E to this Bidder's Statement.

11.7 Disclosure of interests/fees and benefits payable to Westgold Directors and advisers

Other than as set out below or elsewhere in this Bidder's Statement, no:

- (a) Westgold Director;
- (b) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement;
- (c) promoter of Westgold; or
- (d) broker or underwriter in relation to the issue of Westgold Shares pursuant to the Offers,

has, or had within 2 years before the date of this Bidder's Statement, any interest in:

- (i) the formation or promotion of Westgold;

- (ii) any property acquired or proposed to be acquired by Westgold in connection with its formation or promotion or in connection with the issue of Westgold Securities under the Offers; or
- (iii) the issue of Westgold Shares or Westgold Options under this Bidder's Statement,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of those persons as an inducement to become, or to qualify as, a Westgold Director or expert of Westgold or otherwise for services rendered by him or her in connection with the formation or promotion of Westgold or the issue of Westgold Shares under this Bidder's Statement.

11.8 Directors' security interests

The Westgold Directors have the following interests in Westgold Securities and Aragon Securities (either held directly or held by their Associates) as at the date of this Bidder's Statement.

Director	Westgold Securities	Aragon Securities
Michael Atkins ¹	Westgold Shares: 3,075,000 Westgold Options: Nil	Aragon Shares: 629,520 Aragon Options: 250,000
Andrew Beckwith ²	Westgold Shares: 9,125,000 Westgold Options: 1,500,000	Aragon Shares: 144,250
Peter Cook ³	Westgold Shares: 73,665,636 Westgold Options: Nil	Aragon Shares: 67,264,135 Aragon Options: 750,000
Paul Cmrlec ⁴	Westgold Shares: 25,000 Westgold Options: Nil	Aragon Shares: 51,500 Aragon Options: 600,000
Warren Hallam ⁵	Westgold Shares: 72,915,636 Westgold Options: Nil	Nil

Notes

1. 2,350,000 Westgold Shares held directly by Mr Atkins. 725,000 Westgold Shares are held by Windamurah Pty Ltd and Alkali Exploration Pty Ltd, which are Associates of Mr Atkins. 429,520 Aragon Shares and 250,000 Aragon Options held by Windamurah Pty Ltd (Atkins Super Fund) and 200,000 Aragon Shares held by Windamurah Pty Ltd (Atkins Family A/C) which are Associates of Mr Atkins.
2. 6,425,000 Westgold Shares held directly by Mr Beckwith. 2,700,000 Westgold Shares are held by Penand Pty Ltd, an Associate of Mr Beckwith. All Westgold Options held directly by Mr Beckwith. 44,250 Aragon Shares held by Penand Pty Ltd which is an Associate of Mr Beckwith and 100,000 Aragon Shares held directly.
3. 750,000 Westgold Shares held directly by Mr Cook. 72,915,636 Westgold Shares are held by Metals X Limited, an Associate of Mr Cook. 92,277 Aragon Shares are held directly by Mr Cook. 67,171,858 Aragon Shares are held by Metals X Limited and Westgold, an Associate of Mr Cook. All Aragon Options held by Ajava Holdings Pty Ltd, an Associate of Mr Cook.
4. 2,000 Westgold Shares held directly by Mr Cmrlec. 23,000 Westgold Shares are held by Dannielle Brooke Cmrlec. 8,000 Aragon Shares held directly by Mr Cmrlec. 600,000 Aragon Options held by Berrimil Services Pty Ltd <Berrimil Services A/C>. 43,500 Aragon Shares are held by Dannielle Brooke Cmrlec.
5. All Westgold Shares held by Metals X Limited, an Associate of Mr Hallam.

The Directors and their Associates, who are Aragon Shareholders are entitled to accept the Offers and receive Westgold Shares and Westgold Options under the terms of the Offers.

11.9 Directors' fees and benefits

The constitution of Westgold provides that the Westgold Directors may be paid for their services as Westgold Directors a sum not exceeding such fixed sum per

annum as may be determined by Westgold in general meeting, to be divided among the Westgold Directors and in default of agreement then in equal shares.

The amounts in the table below have been paid by Westgold by way of remuneration for services provided by the Westgold Directors or their Associates for services provided to the Company (including amounts by way of salary, fees, superannuation benefits and equity:

Director	6 months ended 31.12.2010 \$	Year ended 30.6.2010 \$	Year ended 30.6.2009 \$
Michael Atkins	38,150	70,850	65,400
Andrew Beckwith	136,867	326,023	352,253
Peter Cook	22,890	33,500	24,932
Paul Cmrlec ¹	19,156	10,392	Nil
Warren Hallam ¹	19,156	10,392	Nil

Notes

1. All fees paid for services are paid to Metals X Limited, the employer of Mr Cmrlec and Mr Hallam.

If the Company appoints further directors, as intended, from Aragon, as Directors of Westgold, those persons will be entitled to remuneration for their services as directors.

11.10 Advisers' fees and benefits

Westgold estimates it will incur fees for services provided in connection with the Offer, including for legal, taxation and corporate advisers, in the amount of approximately \$142,000.

11.11 Consents

In accordance with section 636(3) of the Corporations Act:

- (a) McKenzie Moncrieff Lawyers has consented to being named in this Bidder's Statement as legal adviser to Westgold in the form and context in which it is named;
- (b) Computershare Investor Services Pty Limited has consented to being named in this Bidder's Statement as the share registry to Westgold in the form and context in which it is named;
- (c) Stantons International Pty Ltd ACN 103 088 697 trading as Stantons International Securities has consented to being named in this Bidder's Statement in the form and context in which it is named and to the inclusion of references to its report dated 7 February 2011 on the value of the Westgold Options and Aragon Options in the form and context in which it is included in this Bidder's Statement; and
- (d) KPMG Corporate Finance (Aust) Pty Ltd ACN 007 363 215 has consented to being named in this Bidder's Statement as the auditor to Westgold in the form and context in which it is named.

Each of the persons named above has not withdrawn its consent prior to the lodgement of this Bidder's Statement with ASIC.

These consents have been given on the basis that the person named as giving its consent:

- (a) did not authorise or cause the issue of this Bidder's Statement; and
- (b) does not make, or purport to make, any statement in this Bidder's Statement other than as specified in this Bidder's Statement.

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 01/1543, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements (free of charge), during the Offer Period, please contact Westgold on +61 (0) 8 9326 5700.

As permitted by ASIC Class Order 03/635, this Bidder's Statement may include or be accompanied by certain statements fairly representing a statement by an official person or from a public official document or a published book, journal or comparable publication.

11.12 Funding of the Offers

The total amount of cash that Westgold may become obliged to pay to satisfy all expenses incurred by Westgold and relating to the Offers will be provided from Westgold's existing cash balances.

11.13 No material litigation

Westgold is not party to any material litigation and is not involved in any material disputes.

11.14 ASIC relief

Westgold has obtained from ASIC a modification of the application of the Corporations Act. The ASIC relief is set out in Annexure F to this Bidder's Statement. The effect of the ASIC relief is to allow:

- (a) Westgold to treat the different classes of unlisted Aragon Options as one class of options for the purpose of the Option Offer; and
- (b) the Option Offer to offer a different consideration for each class of Aragon Options.

11.15 ASX waiver

Westgold has been granted a waiver from Listing Rule 10.1 to permit the acquisition of all of Metals X Limited's Aragon Shares pursuant to, and in accordance with, the terms of the Share Offer, without the need for shareholder approval of Westgold Shareholders under Listing Rule 10.1.

11.16 Ineligible Foreign Shareholders

If you are an Ineligible Foreign Shareholder, you will not receive any Westgold Shares. Instead, you will receive in respect of any Aragon Shares a cash amount calculated under Section 8 of Annexure A.

