

Paddington Operations	ANNUAL Jan - Dec 2014 Guidance	6-MONTHS Jan - Jun 2014 Actual	3-MONTHS Apr - Jun 2014 Actual
Gold Production (oz)	176,000 - 184,000oz	**80,923oz**	**42,324oz**
C1 Cash Cost per Ounce	$870 - $930/oz	**$996/oz**	**$997/oz**

On 17 April 2014 Norton Gold Fields Ltd (ASX:NGF) (Norton or the Company) announced an all cash takeover offer for Bullabulling Gold Limited (ASX:BAB). As at the end of 22 July 2014 Norton had obtained a relevant interest of 65.34% of Bullabulling shares on issue *(see ASX announcement dated 23 July 2014)*.

In additon to the Bullabulling takeover, and in line with Norton's goal to double production in the mid term, a term sheet was signed with Excelsior Gold Limited (ASX:EXG) providing a long-term milling allocation at the Paddington Mill.

Norton poured its one millionth ounce of gold since the acquisition of Paddington Operations in 2007. At Paddington, plant optimisation has again been a highlight with record tonnes milled and mill throughput during the quarter. Lower than expected grades earlier in the year have been largely resolved resulting in above budget gold production in the month of June. Underground capital development has ramped up in line with developing infrastructure at the Bullant underground operation.

With our business improvement plan progressing we remain on track to achieve 2014 Production Guidance (see ASX announcement 25 February 2014).

HIGHLIGHTS

- **Gold production of 42,324oz for June 2014 Quarter**
- **C1 cash costs of $997/oz for June 2014 Quarter**
- **Takeover offer for Bullabulling Gold Limited**
- **Norton pours 1 millionth ounce of gold**

About Norton

Norton Gold Fields Limited (ASX:NGF) is an established mid-tier gold producer. In CY2013, Norton produced 172,739 ounces of gold from its open cut and underground operations at Paddington, near Kalgoorlie in Western Australia. The Company holds extensive granted mining and exploration leases in the pre-eminent Kalgoorlie goldfields, with a land package of 710km^2. Norton's Vision is to be a leading long term gold producer and to achieve this has adopted a business model that seeks to attain sustainable and increased production within a strict cost control environment.

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NORTON GOLD FIELDS LIMITED

June 2014
Quarterly Activities Report

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Safety & Environment

One lost time injury (LTI) was recorded in May when a contract driller suffered a laceration and fracture to his finger. No further incidents saw Norton's Lost Time Injury Frequency Rate (LTIFR) decline to 2.6 at the end of the quarter, equivalent to the Western Australian gold industry benchmark.

The Paddington Operations Mines Rescue team placed 4th overall in the Chamber of Mines & Energy's 2014 Surface Mines Rescue Competition held in May. This was an excellent achievement given the practice of rotating new members through competition teams to increase the number of personnel exposed to high level emergency response.

A 990H loader tipped over into the crusher ROM bin whilst feeding the primary crusher in June. No injuries were sustained and there was no halt in production. The incident was reported to the Department of Mines & Petroleum.



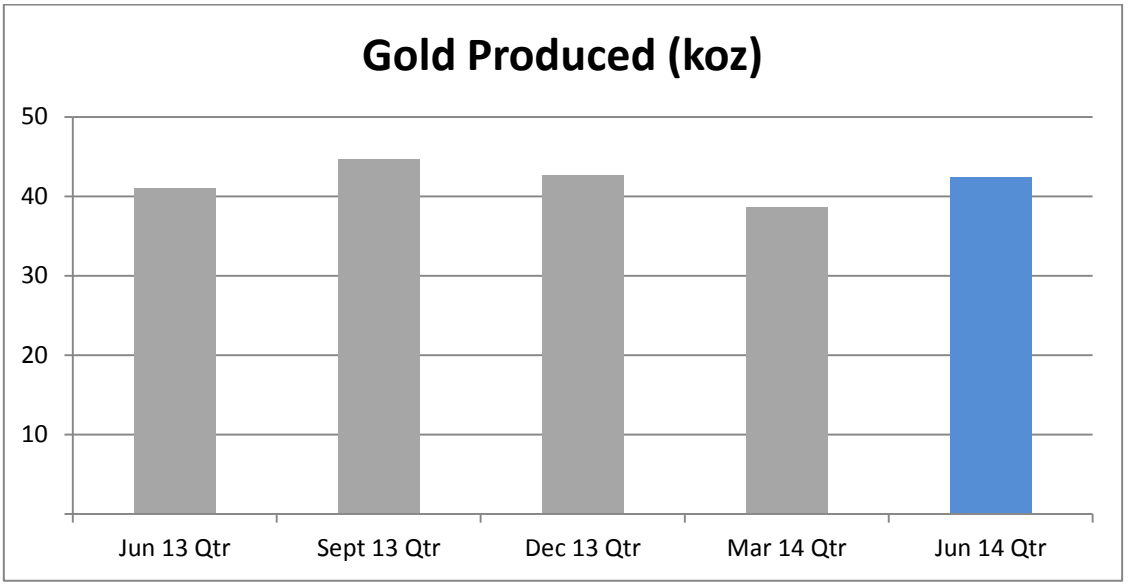
Photo courtesy of Chamber of Minerals & Energy of Western Australia

