



# Paddington Life of Mine Plan

1 July 2009

## Life of mine concept

**The Life of Mine Plan (LoM)** sets out a ten-year mining program that will underpin planning decisions and provide guidance for Paddington operations. It will be updated progressively as exploration and assessment work comes to hand.

**This 1 July 2009 LoM** is based on the resource position at 30 June 2009 of a 1.24 million ounce Ore Reserve and an additional 4.89 million ounce Mineral Resource. The LoM is detailed on a monthly basis for the first two years, quarterly for the subsequent two years, and annually for the last six. This document presents an annualised summary.

**The LoM concept** involves supplying 3.3 million tonnes a year to the Paddington CIP plant. Open cut mining to supply a base-load of up to 2.9 and produce 150,000 oz of gold (1.65 g/t head grade, 94% recovery). Underground projects - Homestead is the first - will supply over 400,000 tonnes per year of high grade feed to supplement base-load open cut feed. Underground operations, together with high grade small mining projects, are expected to generate up to an additional 100,000 oz pa.

The Paddington tenement area of 1,250 km<sup>2</sup> contains over 130 known projects of which 78 have been the subject of modern exploration. The Resource Statement contained in this document covers 25 of them. Projects are classified by geological prospectivity and economic potential to give a 'Best-10' and 'Next-10'. This provides focus for exploration, assessment and development work.

Paddington's annual exploration budget of around \$8M is aimed at improving the definition of these resources and strengthening the LoM.

Paddington's approach to stepping up production of gold and reducing unit costs involves:

*Base load feed:* Large long-life projects that provide the primary source of mill feed.

*Ore hardness:* Target is 60%:40% hard to soft ore - milling rates and costs depend on ore hardness.

*Location:* Closeness to Paddington mill and Kalgoorlie - haulage and mining costs are location dependent.

*Supplementary feeds:* Ore bodies, generally smaller than base-load deposits, with high margins.

In addition to projects in the LoM, several advanced projects are under exploration and consideration for development. Where an advanced project proves a better option than a current project it will displace that project in the LoM.

**Subsequent pages summarise:**

- Resource Statement
- 10-year project development schedule
- 10-year Mine Plan
- Each project that is part of the LoM.

## Paddington Resource Statement: Ore Reserve (30 June 2009)

Project	Proven			Probable			Total Reserve		
	Mt	g/t	oz	Mt	g/t	oz	Mt	g/t	oz
Havana				1.12	1.98	71,000	1.12	1.98	71,000
Enterprise				5.25	2.07	349,000	5.25	2.07	349,000
Janet Ivy				2.16	1.51	105,000	2.16	1.51	105,000
Waldon				0.76	2.19	53,000	0.76	2.19	53,000
Green Gum				1.39	2.47	110,000	1.39	2.47	110,000
Homestead				0.36	8.90	104,000	0.36	8.90	104,000
Navajo Chief				2.90	1.38	129,000	2.90	1.38	129,000
Rose West				0.24	1.97	15,000	0.24	1.97	15,000
Golden Flag				0.26	2.50	21,000	0.26	2.50	21,000
Federal				1.73	1.88	105,000	1.73	1.88	105,000
Mulgarrie				0.64	3.53	73,000	0.64	3.53	73,000
Stockpiles				3.92	0.82	103,000	3.92	0.82	103,000
<b>Total Reserve</b>				<b>20.74</b>	<b>1.86</b>	<b>1,239,000</b>	<b>20.74</b>	<b>1.86</b>	<b>1,239,000</b>