The Share Offer is not registered in any jurisdiction outside Australia and New Zealand (unless an applicable Foreign Law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy

yourself that you are permitted by any Foreign Law applicable to you to accept the Share Offer.

Aragon Shareholders whose address in Aragon's register of members is in the United Kingdom may be entitled to receive Westgold Shares on acceptance of the Share Offer. This Bidder's Statement is only being distributed to and is only directed at persons in the United Kingdom who are qualified investors falling within Article 3(2) of the Prospectus Directive (2003/71/EC) or to fewer than 100 natural or legal persons in the United Kingdom who are not qualified investors. Persons to whom the foregoing does not apply should not rely on this document as the Share Offer is not being made to them.

Please contact the Westgold / Aragon Shareholder Information Helpline on 1300 019 960 (within Australia) or +61 2 8022 7902 (outside Australia) if you are still unsure whether you are entitled to receive Westgold Shares on accepting the Share Offer.

11.17 Competent person statement

The information in this Bidder's Statement that relates to Westgold's exploration results, ore resources and reserves is based on information compiled by Mr Andrew Beckwith. Mr Beckwith has sufficient industry experience to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Beckwith consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

11.18 Other material information

There is no other information material to the making of a decision by a holder of Aragon Shares or Aragon Options whether or not to accept the Offers being information that is known to Westgold and which has not previously been disclosed to holders of Aragon Securities other than as is contained elsewhere in this Bidder's Statement.

11.19 Date for determining holders

For the purposes of section 633(2) of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) of the Corporations Act is 5pm (WST) <##> 2011.

12. Definitions and interpretation

12.1 Definitions

In this Bidder's Statement (including its Annexures), unless the context otherwise requires:

Acceptance Form	The Share Acceptance Form or the Option Acceptance Form (or both of them), as the context requires.
Ag	Silver
Announcement Date	The date the Takeover Bid was announced, being 7 February 2011.
Aragon	Aragon Resources Limited ACN 114 714 662.
Aragon Board	The board of directors of Aragon.
Aragon Director	A director of Aragon.
Aragon Group	Aragon and its Subsidiaries.
Aragon Option	An option to acquire an Aragon Share.
Aragon Optionholder	A holder of Aragon Options.
Aragon Securities	Aragon Shares and/or Aragon Options as the context requires.
Aragon Securityholder	A holder of Aragon Securities.
Aragon Share	A fully paid ordinary share in Aragon, and all rights attaching to that share.
Aragon Shareholder	A holder of Aragon Shares.
ASIC	The Australian Securities and Investments Commission.
Associate	Has the meaning given to that term in the Corporations Act.
ASTC	ASX Settlement & Transfer Corporation Pty Limited ACN 008 504 532.
ASTC Settlement Rules	The operating rules of the settlement facility provided by ASTC.
ASX	ASX Limited ACN 008 624 691 or the financial market known as the Australian Securities Exchange operated by ASX Limited, as the context requires.
Au	Gold

AuEq	See "Gold Equivalence".
Bi	Bismuth
Bidder	Westgold Resources Limited ACN 009 260 306.
Bidder's Statement	This document.
Board or Board of Directors	The board of directors of Westgold.
Business Day	A day that is not a Saturday, Sunday or any other day which is a public holiday or a bank holiday in Western Australia.
CEO	Chief Executive Officer.
Co	Cobalt
Combined Group	Westgold and its Subsidiaries following the acquisition by Westgold of all, or a majority of, the Aragon Shares.
Corporations Act	<i>Corporations Act 2001 (Cth)</i> .
Cu	Copper
Director or Westgold Director	A director of Westgold.
Foreign Law	A law of a jurisdiction other than Australia.
Foreign Shareholder	A person whose address as shown in the register of members of Aragon is in a jurisdiction other than Australia, its external territories or New Zealand.
g/t	Grams per tonne.
Gold Equivalence or Gold Equivalent	"AuEq": The Gold Equivalence calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces. The prices used in the calculation of Westgold's resources was US\$1100/oz Au, US\$7000/t Cu, US\$21.0/lb Co, US\$7.5/lb Bi and US\$15.0/oz Ag and approximate metal prices as at 18 February 2010.
Group	In respect of a party, means that party and each of its Subsidiaries.
Ineligible Foreign Shareholder	Has the meaning given to that term in Section 8 of Annexure A of this Bidder's Statement.
IOCG	Iron-oxide copper gold.

JORC Code	The Australian Code for Reporting of Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia, as amended or replaced from time to time.
Km	Kilometres
Km²	Kilometres squared.
Koz	Thousand troy ounces.
lb	Imperial pound.
Listing Rules	The listing rules of ASX, as amended from time to time.
m	Metre
Merged Entity	Westgold following the acquisition by Westgold of not less than 90% of Aragon Shares under the Share Offer.
Moz	Million troy ounces.
Mt	Million metric tonnes.
Offer or Offers	The Share Offer or the Option Offer (or both of them), as the context requires.
Offer Period	The Share Offer Period or the Option Offer Period (or both of them), as the context requires.
Official Quotation	Official quotation on ASX.
Option Acceptance Form	The form of acceptance form for the Option Offer enclosed with this Bidder's Statement or alternatively an acceptance form sent to an Aragon Optionholder by Westgold's share registry in relation to the Option Offer.
Option Bid	An off-market takeover bid to be made by Westgold for all Aragon Options under Chapter 6 of the Corporations Act.
Option Offer	The offer made by Westgold to acquire Aragon Options on the terms set out in Annexure B of this Bidder's Statement.
Option Offer Period	The period referred to in Section 2 of Annexure B, during which the Option Offer remains open for acceptance.
Oz	Troy ounce.
Pb	Lead
ppm	Parts per million.

Prescribed Occurrence	The occurrence of any of the events set out in Section 9(a)(ii) of Annexure A of this Bidder's Statement.
Public Authority	Any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity whether foreign, federal, state, territorial or local in any part of the world in which a party is domiciled or holds any of its assets, including ASIC and ASX (and any other stock exchange).
Record Date	The date set by Westgold under section 633(2) of the Corporations Act, being 5pm (WST) on <##> 2011.
Relevant Employee	Has the meaning given to that term in Section 9(a)(v)(E) of Annexure A.
Relevant Interest	Has the meaning given to that term in section 9 of the Corporations Act.
Reserve or Ore Reserve	Has the meaning given to Ore Reserve in the JORC Code.
Resource or Mineral Resource	Has the meaning given to Mineral Resource in the JORC Code.
Rights	All accretions to and rights attaching to the relevant Aragon Shares at or after the date of this Bidder's Statement (including, but not limited to, all dividends and all rights to receive dividends and to receive or subscribe for shares, stock units, notes or options declared, paid, or issued by Aragon).
Sale Nominee	Has the meaning given to that term in Section 8(b)(i) of Annexure A of this Bidder's Statement.
Section	A section of this Bidder's Statement or of Annexure A or Annexure B of this Bidder's Statement.
Share Acceptance Form	The form of acceptance form for the Share Offer enclosed with this Bidder's Statement or alternatively and acceptance form sent to an Aragon Shareholder by Westgold's share registry in relation to the Share Offer.
Share Offer	The offer made by Westgold to acquire Aragon Shares on the terms set out in Annexure A of this Bidder's Statement.
Share Offer Period	The period referred to in Section 3 of Annexure A, during which the Share Offer remains open for acceptance.
Stantons	Stantons International Pty Ltd ACN 103 088 697 (trading as Stantons International Securities).