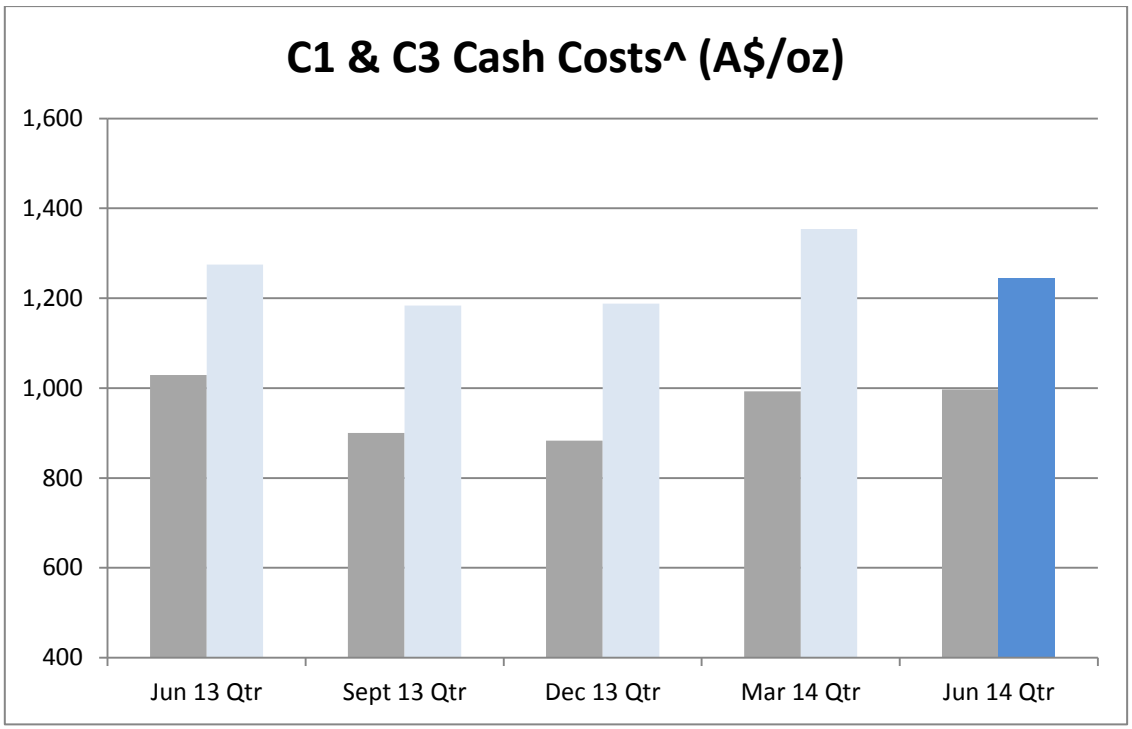
Paddington Operations

Summary

- During the June 2014 Quarter 42,324oz of gold was produced (41,632oz of gold was shipped).
- During the June 2014 Quarter the Paddington Mill processed 933,421 tonnes of ore at a 1.59 g/t head grade with 89% recovery.
- The June 2014 Quarter C1^ cash cost was $997/oz.