## Paddington Resource Statement: Mineral Resource (includes Ore Reserve) (30 June 2009)

Project	Measured			Indicated			Inferred			Total Resource		
	Mt	g/t	oz	Mt	g/t	oz	Mt	g/t	oz	Mt	g/t	oz
Havana				5.35	1.87	323,000	0.28	1.77	16,000	5.64	1.87	339,000
Enterprise				10.27	2.27	749,000	5.10	1.75	287,000	15.37	2.10	1,037,000
Mulgarrie				1.05	3.22	109,000	0.44	2.72	39,000	1.49	3.07	147,000
Federal				3.74	1.92	231,000	2.99	2.10	202,000	6.73	2.00	433,000
Golden Flag				0.43	2.10	29,000	0.33	1.92	20,000	0.76	2.02	49,000
Mt Pleasant				2.81	2.42	219,000	8.47	2.95	803,000	11.27	2.82	1,021,000
Rose West				0.46	1.80	27,000	0.03	1.81	2,000	0.50	1.80	29,000
Natal							0.38	2.46	30,000	0.38	2.46	30,000
Janet Ivy				5.02	1.41	228,000	2.36	1.49	113,000	7.38	1.44	341,000
BLC	0.24	1.30	10,000	6.49	1.35	282,000	3.80	1.27	155,000	10.52	1.32	447,000
Robinsons				1.35	1.64	71,000	0.45	1.18	17,000	1.80	1.52	88,000
Waldon				1.12	2.31	84,000	0.35	2.57	29,000	1.47	2.37	112,000
Jakarta				1.77	1.15	65,000	0.42	1.02	14,000	2.19	1.13	79,000
Green Gum				2.29	2.56	188,000	0.23	4.79	35,000	2.52	2.76	224,000
Homestead UG				0.42	14.00	188,000				0.42	14.00	188,000
Tuart UG				0.44	5.29	75,000	0.34	6.80	74,000	0.78	5.95	150,000
Lady Bountiful Extension							4.20	1.41	190,000	4.20	1.41	190,000
Fort William				0.23	2.20	16,000	1.78	1.26	72,000	2.00	1.37	88,000
Navajo Chief				4.16	1.46	195,000	4.10	1.30	171,000	8.25	1.38	366,000
Apache							0.63	1.67	34,000	0.63	1.67	34,000
Ben Hur (1,2,3)				3.60	1.20	139,000	5.68	2.08	381,000	9.29	1.74	520,000
Pitman South							0.10	2.20	7,000	0.10	2.20	7,000
Walsh							0.22	1.69	12,000	0.22	1.69	12,000
Walsh North							0.20	1.85	12,000	0.20	1.85	12,000
Liberty West							0.54	1.94	34,000	0.54	1.94	34,000
Stockpiles				3.92	0.82	104,000	1.40	1.09	49,000	5.32	0.89	153,000
<b>Total Mineral Resource</b>	<b>0.24</b>	<b>1.30</b>	<b>10,000</b>	<b>54.94</b>	<b>1.88</b>	<b>3,321,200</b>	<b>44.82</b>	<b>1.94</b>	<b>2,799,000</b>	<b>100.00</b>	<b>1.91</b>	<b>6,129,000</b>



Paddington Ten -Year Mine Plan <sup>(1)</sup>												
		2009A	2010E	2011E	2012E	2013E	2014E	2015E	2016E	2017E	2018E	2019E
		Actual	Base Mine Plan <sup>(2)</sup>				Extended Mine Plan <sup>(3)</sup>					
<b>Open cut</b>												
Ore mined & milled	(Mt)	3.21	3.14	2.82	2.82	2.90	2.90	2.90	2.90	2.90	2.90	2.90
Gold grade	(g/t)	1.45	1.66	1.56	1.63	1.72	1.72	1.64	1.67	1.78	1.67	1.57
Recovery	%	90.7 <sup>(4)</sup>	94	94	94	94	94	94	94	94	94	94
<b>Open cut gold produced</b>	<b>(koz)</b>	<b>135</b>	<b>156</b>	<b>133</b>	<b>139</b>	<b>151</b>	<b>151</b>	<b>144</b>	<b>146</b>	<b>156</b>	<b>146</b>	<b>138</b>
<b>Underground</b>												
Ore mined & milled	(Mt)		0.13	0.44	0.44	0.44	0.48	0.48	0.48	0.48	0.40	0.48
Gold grade	(g/t)		6.92	6.95	6.60	6.40	6.20	6.00	6.00	6.50	7.50	7.50
Recovery	%		94	94	94	94	94	94	94	94	94	94
<b>Underground gold produced</b>	<b>(koz)</b>	<b>0</b>	<b>27</b>	<b>92</b>	<b>90</b>	<b>91</b>	<b>90</b>	<b>87</b>	<b>87</b>	<b>94</b>	<b>91</b>	<b>109</b>
<b>Annual gold production</b>	<b>(koz)</b>	<b>135</b>	<b>183</b>	<b>225</b>	<b>229</b>	<b>242</b>	<b>241</b>	<b>231</b>	<b>233</b>	<b>250</b>	<b>237</b>	<b>247</b>