Subsidiary	A subsidiary within the meaning given to that term in section 9 of the Corporations Act.
t	Metric tonne.
Takeover	The proposed takeover of Aragon by Westgold by way of off-market conditional takeover offers.
Takeover Bid	Westgold's takeover bid for Aragon by making the Offers.
Target's Statement	The target's statement to be despatched to Aragon Securityholders on or before the day that is 15 days after the date of this Bidder's Statement.
tpa	Tonnes per annum.
VWAP	The daily volume weighted average price of all shares sold on ASX's trading platform.
Westgold or Company	Westgold Resources Limited ACN 009 260 306.
Westgold Board	The board of directors of Westgold.
Westgold Director	A director of Westgold.
Westgold Group	Westgold and its Subsidiaries.
Westgold Option	An option to acquire a Westgold Share.
Westgold Securities	Westgold Shares and/or Westgold Options (as the context requires).
Westgold Securityholder	A holder of Westgold Securities.
Westgold Share	A fully paid ordinary share in Westgold.
Westgold Shareholder or Shareholder	A holder of a Westgold Share.
WST	Perth (Western Australian) Standard Time.
Zn	Zinc
\$	Australian dollars.

12.2 Interpretation

The following rules of interpretation apply unless intention appears or the context requires otherwise:

- (a) a reference to a time is a reference to Perth (Western Australian) time;
- (b) headings are for convenience only and do not affect interpretation;
- (c) the singular includes the plural and conversely;
- (d) a reference to a section is to a section of this Bidder's Statement;
- (e) a gender includes all genders;
- (f) where a word or phrase is defined, the other grammatical forms have a corresponding meaning;
- (g) a reference to a person includes a body corporate, an unincorporated body or other entity and conversely;
- (h) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (i) a reference to any legislation or to any provision of any legislation includes any modification or re-enactment of it, any legislative provision substituted for it and all regulations and statutory instruments issued under it;
- (j) a reference to any instrument or document includes any variation or replacement of it;
- (k) a term not specifically defined in this Bidder's Statement has the meaning given to it (if any) in the Corporations Act or the ASTC Rules, as the case may be;
- (l) a reference to a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually;
- (m) a reference to you is to a person to whom an Offer is made; and
- (n) the words 'include', 'including', 'for example' or 'such as' are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind.

13. Approval of Bidder's Statement

This Bidder's Statement is dated 21 February 2011 and was approved pursuant to a unanimous resolution of Westgold Directors passed at a meeting of the Westgold Board.

Signed for and on behalf of
Westgold Resources Limited



Andrew Beckwith
Managing Director

Annexure A**Terms of Share Offer**

1. General terms

- (a) Westgold offers to acquire all of your Aragon Shares, together with all Rights attached to them, on the terms and conditions set out in this Share Offer.
- (b) The consideration being offered by Westgold for the acquisition of all of your Aragon Shares is 1 Westgold Share for every 1 Aragon Share you own, subject to the terms and conditions set out in this Share Offer.
- (c) If you are an Ineligible Foreign Shareholder then, despite any other provision of this Share Offer, you are offered and will receive for your Aragon Shares a cash amount calculated under Section 8 of this Annexure A.
- (d) The Westgold Shares to be issued pursuant to this Share Offer will, from their date of issue, rank equally in all respects with existing Westgold Shares currently on issue.
- (e) The rights of the Westgold Shares are set out in Section 11.5 of this Bidder's Statement.

2. Official quotation

Westgold will apply for Official Quotation of the Westgold Shares on ASX. Quotation will not be automatic but will depend on ASX exercising its discretion. Westgold has already been admitted to the official list of ASX and the Westgold Shares to be issued under the Share Offer are of the same class as Westgold Shares already quoted on ASX. Westgold cannot guarantee, and does not represent or imply, that Westgold Shares will be listed on ASX following their issue.

3. Share Offer Period

Unless withdrawn, this Share Offer will remain open for acceptance during the period commencing on the date of this Share Offer and ending at 5:00pm (WST) on <##> 2011, subject to any extension in accordance with the Corporations Act.

4. Who may accept

- (a) A Share Offer in this form and bearing the same date is being made to each person registered as a holder of Aragon Shares on Aragon's register of members as at the Record Date.
- (b) The Share Offer also extends to each person who, during the period from the Record Date until the expiry of the Share Offer Period, becomes registered or entitled to be registered as a holder of Aragon Shares due to the conversion of, or exercise of rights attached to, Aragon Options that are on issue at the Record Date.
- (c) A person who:
 - (i) is able during the Share Offer Period to give good title to a parcel of Aragon Shares; and
 - (ii) has not already accepted this Share Offer which relates to those Aragon Shares,

may accept as if a Share Offer from Westgold on terms identical with this Share Offer had been made to that person in relation to those Aragon Shares.

- (d) If, at any time during the Share Offer Period and before this Share Offer is accepted, any person holds one or more distinct parcels of Aragon Shares (for example, as trustee, nominee or otherwise on account of another person) within the meaning of section 653B of the Corporations Act then:
- (i) this Share Offer is deemed to consist of a separate corresponding Share Offer to that person in relation to each distinct parcel of Aragon Shares; and
 - (ii) acceptance by that person of the Share Offer for any distinct parcel of Aragon Shares is ineffective unless the person gives written notice to Westgold stating that the Aragon Shares consist of distinct portions and the acceptance specifies the number of the Aragon Shares in each separate parcel to which the acceptance relates.
- (e) This Share Offer is not registered in any jurisdiction outside Australia (unless an applicable Foreign Law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any Foreign Law applicable to you to accept this Share Offer and to comply with any other necessary formality and to obtain any necessary governmental or other consents.

5. How to accept this Share Offer

- (a) You may only accept this Share Offer in respect of 100% (and not a lesser number) of your Aragon Shares. For example, if you have 10,000 Aragon Shares and you wish to accept the Share Offer, you may only accept this Share Offer in respect of 10,000 Aragon Shares.
- (b) You may only accept this Share Offer during the Share Offer Period.
- (c) To accept the Share Offer you must:
 - (i) complete and sign the accompanying Share Acceptance Form in accordance with the instructions on the Share Acceptance Form; and
 - (ii) ensure that the Share Acceptance Form together with all other documents required by the instructions on it are received at the following address before the end of the Share Offer Period:

Mailing Address:

Westgold Resources Limited
C/- Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

Delivery Address (do not use for mailing purposes):

Westgold Resources Limited
Level 3, 123 Adelaide Terrace
East Perth WA 6004

- (d) Once you have accepted this Share Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you, subject to sections 650E and 650G of the Corporations Act.
- (e) Westgold may, in its sole discretion, at any time deem any Share Acceptance Form it receives to be a valid acceptance in respect of your Aragon Shares even if a requirement for acceptance has not been complied with.

6. The effect of acceptance

- (a) By following the procedure described in Section 5 of this Annexure A, you will be deemed to have:
 - (i) accepted this Share Offer (and any variation to it) in respect of the Aragon Shares registered in your name to which this Share Offer relates, regardless of the number of Aragon Shares specified in the Share Acceptance Form;
 - (ii) agreed to the terms of the Share Offer and, subject to the conditions contained in Section 9 of this Annexure A being fulfilled or waived, agreed to transfer (or consented to the transfer in accordance with the ASTC Settlement Rules) to Westgold all of your Aragon Shares;
 - (iii) agreed to accept the consideration being offered by Westgold and agreed to be bound by the constitution of Westgold;
 - (iv) authorised Westgold to complete the Share Acceptance Form by correcting any errors in or omissions from the Share Acceptance Form as many be necessary:
 - (A) to make the Share Acceptance Form an effective acceptance of this Share Offer; and/or
 - (B) to enable registration of the transfer to Westgold of your Aragon Shares;
 - (v) irrevocably authorised and directed Aragon to pay to Westgold or to account to Westgold for all dividends and other distributions and entitlements which are declared, paid or which arise or accrue after the date of this Share Offer in respect of your Aragon Shares (subject to Westgold accounting to you for any dividends, distributions or entitlements received by it if your acceptance of this Share Offer is validly withdrawn pursuant to section 650E of the Corporations Act or the contract resulting from that acceptance becomes void);
 - (vi) represented and warranted to Westgold that:
 - (A) Westgold will acquire good title to and beneficial ownership of all of your Aragon Shares free from all mortgages, charges, liens, encumbrances (whether legal or equitable) and other third party interests of any kind;
 - (B) you have paid Aragon all amounts which are due in respect of your Aragon Shares;
 - (C) all of your Aragon Shares are fully paid; and