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^ Refer to page 6 for a definition of C1 cash cost per ounce

Capital expenditure for the June 2014 Quarter (excluding exploration) was $713K, mainly attributable to Enterprise haul road upgrades and Hyperjet shear react trials and installation. The Hyperjet shear reactor is a device that is installed in the pipeline between the ball mill and the leach tanks in order to improve the amount of oxygen dissolved into the pulp. In simple terms this should be result in the gold being available sooner and the ability to better control the quantity of cyanide added to the circuit.

Exploration costs for the quarter were $2.6M. Please refer to the June 2014 Exploration Update to be released later this month for details on our exploration activities during the quarter.

Open Cut Mining

Open Cut	Jun 14 Qtr	Mar 14 Qtr	Dec 13 Qtr	Sept 13 Qtr
Volume mined (kbcm)	**2,864**	2,288	2,975	3,795
Ore tonnes (kt)	**701**	1,300	690	711
Mine grade (g/t)	**1.33**	1.17	1.20	1.22

Mining of Golden Flag and Green Gums open cut mines was completed during the June 2014 Quarter and rehabilitation commenced at the completed Mt Pleasant operations. Mining continued in the Enterprise mine with development of Stage 2 advancing during the June Quarter. Mining was impacted late in the quarter due to downtime associated with the EX3600 excavator.

Total ore mined during the quarter was 700,639 tonnes. Year to date $/tonne of ore mined equates to $19/tonne.

Haulage commenced with 170t road trains in late May. This will have a positive effect on haulage costs in the coming months.

The Company continues to champion its business improvement plans and has begun to realise significant cost savings. Further business improvement measures are being identified and activated which should improve efficiency and reduce costs.



Photo by Hilton Green, Experienced Truck Operator, Paddington Operations

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Homestead & Bullant Underground Mining

Ramp up of capital development was in line with developing infrastructure at the Bullant underground operation. Ore tonnes continue to improve from both Homestead and Bullant underground operations.

Underground	Jun 14 Qtr	Mar 14 Qtr	Dec 13 Qtr	Sept 13 Qtr
Ore tonnes (kt)	**88**	80	70	53
Mine grade (g/t)	**5.76**	5.21	8.49	9.80
Ore development (metres)	**1,183**	1,190	1,258	1,009
Capital development (metres)	**520**	92	83	398

Processing

Norton poured its one millionth ounce of gold from the Paddington Operations on 13 May 2014. The pour signified in the order of 4.7 million ounces of gold extracted from Paddington since it was first opened in 1985, representing nearly 30 years of continuous operation.

During the June 2014 Quarter the Paddington Mill processed 933 thousand tonnes (kt) of ore at a 1.59g/t head grade with 89% recovery. This included record milled tonnes of 336kt in May.

The Paddington Mill also achieved record monthly mill throughput rate of 461tph in June for a YTD average of 446tph. Unit cost per tonne milled fell substantially from the beginning of the quarter due to the high throughput combined with sustained effort on reducing reagent use and cost. Further cost saving metallurgical projects continue to be investigated or trialled.

41,632oz of gold was shipped during the June 2014 Quarter at an average gold price of $1,476/oz. Gold shipped was below budget expectations due to lower than budgeted feed grades, however Norton remains on track to achieve 2014 Production Guidance.

Ore Processing		Jun 14 Qtr	Mar 14 Qtr	Dec 13 Qtr	Sept 13 Qtr
Ore milled	**(kt)**	**933**	880	865	889
Feed grade	**(g/t)**	**1.59**	1.49	1.65	1.65
Recovery	**(%)**	**89%**	91%	93%	94%
Gold production	**(oz)**	**42,323**	38,600	42,616	44,606
Average gold price	**(A$/oz)**	**1,469**	1,476	1,498	1,518

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Costs

The C1 cash cost for the June 2014 Quarter was $997/oz, higher than previous quarters due to lower than budgeted feed grades and recovery resulting in lower gold production and higher unit costs. With grades increasing towards the end of the quarter, Norton maintains its 2014 Cost Guidance.