(1) Mine Plan does not include small high grade mining projects that will replace base-load feed and improve production and margin.

(2) Base mine plan mines projects listed in ore the reserve statement over the next 4 year period.

(3) Extended mine plan includes projects in the resource statement with an assumed conversion rate of 60% of resource to reserve.

(4) Includes 2 carbonaceous shale production runs at 69% recovery, normal plant recovery excluding shale was 93.5%.

## Havana



Havana, 12 km north east of the mill and 37 km north of Kalgoorlie, is an operating open cut mine producing base-load hard ore.

Stages 1 and 2 have been completed, Stage 3, started in January 2009, has been pre-stripped (25m) and will deliver 1.1 Mt of mill feed at 2.02g/t to produce 68 koz.

The overall strip ratio is 7.3:1, pre-stripping has resulted in a remaining strip ratio of 4.8:1.

The mine will be depleted in March 2010.

## Mineral Resource (includes Ore Reserve)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
5.35	1.87	323	0.28	1.77	16	5.64	1.87	339

## Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
			1.12	1.98	71	1.12	1.98	71

Gold mineralisation at Havana is structurally controlled by brittle fractures developed in a medium-grained biotite-hornblende granodiorite. Mineralisation occurs within two main shoots which trend towards the NW and dip at about 60° to the NE. Gold is hosted in narrow pyrite veins. The veins are up to 1cm wide, but most commonly are only pyrite linings on fracture surfaces. The overall grade is primarily a function of vein density.

## Project concept

The project concept involves staged pre-stripping and mining with excavators and trucks. Stage 3 has been pre-stripped to 310mRL (final depth 225mRL).

The small fleet (PC1250 and 5x777 dump trucks) will replace the large fleet (RH120 and 5x785 dump trucks) in August 2009 as the pit deepens and working space decreases.

The mine design reflects experience from Stage 1. The pit is to be 140m deep with a ramp width of 25m to the 290mRL reducing to 16m at the base of pit. Initial face slopes of 50° to 55° in the weathered zone increase as material becomes more competent. The eastern wall has 65° face slopes and 5m berms to 310mRL, with 85° batter slopes and 15m berms over 20m vertical spacings from the 310mRL to the base of pit. The Western wall has 65° to 70° slopes with 5m berms. Blasting will be at 10m intervals wherever practical without compromising ore quality, but otherwise may be reduced to 5m.

Waste from Stages 1&2 was placed in the completed Suva Pit and surface dumps. Stage 3 waste will be backfilled into the completed Stage 1 pit.

Ore is hauled to the mill via existing haul roads. Power is supplied via diesel powered gensets, and potable water is delivered in tankers. Mine water is pumped to the nearby Federal pit and settled out before being reclaimed via a standpipe for use in dust suppression.

All required approvals are in place. There are no Native Title or environmental issues.

The operating team comprises a mine superintendent, geologist, surveyor, production engineer (shared 50%), shift supervisors and operating crew.

Total cash costs are estimated at A\$605 per oz.

The resource has performed to expectations.

Geological, geotechnical and other project risks are low.

## Waldon



Waldon, 25 km south east of the mill and 20 km north east of Kalgoorlie, is planned to be developed as an open cut mine producing soft and hard ore to supplement base-load feed.

The deposit is within Barrick's Red Hill tenement package - Paddington's right to mine for the area expires in late 2010.

Mining operations are due to start 1 August 2009 and run until October 2010. It has a 25m pre-strip, an 8:1 strip ratio and is to deliver 0.9 Mt of mill feed at 2.0 g/t to produce 59 koz over 15 months.