- (D) you have full power and capacity to accept the Share Offer and to sell and transfer the legal and beneficial ownership of your Aragon Shares (together with all Rights attached to them) to Westgold;
- (vii) unless you are an Ineligible Foreign Shareholder (as that expression is defined in Section 12 of this Bidder's Statement), agreed to accept the Westgold Shares to which you become entitled by accepting this Share Offer subject to Westgold's constitution and the terms of issue of the Westgold Shares and to have authorised Westgold to place your name on its register of shareholders as the holder of the Westgold Shares issued to you under the Share Offer;
- (viii) acknowledged and agreed that if you are an Ineligible Foreign Shareholder, Westgold will arrange for any Westgold Shares otherwise issuable to you to be issued and sold, and the net proceeds to be remitted to you, as described in Section 8 of this Annexure A;
- (ix) represented and warranted to Westgold that the making by Westgold to you, and your acceptance, of this Share Offer is lawful under any Foreign Law which applies to you to the making of this Share Offer, and to your acceptance of this Share Offer;
- (x) with effect from the later of acceptance of the Share Offer and the date that any contract resulting from that acceptance becomes, or is declared unconditional, appointed (and agreed not to revoke that appointment) Westgold and each of its Directors, secretaries and other officers from time to time severally as your agent and true and lawful attorney, with power to do all things which you could lawfully do concerning your Aragon Shares or in exercise of any right or power derived from the holding of you Aragon Shares including, without limitation:
- (A) attend and vote in respect of your Aragon Shares at any and all meetings of Aragon;
- (B) requisition or join with other holders of Aragon Shares in requisitioning and/or convening a meeting of the members of Aragon;
- (C) demand a poll for any vote to be taken at any meeting of Aragon Shareholders;
- (D) propose or second any resolutions to be considered at any and all meetings of Aragon Shareholders;
- (E) execute all forms, transfers, assignments, notices, instruments (including instruments appointing a Director as a proxy in respect of all or any of your Aragon Shares and a transfer form for your Aragon Shares), proxies, consents, agreements, and resolutions relating to your Aragon Shares;
- (F) request Aragon to register in the name of Westgold or its nominee your Aragon Shares which you hold on any register of Aragon; and

(G) do all things incidental or ancillary to the foregoing,

and to have agreed that in excising the powers conferred by the power of attorney, the attorney shall be entitled to act in the interests of Westgold as the beneficial owner and intended registered holder of your Aragon Shares in respect of which you do all such acts, matters and things that Westgold may require to give effect to the matters the subject of this paragraph (including the execution of a written form of proxy to the same effect as this paragraph which complies in all respects with the requirements of the constitution of Aragon) if required by Westgold. This appointment is irrevocable and terminates upon registration of a transfer to Westgold of your Aragon Shares; and

- (xi) agreed not to vote in person at any general meeting of Aragon or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on Westgold and the Directors, secretaries and other officers of Westgold by Section 6(a)(x) of this Annexure A.
- (b) The representations, warranties, undertakings and authorities referred to in this Section 6 of this Annexure A will (unless otherwise stated) remain in force after you receive the consideration for your Aragon Shares and after Westgold becomes registered as the holder of them.
- (c) Westgold may at any time in its absolute discretion:
 - (i) treat the receipt by it of a Share Acceptance Form during the Share Offer Period (or in an envelope post-marked before the expiry of the Share Offer Period) as a valid acceptance notwithstanding that one or more of the other requirements for a valid acceptance have not been complied with; and
 - (ii) where you have satisfied the requirements for acceptance in respect of only some of your Aragon Shares, treat the acceptance as a valid acceptance in respect of all of your Aragon Shares.

In respect of any part of an acceptance treated by it as valid, Westgold will provide you with the relevant consideration in accordance with Section 7(a) of this Annexure A, and the exercise of Westgold's rights under this Section 6 of this Annexure A will be conclusively and only evidenced by its so doing. This Section is not a condition of this Share Offer.

7. Provision of consideration

- (a) Subject to the terms of this Share Offer and the Corporations Act, Westgold will provide the consideration for your Aragon Shares not later than one month after this Share Offer is accepted or this Share Offer (or the contract resulting from its acceptance) becomes unconditional, whichever is the later, but in any event (assuming the Share Offer becomes or is declared unconditional) not later than 21 days after the end of the Share Offer Period.
- (b) Under no circumstances will interest be paid on the consideration to which you are entitled to under the Share Offer, regardless of any delay in providing the consideration or any extension of the Share Offer.

- (c) Subject to Sections 8 and 9 of this Annexure A, the obligations of Westgold to allot and issue any Westgold Shares to which you are entitled under the Share Offer will be satisfied:
- (i) by entering your name on the register of members of Westgold; and
 - (ii) if your name is entered into the issuer sponsored sub-register of Westgold, by Westgold dispatching to you an issuer sponsored holding statement for the Westgold Shares to which you become entitled by accepting this Share Offer (by pre-paid mail to your address as shown on the register of members of Aragon).
- (d) Where the Share Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):
- (i) if that document is given with your acceptance, Westgold will provide the consideration in accordance with Section 7(a) of this Annexure A;
 - (ii) if that document is given after acceptance and before the end of the Share Offer Period while this Share Offer is subject to a defeating condition, Westgold will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within one month after this Share Offer becomes unconditional; or
 - (B) 21 days after the end of the Share Offer Period;
 - (iii) if that document is given after acceptance and before the end of the Share Offer Period while this Share Offer is not subject to a defeating condition, Westgold will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within one month after that document is given; and
 - (B) 21 days after the end of the Share Offer Period; and
 - (iv) if that document is given after the end of the Share Offer Period, Westgold will provide the consideration within 21 days after that document is given.
- (e) If, at the time you accept the Share Offer, any of the following:
- (i) *Banking (Foreign Exchange) Regulations 1959 (Cth)*;
 - (ii) *Charter of the United Nations (Terrorism and Dealing with Assets) Regulations 2002 (Cth)*;
 - (iii) *Charter of the United Nations (Sanctions - Afghanistan) Regulations 2001 (Cth)*;
 - (iv) *Iraq (Reconstruction and Repeal Sanctions) Regulations 2003 (Cth)*; or
 - (v) any other law of Australia,
- require that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other Public Authority be obtained before you receive any consideration for your Aragon Shares, or

would make it unlawful for Westgold to provide any consideration to you for your Aragon Shares, you will not be entitled to receive any consideration for your Aragon Shares until all requisite authorities, clearances or approvals have been received by Westgold.

8. Ineligible Foreign Shareholders

(a) If you are a person whose address as shown in the register of members of Aragon is:

- (i) in the United Kingdom, and you do not agree or, where applicable, do not comply with the requirements set out in Section 11.16 of this Bidder's Statement for that jurisdiction; or
- (ii) in a jurisdiction other than Australia, its external territories or New Zealand and the law of that jurisdiction makes it, in the reasonable opinion of Westgold, unlawful or too onerous for Westgold to make the Share Offer to you and to issue you with Westgold Shares,

then you will be taken to be an Ineligible Foreign Shareholder.

