

Kalgoorlie Miner

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HD Phoenix **Gold stake** leaves options open for Norton
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Chinese-backed Norton **Gold** Fields Limited has announced the **acquisition** of a 10.7 per cent **stake** in Kalgoorlie-based Phoenix **Gold**, refuelling speculation of a surge in **Chinese** investment in the **gold** sector.

Norton **Gold** Fields, which was acquired by **China**'s biggest producer, Zijin **Mining** Group, for \$229 **million** in August 2012, released an ASX announcement yesterday afternoon confirming the move.

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The statement said Norton had no present intention to make a takeover bid for Phoenix's remaining shares, but reserved the right to do so in the future.

There has been persistent speculation about the **Chinese** closing in on Phoenix since 2012, when Phoenix signed a deal valued at \$54.4 **million** with Norton to develop the Catherwood mine, about 25km west of Kalgoorlie-Boulder.

Norton **Gold** Fields managing director Dianmin Chen yesterday played down suggestions the move onto Phoenix's register could be a prelude to a full-blown takeover of Norton's near-neighbour.

Mr Chen admitted the **acquisition** of the 10.7 per cent holding of Phoenix could also be seen as a blocking **stake**, in case other regional predators were considering a move on the **company**, but added that Norton saw no direct threats on the horizon.

"Really our key point is that it is a strategic holding for us, which is going to give us an opportunity to work with Phoenix closely to develop the region more efficiently and more cost effectively," he said.

But Phoenix managing director Jon Price told the Miner yesterday he "wouldn't be surprised" if Norton made a future bid for an increased holding.

"It's really no great surprise, for Norton to take a greater interest in Phoenix, I don't think that's a surprise to anybody," Mr Price said.

CO nogofe : Norton Gold Fields Ltd
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NS c181 : Acquisitions/Mergers/Takeovers | cacqu : Acquisitions | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : C&E Industry News Filter
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