		Jun 14 Qtr	Mar 14 Qtr	Dec 13 Qtr	Sept 13 Qtr
C1 cash cost	**(A$/oz)**	**997**	993	883	900
C2 production cost	**(A$/oz)**	**1,179**	1,296	1,145	1,130
C3 total cost	**(A$/oz)**	**1,244**	1,342	1,188	1,184

^C1 Cash cost represents the costs for mining, processing, administration, including accounting movements for stockpiles and gold-in-circuit. It does not include capital costs for exploration, mine development or processing mill capital works. It includes net proceeds from by-product credits. It does not include the cost of royalties.

C2 Production cost reflects C1 costs plus depreciation and amortisation. This brings in the capital cost of production.

C3 Total cost reflects C2 plus interest, other indirect costs and royalties. Total cost represents all costs attributable to gold production over the same period.

Other Projects

Mount Morgan Mine

In April, Norton signed an agreement with Raging Bull Metals Pty Ltd (a wholly owned subsidiary of Carbine Resources Limited (**ASX: CRB**)), pursuant to which Carbine may acquire the Mount Morgan Mine and Kundana CIP Plant (please see ASX announcement dated 3 April 2014). Norton is pleased with the progress achieved by Carbine as its initial testwork results have exceeded expectations and Carbine will proceed with Phase 2 testing. *(See CRB announcement dated 18 June 2014 – Metallurgical testwork confirms proof of concept to extract gold & copper at Mount Morgan)*.

Corporate

At the end of June 2014 Quarter, Norton had $27M cash and cash equivalents in bank.

In response to the WA government review of royalties on mineral commodities, the Company has joined with other fellow WA gold producers to form a Gold Royalties Response Group to respond on behalf of the gold industry as a whole.

The annual Work Gender Equality Agency (WGEA) report for compliance on gender equity in the workforce was submitted during the quarter and Norton subsequently received confirmation that it is compliance with the *Work Place Gender Equality Act 2012* (Cth). Public reports are available on the WGEA website.

Norton executed a term sheet with Excelsior Gold Limited (**ASX: EXG**) during the June 2014 Quarter providing a long-term milling allocation at the Paddington Mill (please see ASX announcement dated 18 June 2014). The agreement provides Excelsior with an allocation of 2.5 million (dry) tonnes over 5 years with an option to extend on a yearly basis for a further 5 years. Excelsior has committed to contributing to part of the capital expenditure required for a potential upgrade and refurbishment to a maximum of $12.5 million. Subject to completion of final due diligence and a feasibility study, along with Board approval, an Ore Treatment Agreement could be executed in Q3 2014.

Norton continued to review and consider mining of the Mick Adams – Kiora and Wadi projects in accordance with its Option for Licence to Mine and Ore Sale Agreement with Phoenix Gold Ltd (**ASX:PXG**) *(See PXG announcement dated 21 February 2014 – Phoenix Delivers Studies to Norton Gold Fields in line with Staged Development Plan)*.

Bullabulling Gold Limited

On 17 April 2014 Norton announced an all cash takeover offer for Bullabulling Gold Limited (**ASX: BAB**) (**Bullabulling**) of 7 cents per share. The acquisition was approved by the Foreign Investment Review Board on 5 May 2014 at which time the offer was declared unconditional. Norton increased the offer price to 8 cents per share on 1 July free of any conditions.

As at the close of business on 22 July 2014 Norton had a relevant interest of 65.34% *(see ASX anouncement dated 23 July 2014)*. Two of Norton's directors, Dr Dianmin Chen and Dr Noel White, have been appointed to the board of Bullabulling. In line with its Bidder's Statement *(see ASX announcement dated 17 April 2014),* Norton will conduct a review of Bullabulling's business, assets and operations to identify the most effective means of exploring and developing Bullabulling's projects.

Gold Royalties Response Group

The West Australian Government opened a consultation period for a review of the State's mineral royalty system in 2013. The outcome of the review is expected to be announced ahead of the 2015 State Budget.

Based on the exemptions for petroleum and magnetite iron ore included in the review's terms of reference and the State Agreements that apply to many major resources project's, Norton believes there is a reasonable basis to expect the gold industry will be targeted as part of the review.

This has the potential to impact the value of Norton's operations. The Board believes it is in the best interests of shareholders for us to be part of a group offering a coordinated response to this issue and has joined the Gold Royalties Response Group (GRRG).