(b) As an Ineligible Foreign Shareholder, you will not be entitled to receive Westgold Shares as consideration for your Aragon Shares. Instead Westgold will:

- (i) arrange for the issue to a nominee approved by ASIC as the Sale Nominee of the number of Westgold Shares to which you and all other Ineligible Foreign Shareholders would have been entitled but for this Section;
- (ii) cause those Westgold Shares to be offered for sale on ASX as soon as practicable after the end of the Share Offer Period, in such manner, at such price and on such other terms and conditions as are determined by the Sale Nominee acting in good faith; and
- (iii) promptly pay, or procure that the Sale Nominee pays, to you the amount ascertained in accordance with the following formula (calculated on an average basis so that all Ineligible Foreign Shareholders who accept the Share Offer receive the same value per Aragon Share, subject to rounding):

$$\text{Net Proceeds of Sale} \times \frac{\mathbf{A}}{\mathbf{B}}$$

Where:

Net Proceeds of Sale is the amount remaining after deducting the expenses of the sale and of appointing the Sale Nominee (brokerage, stamp duty and other selling costs, taxed and charges) from the proceeds of sale;

A is the number of Westgold Shares which would, but for Section 8(b) of this Annexure A, have been allotted and issued to you; and

B is the total number of Westgold Shares allotted and issued to the Sale Nominee under this Section in respect of the Aragon Shares held by all Ineligible Foreign Shareholders.

- (c) You will be paid your share of the net proceeds of the sale of the Westgold Shares by the Sale Nominee in Australian currency.
- (d) Payment will be made by cheque posted to you at your risk by pre-paid mail as soon as practicable and in any event within the period required by the Corporations Act to your address in the most up to date copy of the Aragon register provided to Westgold before your consideration cheque is produced.
- (e) Under no circumstances will interest be paid on your share of the net proceeds of the sale of Westgold Shares by the Sale Nominee, regardless of any delay in remitting these proceeds to you or your receipt of those proceeds.

9. Conditions of this Share Offer

- (a) Subject to Section 9(c) of this Annexure A, the Share Offer and any contract that results from acceptance of the Share Offer is subject to the fulfilment of the following conditions:
 - (i) **90% minimum acceptance:** At or before the end of the Share Offer Period, Westgold has a Relevant Interest in such number of Aragon Shares which represents at least 90% of the aggregate of all the Aragon Shares on issue at the end of the Share Offer Period.
 - (ii) **No prescribed occurrences:** Between the Announcement Date and the end of the Offer Period (each inclusive), none of the following occurrences (being the prescribed occurrences listed in section 652C of the Corporations Act) happens:
 - (A) Aragon converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
 - (B) Aragon or any Subsidiary of Aragon resolves to reduce its share capital in any way;
 - (C) Aragon or any Subsidiary of Aragon enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
 - (D) Aragon or any Subsidiary of Aragon issues shares or grants an option over its shares, or agrees to make such an issue or grant such an option;
 - (E) Aragon or any Subsidiary of Aragon issues, or agrees to issue, convertible notes;
 - (F) Aragon or any Subsidiary of Aragon disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
 - (G) Aragon or any Subsidiary of Aragon charges, or agrees to charge, the whole, or a substantial part, of its business or property;
 - (H) Aragon or any Subsidiary of Aragon resolves to be wound up;

- (I) a liquidator or provisional liquidator of Aragon or of any Subsidiary of Aragon is appointed;
 - (J) a court makes an order for the winding up of Aragon or of any Subsidiary of Aragon;
 - (K) an administrator of Aragon or of any Subsidiary of Aragon is appointed under sections 436A, 436B or 436C of the Corporations Act;
 - (L) Aragon or any Subsidiary of Aragon executes a deed of company arrangement; or
 - (M) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of Aragon or any Subsidiary of Aragon.
- (iii) **No material adverse change:** Between the Announcement Date and the end of the Share Offer Period (each inclusive), no event, change or condition occurs, is announced or becomes known to Westgold (whether or not it becomes public) where that event, change or condition has had, or could reasonably be expected to have, a material adverse effect on:
- (A) the business, assets, liabilities, financial or trading position, profitability or prospects of Aragon since the Announcement Date by an amount of \$1,000,000 or more; or
 - (B) the status or terms of any approvals, licences or permits from any Public Authority, taken as a whole, applicable to any licence or permit held by the Aragon Group or which a member of the Aragon Group has agreed to acquire from any third party,
- except for events, changes and conditions disclosed or publicly announced by Aragon or otherwise disclosed in public filings in Australia by Aragon or any of its Subsidiaries prior to the Announcement Date, provided that the relevant disclosure or announcement is not, and is not likely to be, incomplete, incorrect, untrue or misleading.
- (iv) **No major acquisitions, disposals or new commitments:** Between the Announcement Date and the end of the Offer Period (each inclusive), no member of the Aragon Group:
- (A) purchases or otherwise acquires or agrees to purchase or otherwise acquire, sells or otherwise disposes of or surrenders, or agrees to sell or otherwise dispose of or surrender, or comes under an obligation to purchase, acquire, sell or otherwise dispose of or surrender, any property, assets (or any right, title or interest therein), the total consideration for which, or value of which, in aggregate, exceeds \$1,000,000; or
 - (B) enters any other commitment, or comes under an obligation to enter any other commitment, which would require expenditure by Aragon or a member of the Aragon

group of an amount which, in aggregate, exceeds \$1,000,000,

except with the prior written consent of Westgold or as publically announced by Aragon before the Announcement Date.

- (v) **Corporate actions:** Except with the prior written consent of Westgold, between the Announcement Date and the end of the Offer Period (each inclusive), no member of the Aragon Group:
- (A) gives or agrees to give any mortgage, charge, lien or other encumbrance over any of its assets otherwise than in the ordinary course of business;
 - (B) makes or proposes to make any material change to its constitution;
 - (C) increases or agrees to increase its level of indebtedness (including financial liabilities incurred under finance leases) or issue or agree to issue any indebtedness or debt securities other than advances under existing credit facilities in the ordinary course of business or indebtedness incurred to external service providers in relation to advising on the Share Offer;
 - (D) makes or agrees to make any loans, advances or capital contributions to, or investments in, any other person;
 - (E) increases the remuneration of, pay any bonus (other than in accordance with existing contractual entitlements as at the Announcement Date), issues any securities, options or performance rights or otherwise varies the employment arrangements with any of the directors or senior managers of Aragon (collectively, **Relevant Employees**);
 - (F) accelerates the rights of any of the Relevant Employees to compensation or benefits of any kind (including under an executive or employee share or option plan and including by vesting the outstanding performance rights);
 - (G) pays any of the Relevant Employees termination or retention payments (otherwise than in accordance with existing contractual entitlements at the Announcement Date);
 - (H) enters into, amend, or terminate any material contract;
 - (I) declares, or distributes any dividend, bonus or other share of its profits or assets; or
 - (J) resolves, agrees, commits or announces an intention to do any of the things referred to in paragraphs (A) to (I) above.
- (vi) **No change of control rights:** Between the Announcement Date and the end of the Offer Period (each inclusive), there is no person having any rights, being entitled to have any rights, alleging an entitlement, or expressing or announcing an intention (whether or not that intention is stated to be a final or determined decision of that person) (in all cases whether subject to conditions or not), as

a result of any change of control event in respect of Aragon (including Westgold acquiring Aragon Shares) or any of its Subsidiaries or assets, to:

- (A) terminate or alter any contractual relations between any person and Aragon or any of its Subsidiaries (for this purpose an alteration includes of the operations of a contract, whether or not that altered operation is provided for under the existing terms of the contract);
 - (B) require the termination, modification or disposal (or offer to dispose) of any interest or asset, corporate body, joint venture or other entity; or
 - (C) accelerate or adversely modify the performance of any obligations of Aragon or any of its Subsidiaries under any agreements, contracts or other legal arrangements.
- (b) Each condition in Section 9(a) of this Annexure A is a separate, several and distinct condition, operates as a condition subsequent and is for the benefit of Westgold alone and may only be relied upon by Westgold.
 - (c) Except as provided below, Westgold may free this Share Offer, and any contract resulting from its acceptance, from all or any of the conditions in Section 9(a) of this Annexure A by giving notice to Aragon declaring the Share Offer to be free from the conditions specified in accordance with section 650F of the Corporations Act. This notice may be given not later than 7 days before the end of the Share Offer Period.
 - (d) Subject to the provisions of the Corporations Act, Westgold alone will be entitled to the benefit of the conditions in Section 9(a) of this Annexure A and any breach or non-fulfilment thereof may be relied upon only by Westgold.
 - (e) The date for giving the notice required by section 630(3) of the Corporations Act is <##> 2011, subject to extension in accordance with section 630(2) if the Share Offer Period is extended.