The mine lies adjacent to the Robinsons and BLC open cut pits that were completed in FY2009.

## Project concept

The project concept involves pre-stripping oxide overburden with scrapers and mining the ore with excavators and trucks. This minimises overburden removal costs and enables the mining fleet to work elsewhere.

The scraper fleet (contractor, 5x651 scrapers) will be replaced by a small fleet (PC1250, 5x777 dump trucks) when the oxide pre-strip is complete.

The mine design reflects experience at the nearby completed BLC and Robinsons pits. The pit will be 100m deep with 55° face slopes in oxide to 320mRL (47m depth), 60° to 300 RL, and 70° in fresh rock. 5m wide berms will be located every 20 vertical metres. Overall slope is 37° on the footwall side (NW wall) and 43° on the hanging wall side. Blasting will be at 10m intervals in oxide and 5m to 10m in fresh rock. Ore will generally be mined in 2.5m flitches. Two pit exits will enable dumping into both Robinsons and BLC pits.

Waste will be backfilled by scrapers into both Robinsons and BLC completed pits. The priority is to backfill Robinsons to within 1.5m of natural surface and cap with fresh rock before the Waldon pit is complete. Waste placed in BLC will be capped with fresh rock to approximately 1m above natural surface to allow for long-term compaction. This will satisfy our environmental obligations under the right to mine agreement.

Run of mine ore will be placed on the existing Robinsons ore pad then hauled to the mill via the existing Red Hill haul road. Infrastructure and services are in place to allow operations to begin.

A contract supervisor and operating crew will complete the pre-strip. The operating team will comprise a mine superintendent, geologist, surveyor, production engineer (shared 50%), shift supervisors and operating crew.

Total cash costs are estimated at A\$710 per oz (Yr1 A\$816 per oz, Yr2 A\$500 per oz).

All required approvals are in place. There are no Native Title or environmental issues.

Geological, geotechnical and other project risks are low.

## Mineral Resource (includes Ore Reserve)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
1.12	2.31	84	0.35	2.57	29	1.47	2.37	112

## Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	Koz
			0.76	2.19	53	0.76	2.19	53

Mineralisation occurs as both supergene and primary ore within an ultramafic unit. Primary mineralisation is hosted by several structurally controlled, moderate southeast dipping lodes.

Supergene ore lies in two flat lying blankets up to 5m thick beneath a 25m depleted zone, forming a cap to the underlying primary ore zones.

## Janet Ivy



Janet Ivy, 33 km south of the mill and 10 km west of Kalgoorlie, is being developed as an open cut mine to deliver base-load hard ore.

Stage 1 operations are due to start 1 August 2009 and initially run until March 2011. It has a 3m pre-strip, a 3:1 strip ratio and will deliver 2.2 Mt of mill feed at 1.3 g/t to produce 89 koz over two years.

Stage 2 is based on defined extensions at depth and along strike. It is expected to deliver 2.0 Mt of similar grade and produce 89 koz over two years.

There is potential to extend mine life.

Janet Ivy is a long life, base-load mine.

### Mineral Resource (includes Reserves)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
5.02	1.41	228	2.36	1.49	113	7.38	1.44	341

### Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	Koz
			2.16	1.51	105	2.16	1.51	105

Janet Ivy is a porphyry ore body, close to the surface, approximately 2.5 km long, up to 150 m wide and open at depth. It is free milling material comprising 86% fresh rock and 14% oxide.

The deposit is open at depth and along strike with high grade vein clusters and fracture zones. These will be in focus for deeper resource definition drilling.

## Project concept

The project concept involves pre-stripping and mining with excavators and trucks. Phased development will minimise cash drawdown, strengthen early ore delivery and enable backfilling as well as progressive mine optimisation.

A larger fleet will replace the initial fleet when the start-up pit is complete.

The mine design reflects experience at the nearby depleted Fort William pit. The pit will be 65m deep with 80° face slopes, 5m berms and 20m vertical spacings. The overall slope is flatter due to the east and west walls which are in sedimentary material. Blasting will be at 10m intervals, material will be mined in 3 x 3.5m flitches.