The GRRG represents the interests of Western Australian gold producers in response to the State Government's mineral royalty review.

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Working in collaboration with the Association of Mining and Exploration Companies and the Chambers of Minerals and Energy of Western Australia, the GRRG offers its members a platform to address the gold royalties issue with a united voice. Independent research has confirmed any increase in gold royalty rates may result to mine closures, cutbacks in exploration, widespread job losses and have a negative flow-on effect for the State's economy.

Your Board believes it is important to stand up for the gold sector by supporting a state-wide public awareness campaign to communicate the considerable social and economic value gold mining operations bring to regional Western Australia. Together, state gold producers employ more than 25,000 Western Australians. We create opportunity, employment and prosperity to support the communities in which we work.

We will keep shareholders updated on this issue and the work of the GRRG. For more information visit www.grrg.com.au.



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NORTON GOLD FIELDS LIMITED

June 2014 Quarterly Activities Report

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Corporate Directory

Board & Senior Management

Jinghe Chen
Non-Executive Chairman

Dianmin Chen
Managing Director
& Chief Executive Officer

Anne Bi
Non-executive Director

Xuelin Cai
Non-executive Director

Noel White
Non-executive Director

Terry Moylan
General Manager Projects & Business Development

Steven Phan
Chief Financial Officer

Peter Ruzicka
General Manager Exploration

Guy Simpson
General Manager Technical Services

Cullum Winn
General Manager Paddington Operations

Company Secretary

Richard Jones
General Counsel / Company Secretary

Media Relations

Warrick Hazeldine / Annette Ellis
Purple Communications
Tel: +61 (8) 6314 6300

ASX Listed Share Capital

931,850,665 million ordinary shares

Presentation and Rounding

Unless stated otherwise, all dollars shown are Australian dollars.

YTD

YTD means 2014 calendar year to date

Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information compiled by Peter Ruzicka. The information in this report that relates to Mineral Reserves is compiled by Guy Simpson and Elizabeth Jones. Exploration drilling results have been compiled by Peter Ruzicka. In some instances material relating to historical resource models is reported, these models have been reviewed and validated by Peter Ruzicka.

Peter Ruzicka, Guy Simpson and Elizabeth Jones are all members of the Australasian Institute of Mining and Metallurgy and full-time employees of Norton Gold Fields Limited.

Guy Simpson, Elizabeth Jones and Peter Ruzicka 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 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Guy Simpson, Elizabeth Jones and Peter Ruzicka all consent to the inclusion in this report of matters based on their information in the form and context in which it appears.

Mount Morgan Project

The information in this report that relates to Mineral Resources of the Mount Morgan Mine project was prepared in accordance with the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code") and is based on, and fairly represents, information and supporting documents prepared by Troy Lowien, Resource Geologist, of consultants Coffey Mining Pty Ltd, who is a Member of The Australian Institute of Mining and Metallurgy ("AUSIMM") and has a minimum of five years of experience in the estimation, assessment and evaluation of Mineral Resources of this style and is the Competent Person as defined in the JORC Code. Troy Lowien conducted the geological modelling, statistical analysis, variography, grade estimation and report preparation. This report accurately summarises and fairly reports his estimations and he has approved and consented to the resource report in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Paddington Reserve and Resource statement (gold) as at 31 December 2013

Reserve	Mt	g/t	Moz
Proven	1.32	1.49	0.06
Probable	17.7	1.77	1.01
Total	19.0	1.75	1.07

Resource	Mt	g/t	Moz
Measured	2.61	1.61	0.13
Indicated	73.9	1.41	3.35
Inferred	57.6	1.86	3.45
Total	134.2	1.61	6.94

Mount Morgan Resource statement (gold) as at 31 December 2012

	Mt	g/t	Moz
Indicated	2.487	1.59	0.127
Inferred	5.861	1.07	0.199
Total	8.348	1.23	0.326