10. ASX quotation of new Westgold Shares

The Share Offer is subject to the condition that permission for admission to Official Quotation by ASX of the Westgold Shares to be issued pursuant to the Share Offer is sought no later than 7 days after the start of the Share Offer Period and is granted no later than 7 days after the end of the Share Offer Period. This condition is not a defeating condition for the purposes of the Corporations Act, and is not of the same nature as the conditions set out in Section 9 of this Annexure A. The Share Offer cannot be freed of this condition and consequently no statements made by Westgold can be taken to waive this condition.

11. Withdrawal of Share Offer

Westgold may withdraw this Share Offer at any time before you accept it, but only with the consent in writing of ASIC (which consent may be given subject to such conditions, if any, as are imposed by ASIC).

12. Variation

Westgold may vary this Share Offer in accordance with section 650A of the Corporations Act.

13. Stamp duty or other costs

All costs and expenses of the preparation, dispatch and circulation of this Share Offer and any stamp or other duty payable in respect of the transfers will be paid by Westgold. No brokerage is payable by you if you accept this Share Offer.

14. Governing law

This Share Offer and any contract that results from your acceptance of this Share Offer are governed by the laws in force in Western Australia.

15. Date of Share Offer

This Share Offer is dated <##> 2011.

Annexure B**Terms of Option Offer**

1. General Terms

- (a) Westgold offers to acquire all of your Aragon Options, together with all Rights attached to them, on the following terms and conditions.
- (b) The consideration being offered by Westgold for the acquisition of all of your Aragon Options is 1 Westgold Options for every 1 Aragon Option you own, on the basis and terms set out in Annexures C and D, subject to the terms and conditions set out in this Option Offer.

2. Option Offer Period

Unless withdrawn, this Option Offer will remain open for acceptance during the period commencing on the date of this Option Offer and ending at 5.00pm (WST) on <##> 2011, subject to any extension in accordance with the Corporations Act.

3. Who may accept

- (a) An Option Offer in this form and bearing the same date is being made to each person registered as a holder of Aragon Options as at the Record Date.
- (b) A person who:
 - (i) is able during the Option Offer Period to give good title to a parcel of Aragon Options; and
 - (ii) has not already accepted this Option Offer which relates to those Aragon Options,may accept as if an Option Offer from Westgold on terms identical with this Option Offer had been made to that person in relation to those Aragon Options.
- (c) If, at any time during the Option Offer Period and before this Option Offer is accepted, any person holds one or more distinct parcels of Aragon Options (for example, as trustee, nominee or otherwise on account of another person) within the meaning of Section 653B of the Corporations Act, then:
 - (i) this Option Offer is deemed to consist of a separate corresponding Option Offer to that person in relation to each distinct parcel of Aragon Options; and
 - (ii) acceptance by that person of the Option Offer for any distinct parcel of Aragon Options is ineffective unless the person gives written notice to Westgold stating that the Aragon Options consist of distinct portions and the acceptance specifies the number of the Aragon Options in each separate parcel to which the acceptance relates.
- (d) This Option Offer is not registered in any jurisdiction outside Australia (unless an applicable Foreign Law treats it as registered as a result of this Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any Foreign Law applicable to you to accept this Option Offer and to comply with any other necessary formality and to obtain any necessary governmental or other consents.

4. How to accept this Option Offer

- (a) You may only accept this Option Offer in respect of 100% (and not a lesser number) of your Aragon Options. For example, if you have 10,000 Aragon Options and you wish to accept the Option Offer, you may only accept this Option Offer in respect of 10,000 Aragon Options.
- (b) You may only accept this Option Offer during the Option Offer Period.
- (c) To accept the Option Offer you must:
 - (i) complete and sign the Option Acceptance Form in accordance with the instructions on the Option Acceptance Form; and
 - (ii) ensure that the Option Acceptance Form together with all other documents required by the instructions on it are received at the following address before the end of the Option Offer Period:

Mailing Address:

Westgold Resources Limited
C/- Computershare Investor Services Pty Limited
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

Delivery Address:

Westgold Resources Limited
Level 3, 123 Adelaide Terrace
East Perth WA 6004

- (d) Once you have accepted this Option Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you, subject to Sections 650E and 650G of the Corporations Act.
- (e) Westgold may, in its sole discretion, at any time deem any Option Acceptance Form it receives to be a valid acceptance in respect of your Aragon Options even if a requirement for acceptance has not been complied with.

5. The effect of acceptance

- (a) By following the procedures described in Section 4 of this Annexure B, you will be deemed to have:
 - (i) accepted this Option Offer (and any variation to it) in respect of the Aragon Options registered in your name to which this Option Offer relates, regardless of the number of Aragon Options specified in the Option Acceptance Form;
 - (ii) agreed to the terms of the Option Offer and, subject to the conditions contained in Section 7 of this Annexure B being fulfilled or waived, agreed to transfer (or consented to the transfer in accordance with the ASTC Settlement Rules) to Westgold all of your Aragon Options;
 - (iii) authorised Westgold to complete the Option Acceptance Form by correcting any errors in or omissions from the Option Acceptance Form as may be necessary;

- (A) to make the Option Acceptance Form an effective acceptance of this Option Offer; and/or
- (B) to enable registration of the transfer to Westgold of your Aragon Options;
- (iv) represented and warranted to Westgold that:
 - (A) Westgold will acquire good title to and beneficial ownership of all of your Aragon Options free from all mortgages, charges, liens, encumbrances (whether legal or equitable) and other third party interests of any kind;
 - (B) you have paid Aragon all amounts which are due in respect of your Aragon Options; and
 - (C) you have full power and capacity to accept the Option Offer and to sell and transfer the legal and beneficial ownership of your Aragon Options (together with all rights attached to them) to Westgold;
- (v) represented and warranted to Westgold that the making by Westgold to you, and your acceptance, of this Option Offer is lawful under any Foreign Law which applies to you to the making of this Option Offer, and to your acceptance of this Option Offer; and
- (vi) with effect from the later of acceptance of the Option Offer and the date that any contract resulting from that acceptance becomes, or is declared unconditional, appointed (and agreed not to revoke that appointment) Westgold and each of its Directors, secretaries and other officers from time to time severally as your agent and true and lawful attorney, with power to do all things which you could lawfully do concerning your Aragon Options or in exercise of any right or power derived from the holding of your Aragon Options and to have agreed that in exercising the powers conferred by that power of attorney, the attorney shall be entitled to act in the interests of Westgold as the beneficial owner and intended registered holder of your Aragon Options in respect of which you have accepted this Option Offer and to have further agreed to do all such acts, matters and things that Westgold may require to give effect to the matters the subject of this paragraph (including the execution of a written form of proxy to the same effect as this paragraph which complies in all respects with the requirements of the constitution of Aragon) if requested by Westgold. This appointment is irrevocable and terminates upon registration of a transfer to Westgold of your Aragon Options.
- (b) The representations, warranties, undertakings and authorities referred to in this Section 5 of Annexure B will (unless otherwise stated) remain in force after you receive the consideration for your Aragon Options and after Westgold becomes the register as the holder of them.
- (c) Westgold may at any time in its absolute discretion:
 - (i) treat the receipt by it of an Option Acceptance Form during the Option Offer Period (or in an envelope post-marked before the expiry of the Option Offer Period) as a valid acceptance

notwithstanding that one or more of the other requirements for a valid acceptance have not been complied with; and

- (ii) where you have satisfied the requirements for acceptance in respect of only some of your Aragon Options, treat the acceptance as a valid acceptance in respect of all of your Aragon Options.

