



ASX/MEDIA ANNOUNCEMENT

5 June 2009

## **Norton posts major milestone: Homestead Underground Mine opening**

Norton Gold Fields Limited, one of the largest ASX-listed (ASX: **NGF**) Australian gold producers, today posted a major milestone in its production ramp up with the opening of its Homestead Underground Mine near Kalgoorlie.

The Homestead Underground Mine was officially opened today by the Honourable Norman Moore MLC, Minister for Mines and Petroleum, and John Bowler MLA, Member for Kalgoorlie.

The \$13 million, high-grade mine is due to be in production before the end of the calendar year and will add 60 long-term jobs to the current total of 165 at Norton's Paddington operations near Kalgoorlie.

"Homestead is a major plank in Norton's growth plans in the Goldfields. The mine will drive a significant increase in production at Paddington. It opens up the Mount Pleasant Gold Camp which is expected to deliver approximately 50,000 oz pa, in addition to 150,000 oz pa from base load open cut operations at Paddington," Managing Director, Jon Parker, said.

The project is north-west of Kalgoorlie 18 kilometres from the Paddington mill. It is based on a high grade ore body that is expected to deliver plus 6 g/t mill feed grade and lift production at Paddington to approximately 200,000 oz pa, and reduce unit costs.

On site to open the Homestead Underground development, Minister Norman Moore said the expansion of Paddington was a positive sign for the industry and a vote of confidence for the Goldfields and the regional community.

"It is encouraging to see continued growth in the Western Australian resources industry, and that, notwithstanding the current global economic climate, there is an optimistic outlook that is driving new developments such as this," Mr Moore said.

"The gold industry in Western Australia has showed its long-term strength, and it is continuing to provide revenue and employment for regional areas and the State", he added.

Capital costs have been minimized by using existing infrastructure plus infrastructure assets acquired from a recent mine closure. Total cash costs are estimated at less than A\$600 per oz. Access to the ore body will be from a twin decline 1,300 metres from a portal in the depleted Quarters open cut mine.



"Paddington is a long life mine, with the current life of mine plan covering the first ten years of production. The opening of our first underground operations is another great milestone for the Company, and we look forward to continuing to grow in the region over the coming years," Mr Parker said.

Visit us at [www.nortongoldfields.com.au](http://www.nortongoldfields.com.au)

**For further information**

Jon Parker  
Managing Director  
Norton Gold Fields Limited  
+61 (0) 7 3846 9200  
[jparker@nortongoldfields.com.au](mailto:jparker@nortongoldfields.com.au)

Warrick Hazeldine  
Purple Communications  
+61 (0) 417 944 616  
[whazeldine@purplecom.com.au](mailto:whazeldine@purplecom.com.au)