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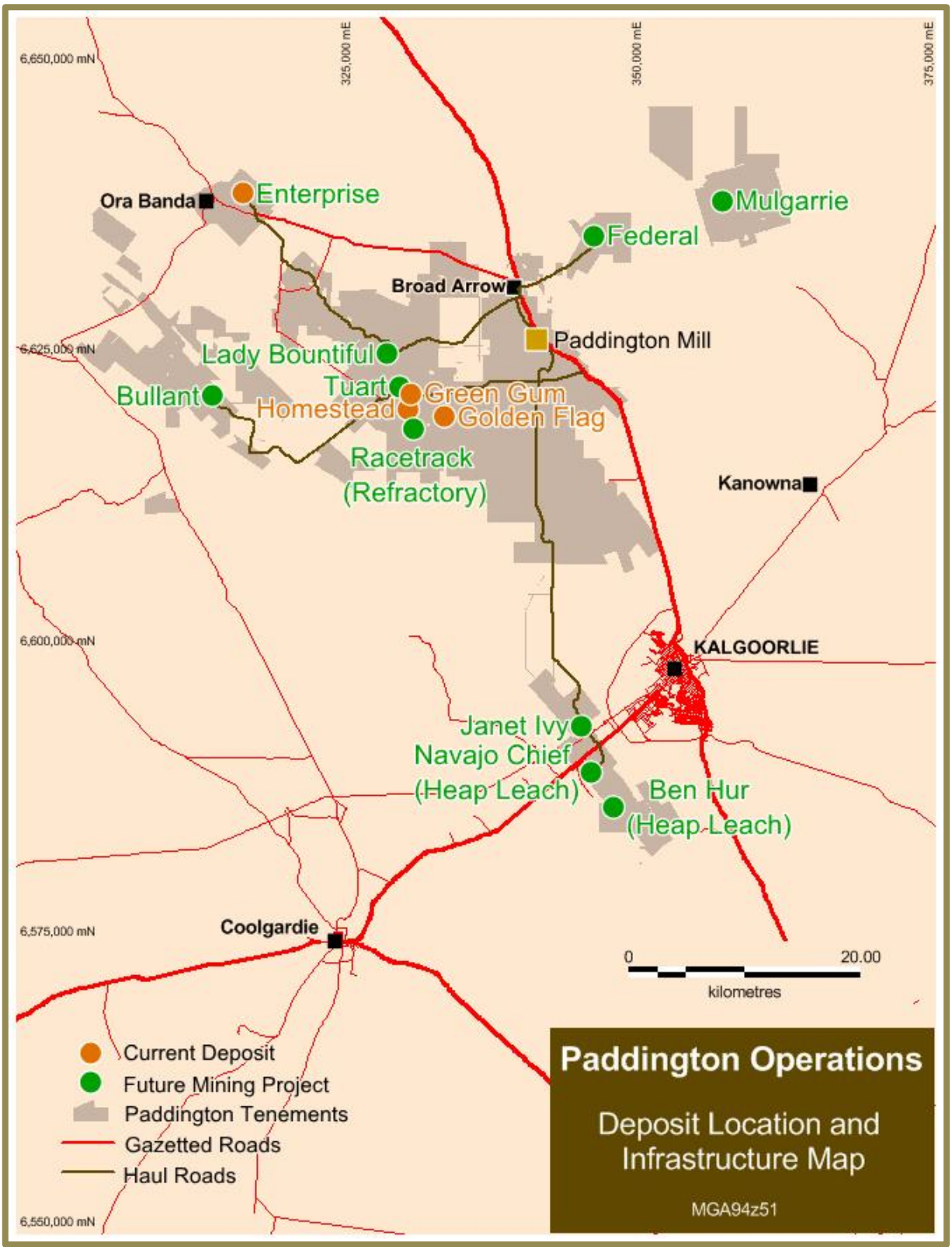
Share Registry

Link Market Services
Level 15, 324 Queen Street
Brisbane Qld 4000

Tel 1300 554 474 (within Australia)
Tel +61 1300 554 474 (overseas)

Please direct shareholding enquiries to the share registry

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Paddington Operations location map: mine sites and haul distances to the plant.

Background: *Paddington has conventional open cut and underground mining operations and a carbon-in-leach (CIL) processing operation with capacity to process in excess of 3.3Mt of ore annually. Located 35km north of Kalgoorlie, the Paddington Mill operates 24 hours a day, 365 days a year. Most staff live in Kalgoorlie, a major regional centre and excellent support hub for mining in the Goldfields.*