In respect of any part of an acceptance treated by it as valid, Westgold will provide you with the relevant consideration in accordance with Section 6(a) of this Annexure B, and the exercise of Westgold's rights under this Section 5 of this Annexure B will be conclusively and only evidenced by its so doing. This Section is not a condition of this Option Offer.

6. Provision of consideration

- (a) Subject to the terms of this Option Offer and the Corporations Act, Westgold will provide the consideration for your Aragon Options not later than one month after this Option Offer is accepted or this Option Offer (or the contract resulting from its acceptance) becomes unconditional, whichever is the later, but in any event (assuming the Option Offer becomes or is declared unconditional) not later than 21 days after the end of the Option Offer Period.
- (b) Under no circumstances will interest be paid on the consideration to which you are entitled to under the Option Offer, regardless of any delay in providing the consideration or any extension of the Option Offer.
- (c) Where the Option Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):
 - (i) if that document is given with your acceptance, Westgold will provide the consideration in accordance with Section 6(a) of this Annexure B;
 - (ii) if that document is given after acceptance and before the end of the Option Offer Period while this Option Offer is subject to a defeating condition, Westgold will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) within one month after this Option Offer becomes unconditional; or
 - (B) 21 days after the end of the Option Offer Period;
 - (iii) if that document is given after acceptance and before the end of the Option Offer Period while this Option Offer is not subject to a defeating condition, Westgold will provide the consideration by the end of whichever of the following periods ends earlier:
 - (A) one month after that document is given; or
 - (B) 21 days after the end of the Option Offer Period; and
 - (iv) if that document is given after the end of the Option Offer Period, Westgold will provide the consideration within 21 days after that document is given.
- (d) If, at the time you accept the Option Offer, any of the following:
 - (i) *Banking (Foreign Exchange) Regulations 1959 (Cth)*;

- (ii) *Charter of the United Nations (Terrorism and Dealing with Assets) Regulations 2002 (Cth);*
- (iii) *Charter of the United Nations (Sanctions – Afghanistan) Regulations 2001 (Cth);*
- (iv) *Iraq (Reconstruction and Repeal of Sanctions) Regulations 2003 (Cth); or*
- (v) any other law of Australia,

require that an authority, clearance or approval of the Reserve Bank of Australia, the Australian Taxation Office or any other Government Agency be obtained before you receive any consideration for your Aragon Options, or would make it unlawful for Westgold to provide any consideration to you for your Aragon Options, you will not be entitled to receive any consideration for your Aragon Options until all requisite authorities, clearances or approvals have been received by Westgold.

7. Conditions of this Option Offer

- (a) Subject to Sections 7(b) and 7(c) of this Annexure B, the Option Offer and any contract that results from acceptance of the Option Offer are subject to the fulfilment of the following conditions:
 - (i) **Share Offer minimum acceptance** that during, or at the end of, the Share Offer Period, Westgold has a Relevant Interest in more than 90% of all Aragon Shares on issue at the end of the Offer Period; and
 - (ii) **Share Offer unconditional** before the end of the Offer Period, the Share Offer is, or has been declared, unconditional in all respects;
- (b) Each condition in Section 7(a) of this Annexure B is a separate, several and distinct condition, operates as a condition subsequent and is for the benefit of Westgold alone and may only be relied upon by Westgold.
- (c) Except as provided below, Westgold may free this Option Offer, and any contract resulting from its acceptance, from all or any of the conditions in Section 7(a) of this Annexure B by giving notice to Aragon declaring the Option Offers to be free from the conditions specified in accordance with Section 650F of the Corporations Act. This notice may be given not later than 7 days before the end of the Option Offer Period.
- (d) Subject to the provisions of the Corporations Act, Westgold alone will be entitled to the benefit of the conditions in Section 7(a) of this Annexure B and any breach or non-fulfilment thereof may be relied upon only by Westgold.
- (e) The date for giving the notice required by Section 630(3) of the Corporations Act is <###>2011, subject to extension in accordance with 630(2) if the Option Offer Period is extended.

8. Withdrawal of Option Offer

Westgold may withdraw this Option Offer at any time before you accept it, but only with the consent in writing of the ASIC (which consent may be given subject to such conditions, if any, as are imposed by the ASIC).

9. Variation

Westgold may vary this Option Offer in accordance with Section 650D of the Corporations Act.

10. Stamp Duty or other costs

All costs and expenses of the preparation, dispatch and circulation of this Option Offer and any stamp duty payable in respect of the transfers will be paid by Westgold. No brokerage is payable by you if you accept this Option Offer.

11. Governing law

This Option Offer and any contract that results from your acceptance of this Option Offer are governed by the laws in force in Western Australia.

12. Date of Option Offer

This Option Offer is dated <##> 2011.

Annexure C
Summary of Westgold Options and Aragon Options

Aragon tranche	Key terms of Aragon Options	Total number of Aragon Options on issue	Key terms¹ of Westgold Options	Total number² of Westgold Options to be issued
1	Exercisable at \$0.30 expiring 31/5/2011	1,250,000	Exercisable at \$0.30 expiring 31/5/2011	1,250,000
2	Exercisable at \$0.30 expiring 1/7/2011	100,000	Exercisable at \$0.30 expiring 1/7/2011	100,000
3	Exercisable at \$0.21 expiring 30/11/2012	2,500,000	Exercisable at \$0.21 expiring 30/11/2012	2,500,000
4	Exercisable at \$0.21 expiring 30/11/2013	650,000	Exercisable at \$0.21 expiring 30/11/2013	650,000
5	Exercisable at \$0.22 expiring 24/8/2014	400,000	Exercisable at \$0.22 expiring 24/8/2014	400,000
6	Exercisable at \$0.20 expiring 7/1/2013	1,000,000	Exercisable at \$0.20 expiring 7/1/2013	1,000,000
7	Exercisable at \$0.32 expiring 11/1/2014	1,025,000	Exercisable at \$0.32 expiring 11/1/2014	1,025,000
8	Exercisable at \$0.20 expiring 31/12/2013	17,500,000	Exercisable at \$0.20 expiring 31/12/2013	17,500,000
	TOTAL	24,425,000		24,425,000

Notes

1. Other terms of the Westgold Options offered are set out in Annexure E.
2. On the basis of 1 Westgold Option for every 1 Aragon Option held and assuming 100% acceptance of the Option Offer.

