



ASX/MEDIA ANNOUNCEMENT

15 March 2011

Norton Completes Sale of Coal Projects – Reduces Debt

Norton Gold Fields Limited (ASX: **NGF**) (“Norton”), is pleased to announce formal completion of the sale of EPC 1033, comprising Norton’s Sienna and Electra coal projects, to Boardwalk Sienna Pty Ltd.

Norton announced the Sale and Purchase Agreement on 17 December 2010, for a total consideration of \$30 million.

Norton’s Managing Director, Andre Labuschagne said: “This is a very positive outcome for the Company allowing us to extract significant value from a non-core asset and leaving Norton with a 100% gold focus.”

“To ensure an efficient use of Norton’s surplus cash, we will use just over \$13 million to immediately reduce our debt to approximately \$85 million.”

The Company received \$0.5 million upon signing of the binding agreement on 17 December 2010, \$14.5 million (Tranche 1) was received yesterday (14th March), and two further Tranches totalling \$15 million (Tranche 2 for \$5 million on 22 February 2012 and Tranche 3 for \$10 million on 14 March 2013) are still to be paid.

ENDS

Further information

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About Norton

Norton Gold Fields Limited is a mid-tier, ASX-listed, unhedged gold producer.

In FY2010, Norton produced approximately 140,000 oz of gold from its open cut and underground operations at Paddington, near Kalgoorlie in Western Australia. The Company is forecasting production in FY2011 between 155,000 oz and 160,000 oz of gold. The Paddington operations include a 3.0 Mt pa processing facility.

Norton has recently added two new mining operations, the Homestead underground mine and the Navajo Chief open cut, to supply ore to its processing facility.

The Company holds extensive granted mining and exploration leases in the pre-eminent Kalgoorlie goldfields, with a landholding of 1,050 km². The Paddington operations have a current Mineral Resource of 5.8M oz, of which some 1.2M oz is classified as Reserves, for a mine life in excess of ten years.

The Company continues to assess development options for its Mount Morgan Mine Project in Queensland. The project has all the requisite regulatory approvals and subject to suitable funding being arranged, can be in operation within 12 months producing between 30,000 to 35,000 oz pa.

Norton's growth will come from optimising existing operations and acquiring, developing and operating assets.

For more information, please visit our website: www.nortongoldfields.com.au