The final optimal mine design will be determined by grade control drilling, avoidance of ore sterilisation and a partial replacement where higher value projects are brought forward as part of the LOM. Stage 2 will deepen the pit.

Waste will be stored on a waste dump immediately to the west of the pit and east of Fort Scott mineralisation.

Ore will be hauled to the mill via a new 33 km haul road. Power and water access are good due to the project's proximity to town and the highway. Infrastructure being set up was largely to hand and will service future Kalgoorlie West projects.

The mining lease is on low grade pastoral land, all development approvals are in place, there are no Native Title or environmental issues.

The operating team will comprise a mine superintendent, geologist, surveyor, production engineer (50%), shift supervisors and operating crew.

The initial capital budget of \$2.5M covers haul road construction, site infrastructure and services, pre-strip and environmental bonds.

Cash costs are estimated at A\$859 per oz (Yr1A\$1,012 per oz, Yr2 A\$666 per oz).

Geotechnical and other project risks are low.

Janet Ivy can be turned on and off as better ranked sources of alternative mill feed become available.

## Navajo Chief



Navajo Chief, 39 km south of the mill and 8 km west of Kalgoorlie, is planned to be developed as an open cut mine to deliver base-load soft ore.

Stage 1 operations are due to start in January 2010 and run until June 2012. It has a 30m pre-strip, a 5:1 strip ratio and will deliver 3.3 Mt of mill feed at 1.6 g/t to produce 168 koz over three years.

Stage 2 is based on defined extensions along strike. It is expected to deliver 4.0 Mt of similar grade and produce 205 koz over four years.

There is potential to extend mine life further at depth and along strike.

Navajo Chief is a long life, base-load mine.

## Project concept

The project concept involves pre-stripping using alternative mining techniques including conveying waste out of the pit. Scrapers, trap dozing and loaders are being assessed with the aim of ensuring minimal cash drawdown and high mining rates. Staged development will support early cash flow generation from ore delivery.

A large fleet (RH120, 5x785 dump trucks) will replace the initial fleet when pre-stripping is complete.

The mine design, which reflects experience at existing mines in the area, will incorporate graduated batter angles from 60° near surface to 70° below 50m vertical depth. Berms are designed to 20m vertical spacing and 5m width. Blasting will be at 10m intervals, material will be mined in 3 x 3.5m flitches. Stage 2 will lengthen and widen the pit.

Waste will be conveyed to a depleted open pit 1.5 km to the south east.

Ore will be hauled to the mill via the new Janet Ivy haul road. Power and water access are good due to proximity to town and the highway. A centralised office complex in place at Janet Ivy will be utilised, a transportable workshop will be installed to service equipment.

The mining lease is on vacant crown land and has been subject to significant mining operations in the past. All access roads are in place. Development approvals are on track and there are no environmental or Native Title issues.

The operating team will comprise a mine superintendent, geologist, surveyor, production engineer (shared 50%), shift supervisors and operating crew.

An estimated capital cost of \$4.5M covers conveyor installation, site infrastructure, services and environmental bonds.

Total cash costs are estimated at \$782 per oz.

Based on previous mining, geological, geotechnical and other project risks are low.

Past mining in the area showed good resource-mine-mill reconciliation.

## Mineral Resource (includes Reserves)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
4.16	1.46	195	4.10	1.30	171	8.25	1.38	366

## Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
			2.90	1.38	129	2.90	1.38	129

Navajo Chief is a sediment hosted ore body, approximately 2 km long and 400m wide. Primary mineralisation is associated with quartz-sericite-hematite alteration and vein stock work. The ore is free milling and predominantly oxide and transitional in nature.

## Enterprise



Enterprise, 38 km North West of the mill and 68 km North West of Kalgoorlie, is planned to deliver base-load hard ore.

Feasibility studies for both open cut and underground development are well advanced and will be the basis for deciding the optimal mining method.

Operations are currently planned to start in January 2011 and run until June 2017 delivering up to 1 Mtpa of mill feed and producing 495 koz over 7 years.