Annexure D
Summary of Stanton's valuations of Westgold Options and Aragon Options

Tranche	Number and terms of existing Aragon Options and new Westgold Options ¹	Value of Aragon Options	Value of Westgold Options	Premium (\$/option)	Premium (%)
1	1,250,000, exercisable at \$0.30 expiring 31/5/2011	\$0.011	\$0.046	\$0.035	318%
2	100,000, exercisable at \$0.30 expiring 1/7/2011	\$0.018	\$0.053	\$0.035	198%
3	2,500,000 exercisable at \$0.21 expiring 30/11/2012	\$0.107	\$0.161	\$0.054	50%
4	650,000 exercisable at \$0.21 expiring 30/11/2013	\$0.129	\$0.182	\$0.053	41%
5	400,000 exercisable at \$0.22 expiring 24/8/2014	\$0.139	\$0.191	\$0.052	37%
6	1,000,000 exercisable at \$0.20 expiring 7/1/2013	\$0.113	\$0.169	\$0.055	49%
7	1,025,000 exercisable at \$0.32 expiring 11/1/2014	\$0.105	\$0.143	\$0.038	36%
8	17,500,000 exercisable at \$0.20 expiring 31/12/2013	\$0.134	\$0.188	\$0.054	40%

Notes

1. Assumes 100% acceptance of the Option Offer.

Assumptions

The values above were determined using the Black Scholes methodology under the following assumptions:

- The date of the valuation for the Aragon Options and the Westgold Options is 4 February 2011 and is based on the closing of an Aragon Share of \$0.24 and of a Westgold Share of \$0.325.
- The term to expiry is calculated from <##> 2011, an indicative date assumed for closure of the Option Offer.
- No dividends are payable by either Westgold or Aragon.
- Annualised volatility of 77% for Aragon Shares calculated from 12 months daily share price movements to 4 February 2011 during which time Aragon Shares traded between \$0.12 and \$0.32.
- Annualised volatility of 62% for Westgold Shares calculated from 12 months daily share price movements to 4 February 2011 during which time Westgold Shares traded between \$0.27 and \$0.445.
- Interest rates assumed for tranches 1 – 8 respectively of the Aragon Options and Westgold Options are: 4.75%, 4.75%, 4.90%, 5.05%, 5.10%, 4.90%, 5.05% and 5.05%.
- The valuations do not necessarily represent the market prices at which the Westgold Options and Aragon Options could be traded.
- The valuations do not necessarily represent the market prices of the respective Aragon Options and Westgold Options for taxation purposes.
- No discount has been applied to reflect the non-listed status of the Westgold Options and Aragon Options.

Annexure E**Terms and conditions of Westgold Options**

- (a) Each Westgold Option entitles the holder to subscribe for one (1) Westgold Share.
- (b) No amount is payable on the grant of the Westgold Options.
- (c) The exercise price and expiry date for the Westgold Options is as set out in column 4 of the table in Annexure C to this Bidder's Statement.
- (d) Any Westgold Option not exercised by their expiry date will automatically expire.
- (e) Westgold must give the optionholder a certificate or holding statement stating the:
 - (i) number of Westgold Options issued to the optionholder;
 - (ii) exercise price of the Westgold Options; and
 - (iii) date of issue of the Westgold Options.
- (f) The Westgold Options are transferable. Subject to the Listing Rules and the Corporations Act, the optionholder may transfer some or all of the Westgold Options at any time before they expire by a:
 - (i) proper ASTC transfer or any other method permitted by the Corporations Act; or
 - (ii) prescribed instrument of transfer.
- (g) An instrument of transfer of a Westgold Option must be: in writing; in any usual form or in any other form approved by the Directors that is otherwise permitted by law; subject to the Corporations Act, executed by or on behalf of the transferor, and if required by the Company, the transferee; and delivered to the Company, at the place where the Company's register of optionholder is kept, together with the certificate (if any) of the Westgold Option to be transferred and any other evidence as the Directors require to prove the title of the transferor to that Westgold Option, the right of the transferor to transfer that Westgold Option and the proper execution of the instrument of transfer.
- (h) The Company will apply to ASX for quotation of the Westgold Shares issued on exercise of Westgold Options.
- (i) The optionholder is not entitled to participate in any new issue to existing shareholders of securities in the Company unless they have exercised their Westgold Options before the "record date" for determining entitlements to the new issue of securities and participate as a result of holding Westgold Shares. The Company must give the optionholder notice of the proposed terms of the issue or offer in accordance with Listing Rules.
- (j) If the Company makes a bonus issue of Westgold Shares or other securities to Westgold Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and no Westgold Share has been issued in respect of the Westgold Option before the record date for determining entitlements to the issue, then the number of underlying Westgold Shares over which the Westgold Option is exercisable is increased by the number of Westgold Shares which the optionholder would have received if the optionholder had exercised the Westgold Option before the "record date" for determining entitlements to the issue.

- (k) If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the optionholder (including the number of Westgold Options to which the optionholder is entitled to and the exercise price) is changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- (l) Any calculations or adjustments which are required to be made will be made by the Company's board of Directors and will, in the absence of manifest error, be final and conclusive and binding on the Company and the optionholder.
- (m) The Company must, within a reasonable period, give to the optionholder notice of any change to the exercise price of any Westgold Options held by the optionholder or the number of Westgold Shares which the optionholder is entitled to subscribe for on exercise of an Westgold Option.
- (n) To exercise Westgold Options, the optionholder must give the Company or its share registry, at the same time:
 - (i) a written exercise notice (in the form approved by the board of the Company from time to time) specifying the number of Westgold Options being exercised and Westgold Shares to be issued;
 - (ii) payment of the exercise price for the Westgold Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment approved by the Company; and
 - (iii) any certificate for the Westgold Options.
- (o) The optionholder may only exercise Westgold Options in multiples of 5,000 Westgold Options unless the optionholder exercises all Westgold Options held by the optionholder.
- (p) Westgold Options will be deemed to have been exercised on the date the exercise notice is lodged with the Directors of the Company.
- (q) If the optionholder exercises less than the total number of Westgold Options registered in the optionholder's name:
 - (i) the optionholder must surrender their Westgold Option certificate (if any); and
 - (ii) the Company must cancel the Westgold Option certificate (if any) and issue the optionholder a new Westgold Option certificate or holding statement stating the remaining number of Westgold Options held by the optionholder.
- (r) Within ten (10) days after receiving an application for exercise of Westgold Options and payment by the optionholder of the exercise price, the Company must issue the optionholder the number of Westgold Shares specified in the application.
- (s) Subject to the Company's constitution, all Westgold Shares issued on the exercise of Westgold Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.
- (t) These terms and the rights and obligations of the optionholder are governed by the laws of Western Australia. The optionholder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Annexure F**ASIC Modification**

11-0149

**Australian Securities and Investments Commission
Corporations Act 2001 – Paragraph 655A(1)(b) – Declaration**

Under paragraph 655A(1)(b) of the *Corporations Act 2001 (Act)*, the Australian Securities and Investments Commission (*ASIC*) declares that Chapter 6A of the Act applies to the person specified in Schedule A in the case specified in Schedule B as if:

- (a) subsection 605(2) of the Act were modified or varied by:
 - (i) deleting “or” at the end of paragraph (a);
 - (ii) deleting “.” at the end of paragraph (b) and replacing it with “; or”; and
 - (iii) inserting the following new paragraph after paragraph (b):
 - “(c) they are options which have different exercise prices and exercise dates.”;
- (b) subsection 618(1) were modified or varied by inserting the words “or compensate the holders of such securities for the cancellation, surrender or forfeiture of” after the word “buy” were it first appears in that subsection;
- (c) subsection 619(2) was modified or varied by:
 - (i) deleting “.” at the end of paragraph (e) and substituting “; and”; and
 - (ii) inserting the following paragraph after paragraph (e):
 - “(f) any differences in the offers attributable to the fact that the offers relate to options which have different exercise prices or different exercise dates.”.

Schedule A

Westgold Resources Limited ACN 009 260 306 (*Bidder*)

Schedule B

1. Where the Bidder makes an off-market bid to acquire 8 tranches of approximately 24,425,000 options being options over unissued ordinary shares in Aragon Resources Limited ACN 114 714 662 (*Target*) in respect of which the bidder's statement will be lodged with ASIC on 21 February 2011.
2. The consideration offered by the Bidder for different classes of options over unissued shares in the Target is equitable having regard to the different exercise prices and expiry dates of the different options.

Dated: 21 February 2011


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Signed by Michelle Cobb, as a delegate of the
Australian Securities and Investments Commission

Westgold Corporate Directory

Directors

Michael Atkins (Chairman)
Andrew Beckwith
Peter Cook
Warren Hallam
Paul Cmrlec

Company Secretary

Andrew Chapman

Registered & Principal Office

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Auditor

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Share Registry

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Westgold / Aragon Shareholder Information Helpline

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