Mill feed grade will be from 1.9 g/t to 3.5 g/t depending on the final mine plan.

There is potential to extend mine life at depth.

### Mineral Resource (includes Reserves)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
10.27	2.27	749	5.10	1.75	287	15.37	2.10	1,037

### Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
			5.25	2.07	349	5.25	2.07	349

Enterprise is hosted by units of the Enterprise dolerite sill and comprises a breccia cap with underlying quartz stockwork. Mineralisation is controlled by the intersection of two north east trending structures with the dolerite sill. The ore zone forms a shallow west plunging pipe, measuring up to 300m x 100m in elliptical dimension.

## Project concept

There are three development options - open cut, underground and a combination of both - each involves staged development.

The open cut concept involves pre-stripping overburden using alternative mining techniques and conveying waste out of the pit. Choice of scrapers, trap dozing or loaders will be decided after trials at Navajo Chief with the aim of ensuring minimal cash drawdown and high mining rates. Waste will be conveyed to a depleted open pit.

A large fleet will replace the initial fleet once the overburden is removed.

The underground concept involves developing a decline from the bottom of the current Enterprise pit and using sublevel caving to extract ore. Waste will be used for backfill or stored in the Enterprise pit.

**General:** Ore will be hauled to the mill via an existing 38 km haul road. Enterprise is close to the Ora Banda township and will be serviced via power and water infrastructure plus mining infrastructure that is already in place. There are no Native Title or environmental issues. Prompt approvals are expected due to recent mining activity in the area.

No further definition or geotechnical drilling is required. A metallurgical test work program will be completed on existing drill core to confirm material characteristics, recoveries and reagent consumption.

A completed scoping study is a key input for the underground and open cut feasibility studies due for completion in CY2009.

Enterprise is one of the largest undeveloped gold projects in the Goldfields. It has the potential to be brought forward and strengthen the LoM by displacing lower grade or higher cost mill feed.

## Federal open cut



Federal, 12 km north east of the mill and 37 km north of Kalgoorlie, is planned for development as an open cut mine to deliver base-load hard ore.

Operations are due to start May 2017 and run until June 2019. It has a 25m pre-strip, a 7:1 strip ratio and will deliver 1.4 Mt of mill feed at 1.9 g/t to produce 84 koz over two years.

There is potential to extend mine life at depth and along strike.

The LoM also has a Federal underground pit being developed from the base of the existing Federal open cut.

### Mineral Resource (includes Reserves)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
3.74	1.92	231	2.99	2.10	202	6.73	2.00	433

### Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	Koz
			1.73	1.88	105	1.73	1.88	105

The Federal deposit is hosted by a biotite-hornblende granodiorite intrusive. Mineralisation is controlled by a northwest trending fault zone and is associated with pyritic vein sets, the density of these vein sets being the dominant control on gold grade.

## Project concept

The project concept involves pre-stripping and mining with excavators and trucks. There is scope to use scrapers or dozer push to remove waste overburden and this will be assessed as part of a planned feasibility study.

The preliminary mine design draws on experience at the nearby Havana pit and shows an overall slope of 50°, 20m vertically between berms, berm widths of 5m to 7m and a 70° batter angle.

Waste will be stored in the depleted Havana Stage 3 pit.

Ore will be hauled to the mill using haul roads currently in use for Havana. Havana infrastructure will be utilised to minimise capital expenditure. There are no Native Title or environmental issues, prompt approvals are expected due to recent mining activity in the area.

Metallurgical test work has indicated recoveries of 94.5%.

The operating team will comprise a mine superintendent, geologist, surveyor, production engineer (shared 50%), shift supervisors and operating crew.

Geotechnical and other project risks are low.

Past mining in the area showed good resource-mine-mill reconciliation.

A completed scoping study is a key input for the feasibility study due for completion in CY2009.

## Homestead underground



Homestead, 18 km south west of the mill and 28 km north east of Kalgoorlie, is being developed as an underground mine to deliver high grade hard ore.

Development began in April 2009, with stoping planned to start in December.

Stage 1 will deliver 0.6 Mt of mill feed at 6.9 g/t to produce 128 koz over two years.

The ore body is open along strike north and south and at depth. There has been limited drilling in these areas.

It is anticipated that ore body extensions (subsequent stages) will deliver an additional 0.44 Mt per year at similar grades over a further 2-years.

### Mineral Resource (includes Reserves)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
0.42	14.02	188				0.42	14.02	188

### Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	Koz	Mt	g/t	koz
			0.36	8.90	104	0.36	8.90	104

Primary mineralisation is hosted within laminated veins, located near the Bent Tree and Victorious Basalt contact. The veins trend 75° towards 250° an average width of 1.5 metres thick. The top of economic mineralisation of VN01 and VN02 is approximately 150m below surface and extends 220m and 80m respectively.

## Project concept

The project concept involves twin decline development from the existing Quarters pit. The decline enables use of existing infrastructure, rapid straight decline development, access to additional ore bodies in the future, and early access to high tonnage, high grade ore.

The twin declines commence at the 242mRL in the Quarters pit and progress 1,300m south, at a gradient of 1:7, intersecting Homestead at the 8 Level(60mRL). Access is via a single portal. The parallel vent decline will link back into the existing vent rise at Quarters to form the mine's main return airway. This decline will also become a second means of egress from underground workings.

The main decline will intersect the ore body then progress up and down to the vertical extents of the mine. A series of drives and rises will be developed to link back into the ventilation decline to complete the mine's return airway. Ore drives will be developed using 2 single-boom jumbos as the decline progresses, spaced 15m vertically from floor to floor.

Stoping will be by a conventional overhand method to mine the near vertical orebody. The open stopes will be progressively backfilled using mullock generated from the mine's waste development. Full extraction will be achieved with the use of cemented rock fill to form permanent pillars throughout the ore body.

Ore will be hauled to the mill via existing haul roads. All infrastructure and approvals are in place, there are no Native Title or environmental issues.

The operating team will comprise a mine superintendent, geologist, surveyor, production engineer, shift supervisors and operating crew. The decline development is being completed on contract.

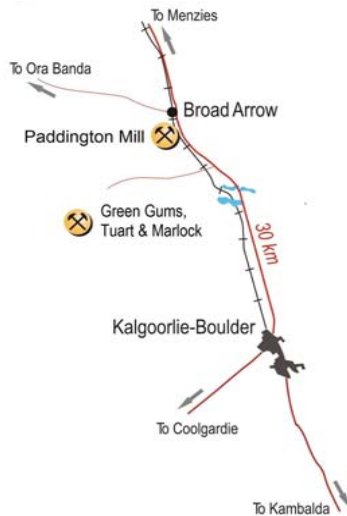
Geotechnical and other project risks are low.

The initial capital budget of \$13.1M covers decline development and infrastructure set up.

Total cash operating costs are estimated at \$598 per oz.

Progress as at 30 June 2009 is ahead of plan for both time and costs.

## Tuart underground



Tuart, 12 km south west of the mill and 28 km north east of Kalgoorlie, is being developed as an underground mine to deliver high grade hard ore.

Development off the Homestead decline is due to commence in December 2011 with stoping commencing in March 2012. It will deliver 0.72 Mt of mill feed at 6.0 g/t to produce 150 koz over two years.

The ore body is open along strike east and west and at depth. There has been limited drilling in these areas.

It is anticipated that the ore body extensions will deliver an additional 0.44 Mt per year at similar grades over a further 2-year mine life.

### Mineral Resource (includes Reserves)

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
0.44	5.29	75	0.34	6.80	74	0.78	5.95	150

### Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz

Mineralisation is hosted by three structures within the Bent Tree Basalt unit, the 060, 080 and 115 lodes. True widths of mineralisation range from 0.5m up to 4m. Mineralisation within the 080 and 060 lodes occurs in the form of laminated quartz veins. Mineralisation in the 115 lode occurs as a shear hosted quartz-pyrite breccia with a biotite-carbonate alteration halo and accessory galena and sphalerite.

## Project concept

The project concept involves jumbo development from the existing Homestead decline 300m west along strike to the ore body. Mine design will reflect experience at Homestead and operations will be combined.

The main decline will intersect the ore body then will progress up and down to the vertical extents of the mine.

Ore drives will be developed using 1 single-boom jumbo as the decline progresses, spaced 15m vertically from floor to floor.

Stoping will be by a conventional overhand method to mine the near vertical orebody. The open stopes will be progressively backfilled using mullock generated from the mine's waste development. Full extraction will be achieved with the use of cemented rock fill to form permanent pillars throughout the ore body.

Ore will be hauled to the mill via existing haul roads. All infrastructure and approvals are in place, there are no Native Title or environmental issues.

The operating team will comprise a mine superintendent, geologist, surveyor, production engineer, shift supervisors and operating crew. The decline development is being completed on contract.

Geotechnical and other project risks are moderate.

The initial capital budget of \$2.2M covers decline development.

The completed scoping study is a key input for the feasibility study due for completion by March 2010.

## Federal underground



Federal, 12 km north east of the mill and 37 km north of Kalgoorlie, is planned to be developed as an underground mine to deliver base-load hard ore.

Decline development is due to commence in February 2016 with stoping commencing in July 2016. It will deliver 0.72 Mt of mill feed at 7.5 g/t to produce 174 koz over two years.

The ore body is open at depth. There has been limited drilling targeting the north plunging shoots.

It is anticipated that ore body extensions will deliver an additional 0.48 Mt per year at similar grades over a further 1-year mine life.

### Mineral Resource (includes Reserves)\*

Indicated			Inferred			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
3.74	1.92	231	2.99	2.10	202	6.73	2.00	433

### Ore Reserve

Proven			Probable			Total		
Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz

The intersection of the main vein sets plunges to the north within the main steep north-westerly dipping shear zone. It is believed to be the principal control on a series of north plunging high grade lodes. Mineralisation is controlled by a northwest trending fault zone and is associated with pyritic vein sets, the density of these vein sets being the dominant control on gold grade.

## Project concept

The project concept involves decline development from the existing Federal open cut pit. A portal will be established in the south end to allow the open pit cutback to proceed to the north.

The mine design reflects experience at the Homestead underground. A spiral decline will be developed using a single boom jumbo. Ore drives will be developed using a single-boom jumbo as the decline progresses, spaced 15m vertically from floor to floor.

Stoping will be by a conventional overhand method to mine the near vertical orebody. The open stopes will be progressively backfilled using mullock generated from the mine's waste development. Full extraction will be achieved with the use of cemented rock fill to form permanent pillars throughout the ore body.

Ore will be hauled to the mill via existing haul roads. Infrastructure and services in place at Havana will be utilised. There are no Native Title or environmental issues. Approvals are expected to be prompt due to the operational mines in the area.

The operating team will comprise a mine superintendent, geologist, surveyor, production engineer, shift supervisors and operating crew. The decline development will be completed on contract.

Geotechnical and other project risks are moderate and will be assessed during the feasibility study.

Further ore definition and extensional drilling is planned for 2010.

A completed scoping study will be a key input for a feasibility study due for completion by June 2010.

\*The current Mineral Resource combines open cut and underground material at Federal.

## Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information compiled by Andrew Bewsher and Peter Ruzicka. The information in this report that relates to Mineral Reserves is compiled by Ian Paynter. In some instances material relating to historical resource models material is reported, these models have been reviewed and validated by Peter Ruzicka.

Andrew Bewsher is a member of the Australian Institute of Geoscientists and a full-time employee of BM Geological Services PL, a consulting group to Norton Gold Fields Limited. Peter Ruzicka and Ian Paynter are members of the Australian Institute of Mining and Metallurgy and full-time employees of Norton Gold Fields Limited.

Messrs. Bewsher, Ruzicka and Paynter all have sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report, and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Andrew Bewsher, Peter Ruzicka and Ian Paynter all consent to the inclusion in this report of matters based on their information in the form and context in which it appears.